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REPORT

OF THE

JUTE ENQUIRY COMMISSION

GOVERNMENT OF PAKISTAN

MINISTRY OF COMMERCE

1960

CONTENTS

CHAPTER I

INTRODUCTORY

Appointment of the Commission

1. The Government of Pakistan, Ministry of Commerce, by Resolution No. 335/631/59-CP, dated the 8th June, 1959 (published in the *Gazette of Pakistan Extraordinary*, dated the 8th June, 1959), appointed a Jute Enquiry Commission consisting of the following to enquire into the production, prices, marketing and export of jute and jute goods and to recommend measures for improvement.

Chairman.

1. Mr. Zakir Husain, Governor of East Pakistan (now Minister for Interior, Government of Pakistan).

Members.

2. Mr. K. S. Islam, C.S.P., Chairman, Jute Board.
3. Mr. M. Mehdy Ispahani, Chairman, Pakistan Jute Association.
4. Mr. A. Jalil, Chairman, Pakistan Jute Mills Association.
5. Rai Bahadur R. P. Saha, Managing Director, Kumudini Welfare Trust of Bengal.
6. Mr. A. Muhajir, S.Q.A., Managing Director, National Bank of Pakistan.
7. Dr. S. D. Chaudhuri, Director of Jute Research (Agriculture).
8. Mr. Muhammad Ghouse Mohiaddin, Deputy Governor, State Bank of Pakistan (Representative of the Ministry of Finance).
9. Mr. Mohammad Amin, B. L. Advocate, Rangpur (Representative of Growers).
10. Mr. Afazuddin Fakir, Narayanganj (Representative of Aratdars).

Member-Secretary.

11. Mr. Rakibuddin Ahmed, Secretary, Pakistan Central Jute Committee.

This Commission was appointed in replacement of the Commission of Inquiry set up in September, 1957. It was given the power to co-opt any other persons as members if it so desired.

2. Mr. A. Muhajir, S.Q.A., expressed his difficulty in attending meetings of the Commission at Dacca and in his place Mr. M. Raschid T. Pk., Chief Manager (now Deputy Managing Director), National Bank of Pakistan, Dacca, was appointed by Government Notification No. 335/631/59-CP, dated the 30th July, 1959. Later,

on the 11th August, 1959, Mr. Sanwar Ali, Financial Adviser and Chief Accounts Officer, Eastern Bengal Railway (formerly Finance Member, Jute Board, Chairman, East Pakistan Jute Marketing Corporation and Secretary, Jute Department, Government of East Pakistan) and Mr. Rashid Ahmed, Director, Messrs. Sinclair Murray (Pakistan) Ltd., (formerly Director of Jute Prices, Government of East Pakistan) were co-opted as members. Their co-option was notified by Government under Notification No. 335/631/59-CP-1, dated the 5th November, 1959. Mr. G. Faruque, H. Pk., Chairman, West Pakistan Water and Power Development Authority (formerly Chairman, Jute Board) was co-opted as member on the 11th January, 1960.

Terms of Reference

3. The terms of reference of the Commission were as follows :

1. To recommend the appropriate size of the jute crop to be grown over the next five years, having regard to requirements, both internal and external, price-levels and world trends in the use of jute, competing fibres and substitutes.
2. To assess and advise on the areas where good quality jute should be grown with due regard to other land uses in the context of national economy.
3. To make recommendations on how to maximise yields of superior jute and lower costs of production through the use of improved seeds and farming methods.
4. To suggest measures to ensure stable price levels and a fair return to the grower, aratdar and baler.
5. To examine existing arrangements for storage and marketing, including the financing and insurance of the crop and suggest measures for improvement.
6. To consider baling and transport facilities and make recommendations for their improvement.
7. To study the existing system of private trading in jute and propose measures for improvement with particular reference to the elimination of malpractices in the jute export trade.
8. To make recommendations regarding the grading of jute and the maintenance of quality standards.
9. To examine the production, prices, marketing and export of jute goods and suggest steps for improvement.
10. To assess the internal and external demand for jute goods over the next five years and recommend targets for the production of hessian, bags, sacking and other jute manufactures.
11. To consider and make recommendations on the desirability of providing facilities for research into new uses of jute in industry.
12. To study the existing Governmental procedures and agencies dealing with the growing and marketing of jute and the production of jute goods and to advise on the need for changes.
13. Any other matter connected with or incidental to the above.

Plan of Work

4. With the approval of the Chairman, the Member-Secretary prepared a draft plan of work and a draft questionnaire which were circulated among the members by early July, 1959. The Commission held its first meeting on the 6th July, 1959 to discuss the plan of work and the questionnaire. The plan of work as approved by the Commission was as follows :—

(*i*) Information relating to the various terms of reference would be collected by means of a questionnaire circulated among Government officials, traders, industrialists, and knowledgeable people interested in jute within and outside the country. Relevant data and other material would be collected directly from accessible sources such as Government Departments, commercial organisations, research institutes and Pakistan's diplomatic missions abroad.

(*ii*) To supplement the above information, the Commission would visit various jute centres in East Pakistan to meet different classes of people connected with the production, marketing, and manufacturing of jute and elicit their views. A delegation of the Commission would also visit Europe to ascertain the views of the foreign jute buyers and manufacturers.

(*iii*) Precis of all the information so collected would be circulated among the members of the Commission.

(*iv*) All written replies to the questionnaire, oral evidence, data and other relevant material would then be analysed and the Report would be drafted by the Member-Secretary. The draft report would be examined by each member of the Commission and necessary corrections or suggestions for modification would be furnished to the Member-Secretary. After correction the final report would be placed before the Commission for approval.

Tours and Meetings

5. In pursuance of the above plan, the Commission appointed a Sub-Committee, consisting of the following members, to scrutinise the draft questionnaire prepared by the Member-Secretary :—

1. Mr. K. S. Islam, C.S.P.
2. Mr. M. M. Ispahani.
3. Mr. M. Raschid.
4. Dr. S. D. Chaudhuri.
5. Mr. Rakibuddin Ahmed.

The Sub-Committee held its meetings on the 8th, 9th and 10th July and examined the draft questionnaire. It was decided to issue two separate questionnaires—one to be answered by people and organisations within the country and the other to be answered by organisations abroad[1]. The revised drafts of the questionnaires were circulated among the members and were finally approved by the Commission at its second meeting, held on the 14th July. The copies of the first questionnaire (internal) were circulated by the end of July. Its Bengali version was published in the local dailies in the middle of August, 1959. The copies of the second questionnaire (external) was circulated by the end of August, 1959, to foreign agencies, foreign manufacturers of jute goods, and traders in jute and jute goods.

[1] *Vide* Appendix A-1 & A-2.

6. At its 1st meeting, the Commission also decided that a Sub-Committee consisting of (1) Mr. K. S. Islam, (2) Mr. M. M. Ispahani, (3) Mr. A. Jalil, (4) Mr. M. Raschid, (5) Dr. S. D. Chaudhuri, (6) Mr. Mohammad Amin, (7) Mr. Afazuddin Fakir, and (8) Mr. Rakibuddin Ahmed would visit the following 12 centres in East Pakistan :—

1. Chandpur.
2. Bhairab Bazar.
3. Iswarganj.
4. Mymensingh.
5. Sarisabari.
6. Rajbari.
7. Sirajganj.
8. Madaripur.
9. Gaibandha.
10. Rangpur.
11. Saidpur.
12. Santahar.

These were considered to be the representative jute centres from where first-hand knowledge of the various aspects and problems of jute could be obtained. It was also decided that all the members of the Commission including the Chairman would visit Narayanganj, Chittagong and Khulna. Further, the Commission agreed to hold three special sittings at the Government House, Dacca, in order to examine high officials of the Central and Provincial Governments, and representatives of the Dacca University and important trade organisations.

In the meantime, a list of the data required was prepared and various Government Departments and Trade Associations were requested to furnish them. This list, along with the names of persons to whom the questionnaire was to be sent and of those who were to be interviewed at Dacca and Narayanganj, was approved at the third meeting of the Commission held on the 11th August, 1959.

7. The District Magistrates and Sub-divisional Officers concerned were requested to prepare a list of at least 10 witnesses for each selected centre covering the following categories of persons :—

(*i*) Government officials such as District Magistrate, Sub-divisional officers or Circle officers, Agricultural officers, Co-operative Inspector and Bank officials.

(*ii*) Local people, such as Chairman or Vice-Chairman of District Board, Presidents of Union Boards and other non-officials.

(*iii*) Dealers in jute, such as kutcha balers, pucca balers, aratdars, dalals beparis and farias.

(*iv*) Jute growers.

8. The Sub-Committee toured during the period from the 22nd August to the 29th September and collected evidence from 290 persons[1] at 12 centres of the province as shown below :—

Date of visit		Name of centres visited	Number of witnesses examined				Total
			Govt. officials	Local people	Balers & others	Growers	
22-8-59	Jat Area	Chandpur ...	4	1	12	5	22
26-8-59		Bhairab-bazar	7	2	11	10	30
29-8-59 & 30-8-59		Mymensingh	3	..	16	11	30
31-8-59		Ishwarganj ..	6	..	2	7	15
9-9-59		Sarisabari ...	4	..	12	8	24
10-9-59	District area	Sirajganj ...	4	2	12	5	23
18-9-59		Rajbari ...	4	4	2	7	17
12-10-59		Madaripur ...	4	2	11	2	19
26-9-59	Northern area	Gaibandha	4	1	10	7	22
27-9-59		Rangpur ...	5	..	16	5	26
28-9-59		Saidpur ...	3	..	10	8	21
29-9-59		Santahar ...	6	..	19	16	41
	Total ...	12 centres ...	54	12	133	91	290

9. A precis of the oral evidence collected at each centre was circulated among the members after each tour. The Commission held its fourth meeting on the 25th September, 1959 to review the evidence collected by then.

10. The Commission, including the Chairman, visited Chittagong in the last week of October, 1959 and in addition to interviewing witnesses, inspected the port and transport facilities at Chittagong. During December, 1959 and January, 1960

[1]List of witnesses is shown in Appendix B-1.

the Commission including the Chairman, examined witnesses at Dacca, Narayanganj and Khulna. In all 102 witnesses were interviewed at these four places as shown below[1] :—

Date of visit	Place of visit	High officials	Traders		Mills	Banks	Shipping Companies	Knowledgeable people	Total
			Shippers	Others					
22-10-59 23-10-59	Chittagong	9	2	..	1	2	4	..	18
4-12-59 8-1-60 11-1-60	Dacca ...	14	12	..	2	..	..	9	37
5-12-60	Narayanganj.	5	4	7	7	..	..	..	23
18-12-59 19-12-59	Khulna ...	3	11	1	5	4	..	..	24
	Total ...	31	29	8	15	6	4	9	102

This brought to a close the tours and meetings in East Pakistan.

Tour in Europe

11. Persistent requests were received by the Commission from various British and Continental trade organisations to send a Jute Delegation to Europe. They emphasised that the Commission should hear them and make an on-the-spot study of their problems before finalising its recommendations. In November, 1959 the Government of Pakistan decided to send a delegation of the Commission to Europe.

Accordingly a delegation consisting of Mr. G. Faruque, H. Pk., (Leader), Mr. Rachid Ahmed (Member), & Mr. R. Ahmed (Member-Secretary) left Karachi on the 27th February, 1960. At the request of the leader, Messrs. G. M. Adamjee, A. Jalil and Afazuddin Fakir accompanied the Delegation as advisers. Mr. R. E. B. Willcox, a former Chairman of the London Jute Association, acted as consultant to the Delegation. The Delegation met the representatives of the following organisations :—

(*i*) London Jute Association on the 1st March, 1960 (London).

(*ii*) Association of European Jute Industries on the 3rd March, 1960 (Paris).

(*iii*) The Jute Importers Association Ltd. on the 7th March, 1960 (Dundee).

(*iv*) The Association of Jute Spinners & Manufacturers on the 7th March, 1960 (Dundee).

(*v*) The Conference Lines on the 8th March, 1960 (London).

On his way back Mr. Rakibuddin Ahmed stopped at Rome and had discussions with the F.A.O. specialists on jute, particularly Mr. T.S. Robertson and Mr. R. Clark on the 10th March, 1960. The Delegation returned to Pakistan by the middle of March. A meeting of the Commission was held on the 5th April, 1960 in which Mr. G. Faruque and other members presented their impressions of the European tour. Later in the month Mr. Faruque submitted a note on his tour impressions in Europe.

[1]List of witnesses is shown in appendix B-1.

Collection of Information

12. In all 5033 copies of the questionnaire (internal) were circulated among various interests in Pakistan and 184 copies of the questionnaire (external) were sent outside the country. The last date for receiving replies to the questionnaire originally fixed was the 30th September, 1959. This was later extended upto the middle of October. However, replies, data, and otes and memoranda were recieved upto the end of October. In all, 112 written replies to the questionnaire (internal) were received as shown below[1]:—

Government Departments	13
Government officials	6
Commissioner, D. Ms., S.D.Os.	29
Jute Directorate staff	26
Shippers & P.J.A.	8
Mills and P.J.M.A.	5
Traders	17
Knowledgeable people	6
Banks	2
	112

Replies to the questionnaire (external) were received from the following :—

1. M/s D. Pirie & Co. (London) Ltd., London.
2. London Jute Association, London.
3. The Jute Importers Association Ltd., Dundee.
4. The Association of Jute Spinners & Manufacturers, Dundee.
5. Association of European Jute Industries, Paris.
6. Association of Dealers in Jute, Hemp & Flax, Hamburg.
7. Soft Fibre Manufacturers' Institute, U.S.A.
8. The Burlap & Jute Association, U.S.A.
9. Japan Jute Association, Japan.

Interim Report

13. As it was not possible to complete the tours and submit a report by the end of December and the 1960-61 sowing season was approaching, it was decided that the Commission should submit an Interim Report covering the immediate issues connected with the cultivation of jute, *viz.*, size of the jute crop to be grown in the 1960-61 season, areas where this crop was to be grown, areas where cultivation of jute would be banned and whether licensing of jute cultivation was to be abolished. These issues were discussed in a meeting of the Commission on the 11th January, 1960 and a Sub-Committee consisting of (1) Mr. G. Faruque, (2) Mr. K. S. Islam, (3) Mr. Sanwar Ali, (4) Dr. S. D. Chaudhuri and (5) Mr. RakibuddinAhmed, was formed to work out the details and submit its recommendations to the Commission on the 13th January, 1960. The Commission approved the recommendations of the Sub-Committee and an Interim Report was drafted accordingly and submitted to the Ministry of Commerce by the middle of February, 1960[2].

[1] For the list of witnesses who sent written replies *vide* App. B-2.

[2] Vide Appendix C-2.

Drafting of the Main Report

14. As a preliminary to drafting the main report written evidence including that from foreign countries was analysed, compiled and circulated among the members during the period from November, 1959 to March, 1960. In the meantime, the Commission approved a frame-work of the report in its meeting held on the 14th February, 1960. The drafting of the report was started in April, 1960 after the return of the Jute Delegation from Europe. By the end of August, 1960, a major portion of the report was drafted, which was scrutinised by a Sub-committee consisting of the following members:—

(*i*) Mr. K.S. Islam, (*ii*) Mr. A. Jalil, (*iii*) Mr. M.M. Ispahani, (*iv*) Dr. S.D. Chaudhuri, (*v*) Mr. Rashid Ahmed and (*vi*) Mr. Rakibuddin Ahmed. The draft chapters were revised on the line suggested by this Sub-committee and were circulated among the members. The Commission met on the 14th and 15th October, 1960, at Dacca to consider the draft report and finalised the recommendations made in it after certain modifications. In the light of these modifications necessary additions and alterations were made in the Report, which was further scrtuinised at the Commission's meetings held in Lahore from 14th to 17th November, 1960. In the course of the next three weeks the report was given its final shape and was unanimously approved at the Commission's meeting held at Dacca on the 13th December, 1960.

Scope of the Report

15. The scope of the Report as outlined in the terms of reference covers all aspects of jute-production, manufacture, prices, marketing and research, etc. A historical background, with an indication of the importance of jute in the national economy of Pakistan, is given in Chapter II. The main report is divided into five broad parts.

16. The first part comprising Chapters III, IV, V and VI deal with:—

(*i*) the demand for Pakistan raw jute (Chapter III);

(*ii*) the areas where the required size of the jute crop is to be grown and the measures by which the quality and yield of jute can be imrpoved (Chapters IV and V);

(*iii*) the factors affecting the prices of jute in the internal market as well as in the external market, and

(*iv*) the measures necessary for bringing about stability in jute prices and for ensuring a fair return to the grower (Chapter VI).

17. The second part covers the marketing of jute within and outside the country. The existing structure of the internal market with special reference to the facilities of storage, insurance, finance, baling and transport along with measures for their improvement is discussed in Chapter VII. The structure of the export market, the role of trade association and the various problems connected with the export of raw jute with particular reference to shipping, malpractices, arbitration and difficulties of small shippers are discussed in Chapter VIII. The question of State trading also is examined in this Chapter.

The crux of the problem of internal and external marketing is the standardisation of grades and maintenance of quality standards, which are discussed separately in Chapter IX.

18. The third part covers:—

(*i*) the problems of production and marketing of jute goods (Chapter X);

(*ii*) the expansion of the jute industry in Pakistan (Chapter XI) and

(*iii*) the existing facilities of research on the new uses of jute and their improvement (Chapter XII).

19. The fourth part of the report covers the role of the Government in relation to jute cultivation, forecasting of jute crop, collection of jute statistics and the regulations relating to internal and external marketing of jute. The present administration of jute by several Government Departments is studied and a proposal is made to set up a single high powered Jute Authority under a separate Ministry of Jute to deal with all its aspects. A note on the operation of a buffer stock and the creation of a stabilisation fund is also included in this chapter (Chapter XIII).

20. The fifth part, that is the last Chapter, is a summary of all the recommendations made by the Commission.

Acknowledgements

21. We wish to express our sincere thanks to the various individuals, Government officials, representatives of the trade, the Pakistan Jute Association and the Pakistan Jute Mills Association and specially to the foreign organisations who responded to our invitation and replied to our questionnaires. We are also grateful to Mr. R. E. B. Wilcox, for assisting our Delegation in Europe as consultant.

We desire to place on record our appreciation of the services of the Member-Secretary, Professor Rakibuddin Ahmed, in the course of the enquiry and in drafting the report. We also appreciate the services of Mr. Akhtar Ali Khan, Assistant Secretary and Mr. Ahsanullah Siddiq, Research Officer of the Commission. We are grateful to the Pakistan Central Jute Committee for providing accommodation for the Secretariat of the Commission.

CHAPTER II

HISTORICAL BACKGROUND

22. Jute has been cultivated in the Bengal delta from time immemorial but no one can say when or from where it came. There are about 40 species of jute out of which only two, namely, Corchorus capsularis and Corchorus olitorius, are of commercial use. In the trade the former is known as 'White' and the latter as 'Tossa' jute.

23. Some earlier authorities believed Corchorus olitorius to have come from the Mediterranean region to the Indo-Pakistan sub-continent. According to watt (1908), the early habitat of olitorius is Khulna (East Pakistan), Burdwan and 24 Parganas (West Bengal, India), and that of capsularis is Ningpo and Tientsin in China.[1] Corchorus olitorius has been reported under wild and cultivated conditions in tropical regions of Africa and on the basis of the latest theory of origin of species, botanists now beleive that the primary centre of origin of olitorius is tropical Africa, while the secondary centre might be Indo-Pakistan or the Indo-Pak-Burma region.

24. The origin of capsularis was regarded by many early botanists as South China. However, wild varieties of capsularis have recently been reported from St. Martin's Island near Cox's Bazar, (East Pakistan) and from Bombay, Saurashtra and Madhya Pradesh (India). Many botanists now believe that the primary centre of origin of capsularis may have been the South East Asia region which includes South China, Burma and the Indo-Pakistan sub-continent.[2]

25. In ancient times jute was more or less a garden plant and its leaves were used as vegetable or medicine. The fibre value of the plant came to be known much later and to-day jute is cultivated mainly for its fibre.

It is interesting to note that although reference to the use of jute cloth is found in ancient and early mediaeval literature of India, it was in Akbar's time that jute became an important feature of the economic life of Bengal. For about 350 years from the first quarter of the 16th century upto the 3rd quarter of the 19th century jute was a flourshing cottage industry of Bengal. During the 16th and the 17th centuries, the poor in eastern and northern Bengal were mostly clad in sack cloth made of jute.[3] How important the industry had become by the middle of the 19th century can be seen from the following quotation from Forbes' Royle. "On all the eastern frontiers a great proportion of the women are clothed in the coarse cloth made of the Corchorus, which also gives them much employment"[4]. He quotes a letter from one Mr. Henley who wrote, "This industry forms the grand domestic manufacture of all the populous eastern districts of lower Bengal. It pervades all classes, and penetrates into every household. Men, women and children find occupation therein. Boatmen in their spare moments, husbandmen, Palankean carriers and domestic servants, everybody, in fact, being Hindoos—for Mussalmans spin cotton only—pass their leisure moments, distaff in hand, spinning gunny twist...

The stems and stalks of the jute crop are of almost equal value with the fibrous portion. They..... have a multitude of uses amongst the natives, such as for the manufacture of charcoal, for gun powder and fire works, for the formation of fences and enclosures for pea and similar cultivation—fuel—structures built up of mats and thatch...

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[1] Sir George Watt, Commercial Products of India, 1908, P. 407.

[2] B.C. Kundu, Origin of Jute, Indian Journal of Genetics & Plant Breeding, Vol. II, 1951, p. 95—99.

[3] Imperial Gazetteer of India, Vol. 3, 1907, p. 204.

Bengal fibre has now attained such an important position in the commerce of the world, that any suggestion for its improved production merits attention "[1].

26. It was, however, from the beginning of the 19th century that hand woven jute goods appeared prominently in the export trade of Bengal. The value of such exports was Rs. 108,275 in the year 1805.[2] In 1849-50, 13,200,000 pieces of jute goods worth Rs. 26,83,511 were exported from Bengal.[3] With the expansion of the jute mill industry in India and abroad, however, a decline in the hand-loom industry set in and by 1887-88 the value of hand-loom product dropped to Rs. 89,220. To-day the hand-loom cottage industry is almost extinct.

Factors Leading to the Expansion of Jute Cultivation and Export of Raw Jute from Bengal

27. The most important factor responsible for the expansion of jute cultivation and the jute export trade was the growth of the jute mill industry first in Scotland and then in other parts of the world. The first sample of jute for commercial experiment was despatched to England by the Board of Trade in Bengal in March, 1791[4] but it was not till 1832 that jute was successfully spun into yarn by M/s Belfour and Meldrum, Dundee. The flax machines were successfully adjusted to spin and weave jute and in 1833 pure all-jute cloth was produced. Machine-made yarn for commercial use also appeared in the market for the first time in 1835 and within a few years jute became a storng rival of flax and hemp in the European cordage and baggage market. Other auxiliary factors which were responsible for the increasing demand for raw jute were the following:—

(1) The decision of the Dutch Government in 1838 to pack coffee beans in jute bags; in that year the Dutch Government placed orders with Dundee firms for a large supply of jute yarn and bags. This strengthened the foundation of the Dundee jute industry.

(2) The Crimean War of 1854—56 shut out Russian flax and hemp from the world market and the jute of Bengal filled the gap.

(3) The American Civil War of 1860—65 was probably the most important external factor which firmly established the jute industry of the world. It came at a time when the Dundee jute industry was passing through bad days. Import of cotton from America became difficult and very costly. So, people who had so long been accustomed to cotton bags took to jute bags.

(4) The Franco-Prussian War of 1870-71 finally proved that war supplies could be transported in jute bags and some other war needs could be met by jute fabrics. Thus wars have not been unhelpful to jute.

28. From Dundee the industry spread to other countries of the world. It was started in France in 1843, in the U.S.A. in 1848, in India in 1855, in Germany in 1861, in Austria in 1869, in Belgium in 1871 and in Japan in 1882. Towards the end of the century the industry was established in Italy, Holland, Spain and Czechoslovakia. And eastern India, mainly Bengal, was to supply the raw jute to all these countries.

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[1] Ibid. p. 248-50.

[2] Supplement to the Appendix to the 4th Report (1812), p. 153.

[3] Fibrous Plants of India, p. 251.

[4] Finlow Committee Report, 1933, p. 5.

29. In 1872 the area under jute in Bengal was reported to be 9,25,899 acres and the estimated outturn 1,35,68,485 maunds[1] or about 27 lakh bales. In 1904 , nearly 28,94,700 acres were put under jute cultivation which gave an output of 74 lakh bales. In 1914 the area under jute further rose to 33, 52,200 acres which produced 104 lakh bales of jute[2].

30. Jute first appeared in the Calcutta Customs records under a separate heading in 1828[3]. After that the development of the external trade of raw jute was quite rapid, as shown in the table below:—

Export of Raw Jute from India in the 19th century

Year July—June		Total exports	Calendar year		Exports to Dundee (*d*)
1828-29 (*a*)	...	102	1828	...	102
1832-33 (*a*)	...	3,304	1833	...	1,680
1850-51 (*b*)	...	1,63,184	1850	...	78,400
1870-71 (*c*)	...	1,736,000	1870	...	5,76,800
1900-01 (*b*)	...	35,41,630	1896	...	19,09,600

N. B.—Figures converted from tons.

Sources : (*a*) C.W.E. Cotton, C.I.E., I.C.S., Hand-book of commercial information for India, 1924, p-113.

(*b*) I.C.J.C. First Marketing Report, 1940, op. cit. p. 3.

(*c*) Encyclopaedia Americana Vol. 16(1951), p. 267.

(*d*) Jute " A Financial Times Survey ", March 29, 1954, p-4.

It will be seen that at the end of the 19th century over 35 lakh bales were exported overseas, of which more than half went to Dundee. By that time jute bags had become the main container of world's agricultural products. Subsequent development was more or less a matter of course. At present, the world consumes more than 160 lakh bales of jute and allied fibres.[4] And there is no country which can altogether do without jute.

Jute Mill Industry in India

31. In 1855 Mr. George Ackland, formerly a coffee planter of Ceylon, started the first Jute Spinning Mill—the Rishra Yarn Mill Company—at Rishra near Serampur in the Hooghly District. It began with an output of 8 tons of yarn per day. Two years later, the first weaving mill was started at Baranagar outside Calcutta—the Borneo Company, which subsequently came to be known as the Baranagore Jute Factory Ltd. This company installed the first 192 power-looms in India.[5].

[1] I.C.J.C. First Marketing Report, 1940 op. cit. p. 6.

[2] C.W.E. Cotton—Hand-book of Commercial information for India, 1924, p. 111.

[3] *Ibid.*, p. 113.

[4] *Vide* Chapter III para. 7 of this report.

[5] D.R. Wallace—The Romance of Jute, 1928, p. 11, 95.

32. By 1875, 18 Jute Mills were working in Calcutta, with 3,500 looms. In 1885, 24 mills with 6,700 looms (of which 1800 were for hessian) were in operation.[1] This rapid expansion generated competition among the mills and the Indian Jute Mills Association was formed in 1884 to protect the members against competition and to regulate output whenever necessary. Further expansion took place and in 1900 there were 36 mills in India, with a working capital of Rs. 409 lakhs. They had 15,340 looms and 3,17,348 spindles and provided employment to 1,11,272 people.[2] The prosperity of the industry received a set back on account of the plague in Calcutta in 1898-99 and famine in the central and western India in 1900. Gradually the Indian industry became a strong rival of Dundee and in 1908 the output of the Indian Mills surpassed that of Dundee.[3].

33. The subsequent growth of the industry can be seen from the following table.

TABLE I

Looms, Mill Consumption, Exports of raw jute and prices of Jute goods in India (1857 *to* 1946-47).

YEAR/PERIOD	Average Number of		Average annual Mill consumption of raw jute (Lakh bales)	Average annual export of raw jute (lakh bales)	Average price of raw jute pucca bales Firsts Rs. per bale	Average price of sackings (100 bags) Heavy Cess* Rs.
	Mills	Looms (000)				
1857	1	19	N.A.	N.A.	N.A.	N.A.
1875	18	3·50	N.A.	N.A.	N.A.	N.A.
1900	36	15·34	N.A.	N.A.	N.A.	N.A.
1909-10—1913-14 ..	60	33·5	N.A.	42·60	53-12	30-12
1914-15—1918-19 ..	73	39·7	54·0	25·60	50-0	43-4
1919-20—1923-24 ..	82	44·4	50·1	30·69	71-14	41-3
1924-25—1928-29 ..	92	51·3	57·0	43·01	76-1	53-4
1929-30—1933-34 ..	100	59·4	50·5	37·50	34-9	27-3
1934-35—1938-39 ..	104	65·0	64·7	42·04	34-12	22-7
1939-40		68·5	75·0	29·63	65-12	40-12
1940-41		68·5	57·6	13·49	37-2	32-3
1941-42		68·5	73·2	15·46	54-7	38-9
1942-43		68·5	72·0	13·16	68-15	56-4
1943-44		68·5	57·8	9·53	82-10	66-9
1944-45		71·3	60·1	10·50	80-5	64-1
1945-46		71·3	65·2	21·89	83-1	65-9
1946-47	108	71·3	60·8	15·02	149-6	95-10

[1] *Ibid.*

[2] Dr. Vera Anstey—Economic Development of India 1946, p. 532.

[3] *Ibid.* p. 280.

*Prices of B. Twills are shown since 1940-41.

Source: Mills, Looms & Mill Consumption upto 1934-35 to 1938-39.

(*a*) C.W.E. Cotton, Handbook of Commercial Information p. 116 *et seq.* 1909-10 to 1918-19.

(*b*) Statistical Abstract for British India, 1919-20 to 1928-29 p. 691.

(*c*) Statistical Abstract for British India, 1929-30 to 1938-39.

Looms and Mill consumption 1939-40 to 1946-47 -I.C.J.C. Report on the marketing of Jute and Jute Products, 1952, p. 138 & p. 232.

Export and Prices Jute Balers Association, Calcutta (Golden Jubliee Souvenir).

N.A.=Not available.

34. It will be seen from the above table that the number of both mills and looms steadily increased upto 1939-40. During the 90 years ending 1946-47 the number of mills rose from 1 to 108 and that of looms from 192 to 71,300. The consumption of raw jute by mills was, however, fluctuating. It was 54 lakh bales during the 5 years ending 1918-19 but dropped to 50·1 lakh bales during the next quinquenium. It again rose to 57 lakhs in the next five years and fell to 50·5 lakh bales in the years 1929-30 to 1933-34, the period of the World Trade Depression. With the recession of the Trade Depression the mill consumption again registered a recovery and rose to 64·7 lakh bales in the 5 years ending 1938-39 and to 75 lakh bales (the highest ever figure) in 1939-40, when the Second World War broke out. During the War years it fluctuated between 57·6 and 73·2 lakh bales. In 1946-47 it was 60·8 lakh bales.

35. The export of raw jute fluctuated still more, as will be seen from the above table. The highest annual average (about 43 lakh bales) was reached in the quinqueniums ending 1913-14, 1928-29 and 1938-39. The lowest figure (9·53 lakh bales) was recorded in 1943-44, and during the 8 years ending 1946-47 the average annual export was only 16·1 lakh bales, obviously due to the impact of the Second World War on the European industry.

36. Barring a set-back in the First World War years, the export price of raw jute steadily increased from Rs. 53-12 as. per bale in 1909—1913 to Rs. 76-1 as. in the five years ending 1928-29. During the World Trade Depression period and the quinquenium following it, the price dropped and stood around Rs. 34-10 as. per bale on the average. In 1939-40 this price rose to Rs. 65-12 as. but it came down to Rs. 37-2 as. 1940-41. From 1941-42 it began rising steadily and stood at Rs. 149-6 as. in 1946-47.

37. The trend of fluctuations in the price of sacking has been almost the same as that in the raw jute prices, except during the First World War period and the 5-year period following it. Unlike export prices of raw jute which fell during the First World War and rose in the next quinquenium the price of sackings rose during the War and fell in the next 5-year period.

38. In the course of 90 years the industry had to pass through a number of handicaps like wars and trade depressions but it was able to withstand them all. Then came the Partition of India and of Bengal.

Partition of India and its Effect on Jute Industry and Trade

39. The year 1947 marks an important turning point in the history of the world jute industry and trade. In that year, as a result of the partition of Bengal, all the 108 Jute Mills, with 57% of worlds' loomage and contributing nearly 70% of the world's jute goods production, fell within India. On the other hand, the main jute growing districts fell within Pakistan. The acreage and production of raw jute in India and Pakistan in 1947-48 are shown in the table below :

	Pakistan	India	% share of Pakistan
Acreage under Jute	20,58,670	6,51,785	76%
Production of raw jute (Lakh bales).	68·4	17·0	80%

Thus India began with 100% of the manufacturing capacity of undivided India, while Pakistan began with 80% of its raw jute and 100% of quality jute with no jute mill at all.

40. Jute was, as it is today, an integral part of the economy of India. It was until recently her largest foreign exchange earner. Soon after Independence, India decided to become self-sufficient in jute production. With that end in view she adopted several measures, including the following :—

(*i*) removal of all restrictions on cultivation of jute,

(*ii*) diversion of some paddy lands to jute cultivation,

(*iii*) reclamation of waste land for the cultivation of jute,

(*iv*) distribution of jute seeds and fertilisers at subsidised rates,

(*v*) experiment of jute cultivation in new areas, such as Travancore (Kerala) and enhancement of facilities of research in jute cultivation.

(*vi*) encouragment of cultivation of ' Mesta ' and other bast fibres and their use by mills.

41. Pakistan's Immediate problem was how to dispose of her jute crop of 60 lakh bales, when her domestic consumption was only 2 to 3 lakh bales. Not merely were there no jute mills but even the baling facilities in Pakistan for exporting raw jute were very insufficient. There were in all 32 pucca presses, of which only 4 were of the latest type. Many of them were worn out. Though their annual capacity was 28 lakh bales, in 1947-48 hardly 9 lakh bales could be pressed, as against a crop of 68 lakh bales. The handling capacity of the Chittagong Port was most inadequate. The annual average export of jute through Chittagong for the 15 years ending 1939-40 was 1·78 lakh bales. The handling capacity was slightly improved during the War. In 1947-48 only 7·64 lakh bales were exported *via* Chittagong.[1]

For the above reasons Pakistan was unable to either use the jute itself or export it to overseas countries. It was thus entirely dependent on India for the disposal of its jute.

Indo-Pakistan Trade

42. Indo-Pakistan trade began under the ' Stand-still Agreement ' of August 14, 1947 accompanied by the Indo-Pakistan Customs Agreement which allowed free movement of goods across the border. The same currency was circulating in both the countries and unrestricted trading was allowed. This was an interim arrangement to last upto the 31st March, 1948 but was terminated on the 29th February, 1948, *i.e.* one month earlier. India declared Pakistan a foreign country for purposes of trade and her full customs tariffs were applied to Pakistan. Free movement of goods ceased. Thereafter various trade agreements were entered into with India as detailed below.

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1 Jute Directorate.

TABLE II

Trade Agreement years	Date of Agreement	Period of validity		Quota of jute fixed for lifting (in lakh bales)	Quantity actually lifted by India (in lakh bales)
		From	To		
1	2	3	4	5	6
1948-49	26-5-48	1-7-48	30-6-49	50	39·04 (45)
1949-50	24-6-49	1-7-49	30-6-50	40	16·9 (205·7)
1950-51	19-4-50	25-4-50	31-7-50*a*	8 (for cuttings habijabi and rejection only).	6·39 (9·2)
1951-52	25-2-51	26-2-51	30-6-52*b*	10 upto June 1951, 25 for 1951-52	8·45 (8·86)
1952-53	5-8-52	8-8-52	30-6-53*c*	*Nil*	12·85 (13·03)
1953—56	20-3-53	1-7-53	30-6-56	18 for each year but if required by India, Pakistan will facilitate export upto 25 lakh bales.	13·31 in 1953-54 (14·82) 12·31 in 1954-55 (12·46) 13·57 in 1955-56 (14·70)
1955-56	19-7-55	1-9-55	31-8-56*d*	18	3·76 from 1-7-56 to 31-1-57 (6·46) for 1956-57
1957—59	22-1-57	1-2-57 to 31-1-60	(Quantity to be indicated by India by the end of Sept. each year).	Quantity indicated by India 6·0 in 1957-58 6·5 in 1958-59 ·5 in 1959-60	2·28 from Feb.—June, 1957 6·36 in 1957-58 1·75 in 1958-59 6·23 in 1959-60
1960—62	21-3-60	21-3-60 to 20-3-62		7 (6 lakh bales long jute and 1 lakh bales cuttings) as indicated for 1960-61 season.	

Source : (*i*) Pakistan Trade, August, 1951, p. 1—8.
(*ii*) Pakistan Trade, March, 1955, p. 63.
(*iii*) Directorate of Jute.

Figures in brackets in column 6 are those of I.J.M.A.

(*a*) Extended upto 3-9-50.

(*b*) Extended upto 31-8-52.

(*c*) Jute and coal not included in this Agreement. India issued Import licences for importing jute from Pakistan.

(*d*) Extended upto 31-1-57.

43. At the end of the first Agreement it was found that India lifted from Pakistan at least 5 lakh bales less than the stipulated quota. The second Agreement did not work long due to the deadlock arising from the devaluation of the Indian Rupee in September, 1949 and the decision of Pakistan not to devalue. Exports of jute to India fell from 39 lakh bales in 1948-49 to 16·6 lakh bales in 1949-50. Thus began the decline of the jute trade with India. The Indo-Pakistan trade deadlock forced Pakistan to adopt a vigorous policy of diversification of trade and of development of its own jute industry.

44. The Agreement of 1950 was a sort of barter deal pending the settlement of the rupee-ratio. The Korean War began during the period of this Agreement. The price of jute was rising and India accepted the Pakistan rate of exchange unconditionally.

45. The Agreement of 1952-53 did not include jute and coal ; but India lifted about 13 lakh bales. After the end of the Korean boom prices fell sharply. In July 1952, the export duty on raw jute was reduced from Rs. 35 to Rs. 15 per bale.

46. The Agreement of 1953—56 envisaged exchange of Pakistan jute with Indian coal. Normal trade between the two countries was restored from the 1953-54 season.

47. In the Agreement of 1957, while exchange of other commodities was made permissible upto specified quantities and values, in case of jute it was laid down that India would indicate, by September each year, the quantity she would lift in that year. The same is the provision under the Agreement of 1960—62.

48. It will be seen that since Independence the trade agreements with India as far as jute is concerned did not work satisfactorily. India followed a policy of self-sufficiency and Pakistan adopted the policy of diversification of its trade. Jute exports to India have gradually fallen from 39·04 lakh bales in 1948-49 to 1·75 lakh bales in 1958-59 (though they rose again to 6·22 lakh bales in 1959-60), whereas Pakistan's exports of raw jute to other countries have risen from 17·77 lakh bales in 1948-49 to 42·9 lakh bales in 1958-59[1].

Importance of Jute in the National Economy of Pakistan

49. The cultivation, marketing and manufacture of jute offer employment to millions of people. Out of 83 lakh rural families in the province, at least 50 lakh families are directly concerned with the cultivation of jute. Some 43,000 people are engaged in the various phases of trade and jute mills employ a labour force of more than 50,000 people. Jute is the most important cash crop and the greatest earner of foreign exchange for Pakistan as shown below :—

Position of Jute and Jute Goods among Exports from Pakistan
(Private Account)

(Values in Million Rupees)

Trade Years July—June	Jute			Cotton			Other Commodities & Manufactures	Total Exports
	Raw	Manufactures	Total	Raw	Manufactures	Total		
1948-49	1196	..	1196	365	..	365	197	1758
Average 1949-50/53-54	748	..	748	670	..	670	274	1692
Average 1954-55/58-59 ..	728	94	822	312	44	356	279	1457

[1] *Vide* Appendix D, Table IV.

Position of Jute and Jute Goods among Exports from Pakistan
(Private Account)

(Value in million Rupees)

Trade Years July—June	Jute			Cotton			Other Commodities & Manufactures	Total Exports
	Raw	Manufactures.	Total	Raw	Manufactures	Total		
1949-50	526	..	526	397	..	397	264	1187
1950-51	1098	..	1098	987	..	987	464	2549
1951-52	996	..	9	777	..	777	234	2007
1952-53	566	..	566	694	..	694	202	1462
1953-54	556	..	556	497	..	497	203	1256
1954-55	598	23	621	303	1	304	244	1169
1955-56	829	106	935	473	36	509	334	1778
1956-57	706	91	797	363	94	457	354	1608
1957-58	854	91	945	220	33	253	224	1422
1958-59	655	155	810	202	54	256	241	1307
1959-60	729	227	956	207	231	438	397	1791
Percentage of total exports								
1948-49	68	..	68	21	..	21	11	100
Average 1949-50/53-54	44	..	44	40	..	40	16	100
Average 1954-55/58-59	50	6	56	22	3	25	19	100
1949-50	44	..	44	33	..	33	23	100
1950-51	43	..	43	39	..	39	18	100
1951-52	50	..	50	39	..	39	11	100
1952-53	39	..	39	47	..	47	14	100
1953-54	44	..	44	40	..	40	16	100
1954-55	51	2	53	26	Neg.	26	21	100
1955-56	47	6	53	27	2	29	18	100
1956-57	44	6	50	23	5	28	22	100
1957-58	60	6	66	16	2	18	16	100
1958-59	50	12	62	16	4	20	18	100
1959-60	41	13	54	11	13	24	22	100

Neg.=Negligible.

Source : C.S.O.

NOTE :

(*a*) *Upto* 1953-54—Jute and cotton manufactures are not shown separately but are included in "Other commodities and manufactures".

(*f*) *From* 1954-55—Jute & Cotton manufactures are shown in their respective columns. (The value of export of jute goods as shown is consistently lower than figures supplied by the P.J.M.A. and shown in Ch. X).

50. In 1948-49 the value of jute exports was Rs. 1,196 million, constituting 68% of the total export earnings. In the following five years, on account of the trade deadlock with India and post Korean-War depression the value of jute exported averaged Rs. 748 million annually, accounting for 44% of the total export earnings. Since 1954-55, along with raw jute, jute manufactures also were exported and the export value of the latter has gradually risen to Rs. 227 million in 1959-60. The total value of both raw jute and jute manufactures ranged between Rs. 797 million and Rs. 956 million during the five years ending 1959-60, accounting for 50% to 66% of the value of the total exports.

51. If exports from East Pakistan alone are considered, jute and jute goods always accounted for more than 84% of the total exports and the percentage was as high as 96 in 1957-58, as shown in the table below: —

Position of Jute and Jute Goods among Exports from East Pakistan
(Private Account)

Trade Years	Total exports* from East Pakistan	Export of Jute			% share in total export of		
		Raw	Goods	Total	Raw Jute	Jute Goods	Total
		Million Rs.			Percentage		
Average 1949-50/53-54 ..	843	748	..	748	89	..	89
Average 1954-55/58-59 ..	910	728	94	822	80	10	90
1949-50	629	526	..	526	84	..	84
1950-51	1211	1098	..	1098	91	..	91
1951-52	1087	996	..	996	92	..	92
1952-53	642	566	..	566	88	..	88
1953-54	645	556	..	556	86	..	86
1954-55	732	598	23	621	82	3	85
1955-56	1041	829	106	935	80	10	90
1956-57	909	706	91	797	78	10	88
1957-58	988	854	91	945	86	10	26
1958-59	881	655	155	810	74	18	92
1959-60	1080	729	227	956	68	21	89

* Includes export of manufactures as well as raw commodities.

Source : C.S.O.

52. The proceeds from the export duty on raw jute account for about 50% of the total proceeds from export duties and for 6 to 8% of the total Central revenues. Under the Raisman Award (1952-53) East Pakistan is to get 62½% of this duty*. This share constitutes 14 to 21% of the gross revenue of the Province. (*vide* table below).

Proportion of Export Duty on Raw Jute to the Gross Revenue of the Central and Provincial Governments

Financial years	Total Revenue of the Central Govt.	Total Jute Export Duty	Share of Jute export duty allocated to East Pakistan Govt.	Total Revenue of East Pakistan Govt.	Proportion of Jute export duty to total Revenue in %	
					Central Col. 2:1	East Pak. Col. 3:4
	1	2	3	4	5	6
		Million Rs.			Percentage	
1948-49	668	112	35	169	16·8	20·7
Average 1949-50/53-54 ..	1205	85	43	197	7·1	21·8
Average 1954-55/58-59 ..	1435	85	48	330	5·9	14·5
1949-50	885	57	29	144	6·4	20·1
1950-51	1277	93	43	182	7·3	23·6
1951-52	1450	109	58	201	7·5	28·9
1952-53	1286	103	45	230	8·0	19·6
1953-54	1125	65	40	230	5·8	17·4
1954-55	1157	69	40	244	6·0	16·4
1955-56	1299	96	58	288	7·4	20·1
1956-57	1298	77	45	304	5·9	14·8
1957-58	1496	81	43	301	5·4	14·3
1958-59	1926	95	52	514	4·9	10·1
(April '58 to June '59)						
1959-60	1585	86	48	415*a*	5·4	11·6

Source : Column 1.—Pakistan Budget as quoted in the Report on Currency and Finance, 1959-60, State Bank of Pakistan.

Column 2.—Ascertained from the Office of the Accountant General, East Pakistan.

Column 3 & 4.—'Finance Accounts', Government of East Pakistan.

[a]Revised Estimate.

53. A country, which depends so much on one exportable commodity, (jute), cannot be expected to have a reasonable measure of economic stability when the export earnings from that commodity fluctuate so widely. Jute forms an integral part of the economic structure of Pakistan. Its importance is vital and its problems are many and by no means easy to solve.

*62½% of basic export duty on jute (Rs. 20 per bale of long jute and Rs. 6 per bale of cuttings) and 10% of additional export duty on jute.

CHAPTER III

SIZE OF PAKISTAN JUTE CROP

54. Jute occupies the second position among the industrial fibres of the world and accounts for nearly 12% of all fibres,[1] natural or artificial. But being coarse and rough, it is not very suitable for apparel purposes; its main use is for packaging—a basic necessity for the world's carrying trade.

55. The demand for jute is a derived one. It arises out of the demand for container and packaging services and for other industrial uses of jute. At the present moment about 80% of the fibre goes to the packaging service and about 20 % goes to non-packaging use.[2] The demand for each of these categories is elastic in nature, because the former depends on the volume of agricultural and industrial production needing the use of jute and the latter depends on the discovery of new processes and the extension of the new uses of the fibre. With the growth of population and general increase in agricultural production and allied economic activities, and with the development of manufacturing and marketing techniques the demand for jute is likely to increase. There are, however, certain factors which may hinder the increasing use of jute. The most important of these is the introduction and development of substitutes and alternatives.

56. The size of the Pakistan jute crop will, therefore, be determined by

(*a*) the internal requirements of jute in Pakistan

(*b*) the external (world) requirements for Pakistan jute

(*c*) the trend in the use of jute and substitute fibres produced in other countries and

(*d*) the extent of competition arising out of the use of other materials for packaging purposes, and bulk-handling methods.

Internal Requirements

57. Internal requirements fall under two heads : (*i*) domsetic consumption and *ii*) mill consumption.

The domestic consumption has two components : (*a*) raw jute consumed by ›easant families for domestic purposes, and (*b*) raw jute consumed by the jute :ottage industry. According to the census of 1951 approximately 96% of the East ›akistan's population of 42.06 million (or 87 lakh families) *i.e.* 83·5 lakh families ived in rural areas. On the basis of 2 lakh bales of domestic consumption as re›orted by the Jute Directorate the annual consumption per family works out to)·58 lbs. which appears to be on the low side.

58. The Indian Central Jute Committee, in their Marketing Report, 1940, mentioned 3 lakh bales as the domestic requirement for the whole of Bengal. Since Independence a constant figure of 2 lakh bales has been estimated as the domestic consumption in East Pakistan. With the increase in population and expansion of the local cottage industry this requirement may now be taken to be nearly 3 lakh bales and it is likely to increase in future.

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1. "Jute—A Survey of Markets, Manufacturing and Production", F.A.O., 1957, Page 1.

2. *Ibid*—Page 5.

59. *Mill consumption.*—In 1959-60 mill consumption was 15·35 lakh bales, with an average of 7,738 looms operating per month out of 7,990 installed looms. By 1964-65 with 12,000 installed looms and a production target of 4·5 lakh tons of jute goods,[1] the mill consumption of raw jute is expected to go upto 27 lakh bales. Therefore, our estimate is that by 1964-65 the internal requirements for raw jute will be of the order of 30 lakh bales.

External Demand

60. The world demand for raw jute and allied fibres has been increasing and the world production of jute and allied fibres has generally kept pace with it, as may be seen from the table below :

World Consumption and Production of Jute and Allied Fibres.

Bracketted figures are averages of three year periods

Year July—June	World Industrial consumption	World Production	Pakistan's production	India's production	Share in the world production of		
					Pakistan	India	Other countries
	Lakh bales				Percentages		
Av. 1934-35/38-39	98	83	..	82	..	98	2
Av. 1939-40/46-47	78	80(b)	..	80	..	..	..
1947-48 ..	88	86(c)	69	17	81	19	..
1948-49 ..	92(86)	79(81)	55(56)	21(23)	70	26	4
1949-50 ..	77	77	43	31	55	40	5
1950-51 ..	101	97	61	33	62	34	4
1951-52 ..	87(93)	121(115)	69(66)	47(44)	57	39	4
1952-53 ..	92	126	68	53	54	42	4
1953-54 ..	101	89(d)	36	37	41	42	17
1954-55 ..	109(114)	101(110)	46(49)	39(43)	45	39	16
1955-56 ..	131(*a*)	141	65	54	46	38	16
1956-57 ..	130	140	59	58	42	41	17
1957-58 ..	134(139)	139(146)	61(61)	53(60)	44	38	18
1958-59 ..	153	158	62	68	39	43	18
1959-60 ..	166	148	55	57	37	39	24

Source : As in Table I and II in Appendix D.

(1) Industrial consumption in other countries taken as equal to exports of jute from India and Pakistan. (*a*) Since 1955-56 industrial consumption of fibres produced in countries other than India and Pakistan is also taken into account.

(2) (*b*) Production of India only.

(*c*) Production of India and Pakistan.

(*d*) China's production included since 1953-54.

61. It will be seen from the above table that the percentage share of Pakistan in the world production of jute and allied fibres has been gradually declining while

1. Cf. post. Chapter XI.

the shares of India and other countries have been rising steadily. It is absolutely necessary to reverse this trend and to make all endeavours to obtain an increasing share for Pakistan in the future.

It will be further observed that—

(*i*) World consumption after a set-back due to the Second World War gradually improved with the rehabilitation of European jute industries and crossed the pre-war level in 1950-51. Although it fell in the following year, it has since been rising and in the course of the five years ending June, 1960 it has increased by 26·72%, reaching 166 lakh bales in 1959-60.

(*ii*) World production of raw jute and allied fibres is also on the increase and is keeping pace with the consumption.

(*iii*) Pakistan's production has fluctuated very much from 36 to 69 lakh bales in course of thirteen years. On the whole it has not been rising.

62. As a result of greater production in India, exports of jute from Pakistan to India have dwindled from 53 lakh bales to 6 lakh bales (*vide* table below).

Pakistan's Exports of Raw Jute and Jute Goods in relation to World Industrial Consumption of the Jute and Allied Fibres.

Bracketted figures are averages of three year period Lakh bales.

Year July—June	World Industrial consumption.	Exports of raw jute from Pakistan to			Exports of jute goods from Pakistan	Total exports of jute & jute goods Col. 4 +5	Proportion of world consumption met by Pakistan exports Col. 6 + 1
		India	Overseas	Total			
	1	2	3	4	5	6	7
1947-48 ..	88	53	8	61	..	61	
1948-49 ..	92(86)	39(36)	18(14)	57(50)	..	57(50)	59
1949-50 ..	77	17	17	34		34	
1950-51 ..	101	26	42	68		68	
1951-52 ..	87(93)	17(19)	32(17)	49(56)	..	49(56)	60
1952-53 ..	92	15	38	53		53	
1953-54 ..	101	13	38	51	1*	52	51
1954-55 ..	109(114)	12(13)	39(40)	51(53)	1*	52(55)	48
1955-56 ..	131	14	43	57	5	62	47
1956-57 ..	130	6	40	46	4	50	39
1957-58 ..	134(139)	6(5)	39(40)	45(45)	6	51(51)	39
1958-59 ..	153	2	42	44	8	52	34
1959-60 ..	166	6	41	47	11	58	35

Source.—*Vide* Table IV in Appendix D.

* ·53 in 1953-54 &
·84 in 1954-55

Exports of Pakistan jute to overseas countries have increased from about 8 lakh bales in 1947-48 to over 40 lakh bales. Apart from raw jute, Pakistan is also exporting increasing quantities of jute goods since 1953-54. On the whole, its exports of raw jute supplemented by exports of jute goods have been more or less maintaining a level. But the world demand for jute and allied fibres, as indicated by industrial consumption of these fibres, has been steadily increasing. As a result the proportion of world demand met by Pakistan's exports of jute and jute goods has gradually dwindled from about 60% during the 6 years ending 1952-53 to 37% during the four years ending 1959-60.

63. However, most of the jute and allied fibres producing countries, such as India, China and Brazil, consume almost all their fibre within their own borders and consequently very little of it enters the export market. This can be seen from the imports of jute and allied fibres by the European jute industries, which are the major consumer of imported fibres (*vide* table below).

(Lakh bales).

	1955	1956	1957	1958
Total European imports	27·51	27.42	29.84	27·33
of which :				
of Pakistan origin	27·11 (98·5%)	27.02 (98·5%)	29.01 (97·2%)	25·89 (94·7%)
of other origins—				
India	·08	·13	1·1	·04
Thailand	·08	·08	·41	·96
China	..	·04	·04	·07
Burma	..	..	·01	..
**other countries	·24	·15	·26	·37*
Total other origins	·40	·40	·83	1·44
% of general total	1·5%	1·5%	2·8%	5·3%

*The figure is adjusted by ·02 as the figure supplied does not tally with the total—1.44. This may be the import from Burma.

**Republic of Congo (former Belgian Congo).
Fibres originating from other countries comprise of true jute, kenaf (mesta), abutilon or Chinese jute, urena lobata; punga, etc.

Source :—Replies to our questionnaire (external) by the Association of European Jute Industries.

It appears from the table that although imports from countries other thane Pakistan, particularly Thailand, were increasing, they accounted for only 5% of the total imports in 1958 and 95% of the imports were from Pakistan. Thus in the raw jute export market Pakistan continues to hold a predominating position.

Trend n the Use of Jute and Allied Fibres produced in Other Countries.

64. As mentioned earlier, Pakistan's share in the world production and consumption of jute and allied fibres has been declining because of increasing production in other countries of jute and allied fibres. Jute is produced in India, Nepal, Burma, Thailand, Taiwan, China, Japan, U. S. S. R., Iran, Brazil and a few other countries. There are three important jute-like fibres, *viz.*, kenaf, roselle and Congo jute, which are used for bag making. Ramie and esparto grass and certain hard fibres, *viz.*, sisal, manila and henequen also serve the same purpose as jute in certain sectors of trade.

65. Next to jute, kenaf is the most extensively grown fibre. It can be raised in a wide variety of soils in both tropical and sub-tropical regions where the annual rainfall varies from 20" to 70" and there is a warm growing period of 4—5 months. India, Thailand, China and U.S.S.R. are the major producers of kenaf. It is also grown in Florida and other southern states of the U.S.A., in Cuba, Philippines, El-Salvador and other sub-tropical countries like Mexico, Guatemala, Columbia, Haiti and Brazil.

66. Roselle is used in Java for the manufacture of sugar bags. But it is a weaker competitor of jute because it lacks flexibility and is difficult to use in ordinary jute machines. It also needs a rich soil and a long rainy season and is very much susceptible to root diseases.

67. Congo jute (urena lobata) has been cultivated for many years in the Congo, Brazil, Malagasy (Madagascar) and West Africa. Attempts are now being made to grow it in former French Equitorial Africa but its further expansion will largely depend on mechanization of cultivation, harvesting and extraction of fibre.

68. Ramie has long been known in China, Japan, Formosa and Indonesia There are several countries such as the Philippines, the West Indies and the U.S.A where it has been introduced in recent years. Being a superior, costly fibre, remie has not been used for the purpose of bag-making. It is mostly used for upholstry fabrics, canvas, linen etc. But in future it may compete with jute in the field of industrial uses and speciality products.

69. The production of jute and allied fibres mentioned above increased in countries other than Pakistan from 24 lakh bales in 1948-49 to 92 lakh bales in 1959-60, accounting for 30% of world production in 1948-49 and 63% in 1959-60 (*vide* Table I, Appendix D). The production of kenaf and similar fibres more than doubled from 17.6 lakh blales in 1953-54 to 41.3 lakh bales in 1959-60 and accounted for 19% in 1953-54 and 24% in 1959-60 of the total jute and allied fibres produced (*vide* Table III, Appendix D).

70. The important countries, which made considerable progress in the production of jute and allied fibres and have potentialities to expand production further are India, Burma, Thailand, Taiwan (Formosa), China, the U.S.S.R. and Brazil. We have already referred to India's progress in paras above. Under the Third Five-Year Plan, the 1965 target of production in India has been set at 85 lakh bales of jute and mesta *(against around 55 lakh bales produced at present). The rising trend of production in other countries as far as could be ascertained by us is shown In the table on back.

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*Ascertained from the Office of the High Commissioner for India in Pakistan.

Production of Jute and Allied Fibres in Selected Countries other than Pakistan.

(Lakh bales.)

	Countries			
	Burma	Taiwan	China	Brazil
Average 1934-38		·61		..
1948		·61		·90
1949		·50		1·13
1950		·39		1·17
1951		·61		1·91
1952		1·10		1·53
1953		·27	7·70	2·13
1954		·72	7·70	2·23
1957	·05	·50	17·10	1·81
1958	·16	·95	18·20	1·93
1959	·34	1·00	22·00	1·93

N. B.—Burma and Taiwan produce mainly jute. China and Brazil produce jute and allied fibres which are shown upto 1954. Since 1957 the figures relate to jute only except for China.

Source : (*i*) China's production—Table III; Appendix D.

(*ii*) Other countries upto 1954—F.A.O., Bulletin No. 28, " Jute, A Survey of Markets, Manufacturing and Production ", p. 62.

(*iii*) Since 1957—U. S. Deptt. of Agriculture, " Foreign crops and Markets " (world summaries), November 27, 1959, p. 3.

71. Except Thailand all these countries were once importers of raw jute from Pakistan ; now Brazil and Taiwan do not import any jute. The table below gives the position about these countries imports.

Imports of Raw Jute in Selected Countries

(Lakh bales)

	Countires				
	Burma	Taiwan	China	U.S.S.R.	Brazil
1951-52	..	..	·19	·97	·98
1952-53	..	..	..	1·45	·04
1953-54	..	..	..	·83	..
1954-55	..	..	·72	..	..
1955-56	..	..	2 32	..	..
1956-57	·19	..	·72	·50	..
1957-58	·65	·34	..	·89	..
1958-59	·60	..	·44	·65	..
1959-60	·50	..	·95	1·25	..

Source : P. J.A.

72. *Burma.*—It was only in recent years that the Burmese Department of Agriculture made successful experiments of cultivation of jute in the Akyab district and in lower Burma. The average output in 1946-50 was only about a ton a year. By 1952, she could produce about 60 tons. Her plan was to put 70,000 acres under jute in 1953, raising it later to 1,50,000 acres, and the Burmese Government earmarked a sum of Rs. 5 lakhs in 1953-54 for the expansion of jute cultivation.* Since then her production has been steadily rising, as shown in the table in para 70. " Self sufficiency for Burma's only mill is planned for 1960-61 but the long-term goal is an overall crop of 5.5 lakh bales, grown largly for export ".** Although Burma still imports about 1/2 lakh bales a year from Pakistan (*vide* table in para 71 above) she has already begun token exports. Her policy seems to be to import inferior quality jute from Pakistan for her mill, which produces sacking only, and to export her quality jute. Her token export to Dundee was reported to be of good quality, and she can develop into a competitor of Pakistan in the export market.

73. *Thailand.*—In 1937, the Thai Government decided to put under jute cultivation large tracts in northern Thailand which were found to be climatically suitable. Her jute crop is estimated to have risen from negligible proportions in 1953-54 to some ·55 to ·83 lakh bales in 1958-59 and her kenaf crop from ·44 lakh bales to to over 1·65 lakh bales. She is likely to expand her production of jute and kenaf still further. Thailand already started exporting to western Europe and Japan. †

74. Notable increases in jute and kenaf production have also occurred in Taiwan, North and South Viet-Nam, and in Cambodia. Taiwan produced 1 lakh bales in 1959 (*vide* table in para 70), practically all for domestic consumption.

75. *China.*—China's production was not very large before the War but in the course of the last seven years her production (1/3 jute and 2/3 ambary hemp) has almost trebled, from 7.0 lakh bales in 1953-54 to 22 lakh bales in 1959-60 (*vide* table in para 70). She has been importing raw jute from Pakistan and her import was nearly 1 lakh bales in 1959-60 (*vide* table in para 71). China's target is to produce 28·35 lakh bales (514,000 metric tons) in 1962, the ultimate aim being to achieve self-sufficiency in raw fibres and jute goods.‡

76. " In the U.S.S.R., the area under jute and kenaf dropped from 35,000 hectares in 1953 to 22,000 hectares in 1957, but the shortage of packaging materials appears to have caused a revival in cultivation in the past two years ".§ The indigenous crop, however, meets only a fraction of the requirements and she continues to be dependent on imports of raw jute from Pakistan (*vide* table in para 71) and imports of jute goods from East European countries and India. " The U.S.S.R. is planning to double jute and kenaf output in the principal growing region of Uzbekistan by 1955 ". This would mean a crop of about 30 lakh bales.§§

77. *Brazil.*—Brazil is meeting her entire requirements since 1953-54 out of her own production of more than 2 lakh bales and has ceased to import jute from Pakistan from that year (*vide* table in para 71).

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* Jute and Gunny Review 4th Annual No. 1953, p 67.

** FAO, Monthly Bulletin, op. cit. p. 25, lakh bales ours.

† Ibid. p 24, 25. Lakh bales ours.

‡ FAO, Monthly Bulletin op. cit. p. 25.

§ Ibid., p. 24.

§§ Ibid., p. 25.

78. Apart from jute-like fibres mentioned above, esparto grass is grown in North Africa and south-western Spain. Algeria and Tunisia are the largest producers of this fibre. The African crop is exported to France and Britain for paper-making but the Spanish crop is almost entirely used for the domestic textile industry. The fibre is also mixed with jute in bag-making, the share of esparto grass being 60% of the mixture.

79. There are a number of hard fibres which complete with jute in certain sectors of the trade. Among them, the hard hemp group consisting of sisal, manila, henequen and others is the most important. The production and export of hard hemp are shown below.

World Summary of Hard Hemp.

Year	Production		Export	
	Thousand tons	Equivalent lakh bales	Thousand tons	Equivalent lakh bales
Av. 1934-38	576	32·26	516	28·90
Av. 1946-50	497	27·83	400	22·40
1953	646	36·18	518	29·01
1954	663	37·13	521	29·18
1955	711	39·82	582	32·59
1956	757	42·39	612	34·27
1957	773	43·29	596	33·38

Source:—Commonwealth Economic Committee—Industrial Fibres, 1959, Table 93, page—147. Bale equivalent ours.

It appears that between 1953 and 1957 the production and export of hard fibres increased by 20% and 15% respectively. As reported by the FAO, in 1951 nearly 2·3 lakh bales (42,000 metric tons) of hard fibres were used for the manufactuier of bags in Mexico, El Salvador, Colombia, New Zealand, East Africa and other countries. [1] By now their use for bag-making has probably increased considerably.

Causes of Increased Production of Jute and Allied Fibres outside Pakistan and Prospects for the Future.

80. The main factors responsible for the production and development of jute and allied fibres in countries outside Pakistan are :—

(*i*) the desire for national self-sufficiency ;

(*ii*) the need for conservation of foreign exchange ;

(*iii*) technological development in the processing of bast fibres ; and

(*iv*) the strategical policy of big nations in respect of vital raw materials.

Expansion of cultivation of these fibres was further helped by the wide fluctuations of prices of jute and the false impression created in different countries by the policy of licensing of jute acreage in Pakistan.

1. FAO Bulletin No. 28, 1957, op. cit., p-55.

81. In pursuance of the policy of national self-sufficiency many countiries, if their climatic and soil conditions permit it, are steadily increasing their production of jute and jute-like fibres. India is a typical example. She has increased her production of jute and mesta from 17 lakh bales in 1947-48 to 68 lakh bales in 1958-59.[1] China, Brazil, Thailand, Taiwan ; and a few other countries have also increased their production of jute and other fibres conisiderably in pursuance of the same policy during the last few years.

82. Shortage of foreign exchange and unfavourable balance of trade have further encouraged the growth of national fibres in some countries.

83. Technological development has now made it possible to extract fibres out of plants without retting. The un-retted fibres can be processed on the jute machinery and made into coarse fabrics, *e.g.*, bags. Such developments are taking place in Central American countries with the help of the U. S. A.

84. Strategical reasons have prompted big powers, like the U. S. A. and the U. S. S. R. to encourage cultivation of kenaf and other bast fibres within their own border or in the immediate friendly neighbourhood. Growth of kenaf and other bast fibres in Mexico and Central and South America is an instance in point.

85. Violent fluctuation of jute prices in the world market has helped many countries to extend their production of jute and other bast fibre crops. In the years of high prices these countries find it profitable to grow and export these fibres.

86. Licensing of jute acreage by Pakistan had created a misconception among some foreign countries that the supply of jute in the world makret would not be adequate and that Pakistan would try to " exploit its monopolistic position ". This had given a fillip to them to go in for substitute fibres.

87. Production of jute and allied bast fibres in some countries will continue irrespective of the price of jute due to their policy of national self-sufficiency. The exporting capacity of these countries will, however, depend to a great extent on the world price of jute. The national fibres of some of these countries will require protection against the cheaper price of Pakistan jute. Similarly, further extension and development of the other fibres will depend to a great extent on the price and availability of jute in the world market. If Pakistan can assure abundant supply of quality jute at a reasonable and stable price, it would be able to keep both substitutes and other producing countries at bay for a long time to come.

Causes of Increased Use of Substitutes and Bulk-handling Method and Prospects for the Future.

88. The main factors responsible for the growth of substitutes and bulk handling methods in the jute field are :—

(*i*) high prices of jute and jute goods ;

(*ii*) surplus production of certain fibre crops, *e.g.*, cotton ;

(*iii*) change in the handling and marketing techniques ; and

(*iv*) shortage and resultant high cost of labour in developed countries.

Cotton

89. Cotton came as a substitute for jute when supply of the latter was irregular and/or inadequate on account of shortage of shipping space during the War or reduced output in the post-war period or when there was surplus production of cotton in the U.S.A. as in the years from 1951 to 1954. Cotton, however, has not been able to make much headway in jute's sphere because of its high price. Its use in the packaging field has gradually declined (*vide* table below).

[1] *Vide* table in Para 60.

Estimated Quantities of Jute, Cotton and Shipping Sack Paper used in the Manufacture of Bags and Sacks in the United States.

Year	Jute burlap (*a*)		Cotton fabrics		Shipping sack paper (*b*)	
	Million lb.	Index 1939-100	Million yds.	Index 1939-100	Thousand short tons	Index 1939-100
1939	527 (*c*)	100	816	100	199	100
Average 1940-50	457	87	871	107	436	219
Average 1951-53	417	79	542	66	772	388
1954	416	79	397	49	797	401
1955	475	90	350	43	819	412
1956	526	100	299	37	831	418
1957	495	94	265	33	846	425

(*a*) Imports of Jute burlap (sacking) into the United States. The bulk of the burlap imported is used for bag-making ; relatively little of the raw jute received is manufactured for such use.

(*b*) Production minus export.

(*c*) Average 1935-39.

Source :—Commonwealth Economic Committee, Industrial Fibres, 1959, page—188.

90. In view of the appearance of synthetic textile materials in the field of cotton, cotton will have to fight a more serious battle in its own field rather than in the field of jute.

Paper

91. The advantages of multi-wall paper bags as containers are :—

(*i*) neat and attractive appearance ;

(*ii*) consumers' preference for non-returnable containers for hygenic reasons ;

(*iii*) non-porous nature of paper bags which make them neater packages for labourers to handle ;

(*iv*) stability of price ;

(*v*) conversion into convenient sizes so as to suit the requirements of consumers ; and

(*vi*) end-users' preference for packaging certain types of commodities like cement, chemicals and fertilisers.

92. One of the chief drawbacks of paper is that it has practically no re-sale value. Besides, it has no " breathing " capacity and as such it is unsuitable for storing of certian agricultural commodities, like potatoes and fruits.

93. Development of consumer packaging is responsible for the increasing use of paper, plastics, open-mesh cotton bags, etc. This technique saves handling at the retail end, particularly for sugar, salt, vegetables, etc.

94. As the prices of its raw materials are fairly stable, the price of paper bags does not fluctuate as in the case of jute fabrics. Besides, the neat and hygenic appearance of paper bags is liked by consumers, particularly where commodities like cement and fertilisers are to be packed.

95. Machinery for manufacturing paper bags is costly and the manufacturers, therefore, cannot afford to lose a market once gained. A huge sum of money is being spent on publicity by the manufacturers of paper bags. Besides, research work has been intensively undertaken to make it possible for paper bags to capture new markets.

96. With a more abundant supply of jute, the incursion of paper bags into the packaging field has been arrested somewhat. A stable price of jute will be a further important factor in keeping paper from encroaching on jute. Technological developments will enable jute to serve the same purposes for which paper bags are preferred at the moment. Adequate supply, stability of price and technological research are necessary weapons in the fight against paper.

Bulk handling

97. A very serious competitor of jute is bulk handling. Effective attempts have been made for a long time in the developed countries, where labour is scarce and the handling expenses are high to eliminate the use of bags by bulk handling Wheat, maize, sugar and flour are now being bulk handled on a large scale, particularly in exporting countries.

98. " The system of bulk handling grain was introduced in Argentina as long ago as 1881, but details are not available to show how it originated or to what extent it was developed at that time. North America adopted this method of handling some time about the end of the nineteenth century, Canada in 1901, Brazil some years later, Australia in 1916, South Africa in 1924 and Soviet Russia in 1927. Thus it would appear that all important countries producing wheat for export have adopted this practice, which has resulted in reducing the offtake of jute bags to a considerable extent.

The general organization of the system may be described briefly. First, the farmer constructs a silo, a large cylindrically shaped airtight bin in which he stores his grain until such time as he desires to sell. At the time of marketing he takes it in bulk, if he has a suitable conveyance, or in bags to the nearest collecting station where it is cleaned, graded and weighed before being deposited into one of the many bins of storage tower, or, as it is generally termed, ' elevator '. All grains of the same grade belonging to different owners is merged together. From the country elevator, it is mechanically transferred to railway box cars and transported to the shipping ports where it is again placed in bulk storage until the time arrives for shipment abroad. It is loaded on ship-board through mechanically operated chutes and conveyed overseas to ports equipped with elevators and mechanism to unload direct from the holds. Thereafter, distribution is either in bulk form or in bags."[1]

99. Prior to the Second World War, the bulk-handling installations in some countries were as follows :—[2]

South Africa (1937-38).—35 country elevators and 2 terminal elevators.

1. I.C.J.C.—Report of the Marketing of Jute and Jute Products, 1952, p. 161.

2. *Ibid.* P. 161-62, *see* also Bengal Jute Enquiry Committee Report, 1939, Vol.-I, p. 145.

Canada (1937-38).—5,856 elevators with a capacity of 422 million bushels.

U.S.A. (1938).—25,000 to 50,000 country and main line elevators with overhead capacity of 800 million bushels *plus* 496 terminal and sea board elevators with a capacity of 30,000 tons.

Brazil (1938-39).—1,000 elevators.

Argentina (1937-38).—3·2 million tons of agricultural products were handled in bulk. In 1943 she had 395 elevators with a total capacity of 990,800 metric tons.

Australia (1938-39).—Capacity 14 million tons. There was no bulk handling in southern Australia and Queensland.

100. This development was further encouraged during the War when there was a shortage of bagging materials. Since then the movement has continued unabated and now many advanced countries have taken to bulk handling on a large scale. Even cement is being handled in bulk. It is reported that in Japan in 1954, 990,000 tons of cement, representing 10 per cent of the total delivery, was lifted in bulk from factories to ships, as against only 270,000 tons in 1951.[1] The latest position is not known to us. Refined as well as raw sugar is also being handled in this way. In 1953 about 2/3rds of all sugar imported *via* London was bulk handled.[2] Large installations have been set up in Cuba and Puerto Rico for the bulk handling of sugar and further expansion is contemplated. Not long ago most of the Australian wheat was packed in jute bags but now it is bulk handled.

101. Bulk handling suits where the production of agricultural commodities is on a large scale and mechanised as in the U.S.A., Australia, Canada, the U.S.S.R., etc. and the use of this method is likely to increase in future in these countries. In Europe, where farmers' holdings are small, the bulk handling method is not likely to find much favour. For under-developed countries this method is for the present unsuitable due to the heavy initial outlay involved in the installation of grain elevators and subsidiary equipment, such as special cars, wagons, etc.

102. Very little can be done to recapture the market lost to bulk handling, but its future progress can be effectively checked by keeping the price of jute stable and at a reasonable level.

Future Trend of External Demand for Jute

103. From the discussion above several broad trends are discernible. Firstly, the demand for jute as a packaging material has been increasing despite the use of competing fibres, substitutes and alternatives. This shows that in an expanding world market there is room for jute along with competing fibres, substitutes and alternatives.

104. Secondly, if the price of jute is reasonable and stable and its supply adequate and regular, it can arrest or at least retard the growth of competing fibres, substitutes and alternatives and can even regain some markets.

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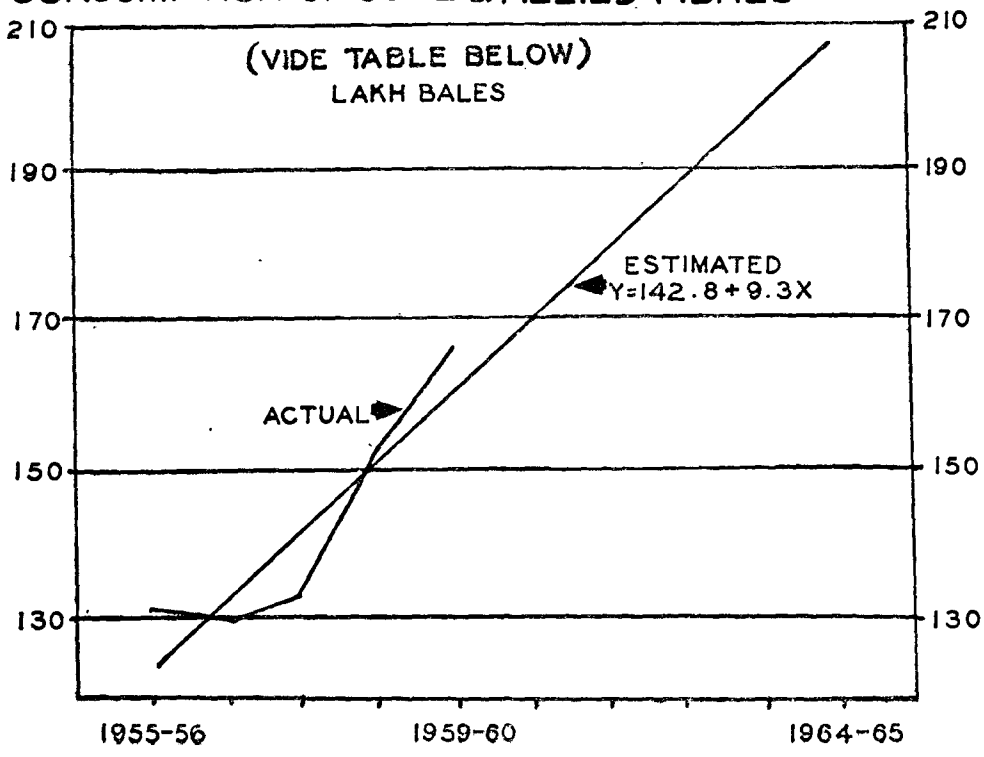
1. Jute and Gunny Review, June, 1954, p. 64.

2. A.E. Harer—Review of jute Substitutes in Jute and Gunny Review, 4th Annual number 1953, p. 137.

GRAPH SHOWING ACTUAL & ESTIMATED WORLD CONSUMPTION OF JUTE & ALLIED FIBRES



World Industrial Consumption of Jute and Allied Fibres.

(Lakh bales)

Year	Actual consumption	Estimated consumption
1955-56	131	124·2
1956-57	130	133·5
1957-58	134	142·8
1958-59	153	152·1
1959-60	166	161·4
1960-61		170·7
1961-62		180·0
1962-63		189·3
1963-64		198·6
1964-65		207·9

N.B.—Actual figures are from the table in para 7. The estimated figures are calculated on the basis of the following straight line regression $Y=142{\cdot}8+9{\cdot}3\times$ Both the actual figures and estimated figures are shown in the graph above.

105. Thirdly, the rising trend of industrial consumption of jute and allied fibres of the past five years is likely to continue. On this basis, the world industrial consumption of raw jute and allied fibres is likely to be about 208 lakh bales in 1964-65 (as shown in the graph attached), indicating a 5 per cent increase annually on the average.

106. Fourthly, Pakistan's production and exports have more or less remained stationary in the past years ; as a result its share in the world production and consumption has been declining. In the coming five years Pakistan should get a larger share in the increase of the world industrial consumption of jute and allied fibres so that the present trend of declining share is reversed. Pakistan's production of jute should therefore expand at least at the rate of the expected growth of world consumption *i.e.* 5 percent annually. This gives a size of crop of at least 75 lakh bales by 1964-65, as against an average of 60 lakh bales produced during the last five years (ending 1959-60).

107. Fifthly, Pakistan's raw jute exports to overseas countries have been more or less constant. It is unlikely that they will largely exceed the present level of 41 lakh bales in view of the increasing use of substitutes and alternatives. Exports to India are also unlikely to exceed 6 lakh bales a year. The total exports of raw jute thus come to about 47 lakh bales a year, but if the price remains stable and reasonable exports may increase upto 50 lakh bales by 1964-65. In the newly independent and developing countries of Africa and Asia, where appreciable quantities of fibres are not produced, there is likelihood of a considerable expansion in the demand for packaging materials. A large proportion of this can be met by exports of jute goods manufactured by the jute industry in Pakistan. This we have taken into account while estimating the internal consumption of raw jute in Pakistan at 30 lakh bales by 1964-65 (*vide* para 59).

Size of the Jute Crop

108. From the above it would appear that the size of the Pakistan jute crop should be about 80 lakh bales by 1964-65. We, however, recommend that during the next few years the crop, under normal circumstances, should be of the order of 65 to 75 lakh bales.

109. The actual annual target will have to be assessed every year keeping in view the progress of the jute industry in Pakistan and the expected volume of exports to overseas and India in the year. At the same time the profitability of gorwing of jute *vis-a-vis* other crops will have to be taken into account.

110. The 1961-62 crop should be larger than usual to make up for the short age created by two consecutive short crops in 1959-60 and 1960-61. It is obvious that there will be practically no carryover at the end of the 1960-61 season. So the size of the 1961-62 crop should be 72 lakh bales, which has been arrived at on the following estimate :—

Domestic consumption ...	3	lakh bales		
Mill consumption	19	,,	,,	(including 3 lakh bales of mesta).
Export Overseas	42	,,	,,	
Export to India	5	,,	,,	
Carryover	3	,,	,,	
	72			

111. In view of the high price this season and the lifting of all restrictions on jute cultivation, it should not be difficult to raise such a crop in the coming season. In subsequent years, however, more liberal facilities for jute cultivation such as provision of better tillage, equipment and of seeds, fertilizers, credit etc. will be necessary to ensure the required size of the crop. [1].

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[1] These are discussed in Chapter V later.

CHAPTER IV

JUTE AREAS

112. In East Pakistan the total available land is estimated to be 343·1 lakh acres; the distribution of which is shown below.[1]

	Lakh acres	Percentage of total area
Cultivated area	220·6	64
Forests	29·7	9
Not available for cultiyation	50·7	15
Other uncultivated area excluding current fallow	42·1	12
	343·1	100

Out of the 220 lakh acres under cultivation 25 per cent is estimated to be double cropped. In all the districts excepting Chittagong, Khulna and Chittagong Hill Tracts about 70 to 80 per cent of the total area is cultivated as shown in the Table below.

Districts	Rural population per sq. mile of		Cultivable area per person (acre)	Land utilisation in the district-percentage of	
	Cultivable area	Cultivated area		Cultivated area	Cultivable waste
1. Mymensingh	1,071	1,191	0·56	75·65	8·50
2. Dacca	1,600	1,698	0·35	78·89	4·81
3. Comilla	1,774	1,857	0·34	78·29	3·69
4. Noakhali	1,712	1,888	0·37	74·72	7·67
5. Sylhet	769	995	0·81	68·81	11·21
6. Chittagong	2,526	3,474	0·22	44·50	8·47
7. Faridpur	1,302	1,468	0·47	70·15	8·61
8. Pabna	1,083	1,208	0·56	68·78	7·94
9. Kushtia	739	856	0·82	72·02	11·45
10. Jessore	752	873	0·83	73·50	11·88
11. Khulna	948	1,050	0·65	39·79	4·27
12. Bakerganj	1,145	1,227	0·53	70·90	5·40
13. Dinajpur	581	675	1·03	75·92	12·28
14. Rangpur	943	1,038	0·64	72·92	7·31
15. Bogra	972	1,077	0·63	82·88	3·86
16. Rajshahi	710	782	0·86	74·87	7·48

Source : Census of Pakistan 1951, Vol. 3, p. 14, 42.

1. *Source*: Ministry of Food and Agriculture as published in the Report of the Economic Appraisal Committee November, 1952 (Revised February 1953), Ministry of Economic Affairs.

In Chittagong and Khulna land utilisation is less than 45 per cent because these two districts are the main forest areas apart from Chittagong Hill Tracts. Figures for Chittagong Hill Tracts are not available.

113. The above table also reveals that cultivable area per person varies between 1/4 and 1 acre *i.e.* 1-1/4 to 5 acres for a family of five. The minimum economic size of holding for East Pakistan, as reported by the Land Revenue Commission, Bengal, is from 5 to 8 acres according to the fertility of the soil and the proportion of the double cropped area. [1]

114. Even this small uneconomic holding is divided into a number of tiny plots and a variety of crops such as jute, paddy (aus and aman), sugarcane, potato, tobacco, pulses and oilseeds are grown on them.

Jute Cultivation and Other Land Uses

115. Jute lands are classified as low, medium and high. White jute (capsularis) is generally grown on low and mid-lands and tossa jute (olitorius) is grown on high lands and a little on mid-lands.

116. Low lands which come under water in May or June are exclusively suitable for jute as paddy (aus) may not be ripe for harvesting by that time. On other low lands, long stemmed aman (broadcast aman) can be grown, but its yield is not satisfactory except in the Eastern districts ; transplanted aman can also be grown in certain areas after harvesting jute if harvesting of jute is not very late. On high and medium lands jute competes mainly with aus paddy, sugarcane and til[2] (summer). The extent of such competition can be assessed from the table below.

Jute, Mesta and Competing Crops

Crops	Period of sowing/ planting	Period of harvesting	Average annual acreage during the last 10 year (*b*)	
				%*
White jute	... Mid.Feb—Mid-April ...	June—August ...	11,27,403	
Tossa jute	... Mid.April—early June...	Aug—Sept. ...	3,66,177	
		Total ...	14,93,580	6·8
Mesta	... Mid.April—June	... Sept.-Oct.		
Autumn paddy :			55,48,040	25·1
(Aus broadcast)	... March—May ...	... July—Sept.		
(Aus transplanted)	... April—June ...	... July—Sept.		

(1) Report of the Land Revenue Commission, Bengal, 1940, pp. 85-86.

(2) Til = Sesamum indicum.

*Percentages are calculated on the total cultivated area of the Province *i.e.* 220·6 lakh acres.

(*b*) Acreage under jute—avarage 1950-51 to 1959-60 ; other crops—average 1149-50 to 1958-59.

Crops	Period of sowing/ planting	Period of harvesting	Average annual acreage during the last 10 year (*b*)	
				%*
Winter paddy (*a*) ...	Feb.—April ...	... Nov.—Feb.	... 138,87,180	63·0
(Aman broadcast)				
(Aman transplanted) (Seed beds) ...	May—June ...	... Nov.—Jan.		
(Transplanted) ...	July—Aug.			
Sugarcane ...	Nov. (or February)	... January	... 2,46,600	1·1
Til (Summer) ...	February-March	... May-June	... 94,410	0·4

*Percentages are calculated on the total cultivated area of the Province *i.e*, 220·6 lakh acres.

N.B.:—(*a*) The acreages for broadcast and transplanted aman are not exactly known separately but they will be about 30 per cent and 70 per cent of the total respectively.

(*b*) Acreage under jute—average 1950-51 to 1959-60 ; other crops—average 1949-50 to 1958-59.

Source :—Food and Agriculture Department, Government of East Pakistan.

117. It will be seen from the above table that on an average 14·94 lakh acres were under jute, of which 75·48% were under white and 24·52% under tossa. As tossa jute is grown mainly on high lands, it may be said that 25% of the area under jute consists of high lands and 75% of medium and low lands. It is further estimated that 1/3rd of the area under white jute (*i.e.* 25% of the total) consists of low lands which come under water in May or June and on which, therefore, only jute can be safely grown in summer.

118. The total acreage under paddy aus and aman) was 194,35,220 *i.e.* about 88% of the total cultivated area of 220·6 lakh acres (*vide* Table above). As against this the ujte acreage is about 7%. Thus if jute acreage is curtailed by 50%, it can at best add about 4% to the paddy acreage. At the same time if 3% of the paddy acreage is diverted to jute, it can add about 40% to the jute acreage. A curtailment of 3% of the paddy acreage will mean in physical term a shortage of about 3 lakhs tons of food grains, which can be made up by a little care nad effort on the part of our people only to reduce normal wastage. Besides, the total yield per acre of rice (rough) in East Pakistan is about 1200 lbs. per acre as against the world average of about 1,700 lbs[1]. There is, therefore, scope for considerable increase in the production of rice from the existing acreage. Thus a substantial increase in the production of jute can be effected without disturbing the food situation.

[1]Acre/yield situation is shown below :—

	Acreage (thousand acres)		Yield per acre lbs.		Production million lbs.	
	World	Pakistan	World	Pakistan	World	Pakistan
Average 1950-51 to 1954-55	256,139	23,226*	1,538	1,207	394,009	28,024
1958-59 ...	277,384	23,000*	1,699	1,217	471,158	28,000

*Planted acreage.

Source:—The Rice Journal, Feb., 1959, Vol. 62, No. 2, p. 20.

Sugarcane and Til (summer) are cultivated in less than 3·5 lakh acres and are usually grown in rotation with jute. The cultivation of jute does not practically affect the production of these crops.

119. The cultivation of jute means the best utilisation of land in East Pakistan. Evidence received by us indicates that

(*i*) Paddy is more liable to damage by natural calamities such as drought, flood, water-hyacinth and pests, than jute. Jute may be harvested prematurely without much loss : not so paddy.

(*ii*) Some types of lands are particularly suitable for jute ; the yield of jute there is much better than that of other crops. For example, in char and bil areas jute is generally sown instead of paddy as the latter would be washed away or blown away. In other low lying areas subject to early inundation by rain or flood water, jute is preferred to paddy as the latter is more liable to be damaged. On extra fertile land, such as newly reclaimed land, jute is always sown, as the paddy plant "lodges" on account of heavy vegetative growth.

(*iii*) Jute is rotated with paddy in alternate years in the District and Northern areas, and every 2 or 3 years in the Jat area with a view to improving fertility of the soil and preventing the growth of 'Jhara' paddy plants, *i.e.*, plants which shed their grains as soon as they are ripe. Such a rotation improves the yield of both jute and paddy. Sowing of jute on lands which have for long been under continuous cultivation renovates the soil. The jute leaves, in particular, enrich the soil.

120. Jute is readily marketable and a grower can get cash as and when he likes by disposing of a portion of his jute. It brings cash at a time (*i.e.* June and July when no other cash crop is harvested and when the farmer is in dire need of money for paying debts, meeting the expenses of his family and for providing for the rainy season. The jute stick is a useful by-product, which can be used for fuel, fencing, and roofing. Moreover, some jute is always required by the farmers for domestic consumption in the form of ropes, twines, etc.

121. Thus, jute cultivation means better utilisation of the land. It does not affect, to any appreciable extent, the production of food or other crops and it is indispensable in the existing pattern of agriculture in East Pakistan.

Variation in the Quality of Jute

122. The quality of jute varies from place to place on account of the following reasons :—

(i) the variety of jute grown,

(ii) the geographical location of the area in which jute is grown, and

(iii) the skill of the farmer.

123. *Variety.*—Two species of jute are cultivated in Pakistan. Their botanical names are Corchorus capsularis and Chorchorus olitorius ; they are commonly known in the trade as "white jute" and "tossa jute" respectively.

There are clear differences between the two plants from seed to fibre. Their most important characteristics are noted below :—

(*a*) Capsularis can withstand adverse weather conditions better than the olitorius. The former, when about 5 ft. high can thrive under water submersion upto its middle, but the latter cannot withstand water-logging at all till it is mature for harvesting.

(*b*) The colour of the fibre largely depends on the cleanness of water in which jute is steeped, retted and washed. As olitorius is gorwn on high lands where running water is usually scarce its colour is generally " silk yellow " or pinkish, greyish or even blackish. On the other hand the fibre of the capsularis is ordinarily white.

(*c*) There are conflicting views about the quality of the two species. In the opinion of the Indian Central Jute Committee, " Fibre of olitorius is frequently finer, softer, stronger and more lustrous than that of capsularis[1].

(*d*) The common belief is that olitorius yields more per acre than capsularis[2] and the experimental results at Government Farms in undivided Bengal corroborate that belief.

(*Average yield in maunds per acre in Government farms*).

	1934-35	1935-36	1936-37	1937-38	1938-39	Average
D. 154 (Capsularis) ...	23·0	15·1	25·0	21·0	14·5	19·7
C. Green (Olitorious) ...	22·4	23·9	21·2	21·0	18·3	21·4

124. The farmers of East Pakistan, however, prefer cultivation of capsularis. The reasons are :—

(a) Capsularis suits all types of land, high or low.

(b) Capsularis can stand adverse weather conditions better than olitorius.

(c) Capsularis is early maturing. In low lying lands sowing begins in February and ends by the middle of March. In mid-lands it is sown between mid-March and mid-April. If harvesting can be completed by June or early July, a second crop of paddy can be raised. That is not possible with olitorius the sowing of which begins in mid-April and continues upto mid-June.

(d) Only about 20% of the cultivated land in East Pakistan is high land and hence early sowing is necessary. If olitorius is sown before mid-April it reverts to a wild state of branching and premature flowering and fruiting.

The fact is that the difference in yield between the two varieties is not large, the price factor is uncertain and the risk is less in the cultivation of capsularis. Hence the farmers prefer to grow white jute.

1. ICJC—Jute (Contribution to the Dictionary of Economic Products), 1944 op. cit. p. 4.

2. ICJC—First Marketing Report, op. cit., p. 37.

(ii) **Geographical location**

125. The topography of the area, the nature of the soil and water the seasonal conditions of rainfall, humidity and duration of day lights etc , are factors that determine the yield and quality of the fibre. These factors differ from one jute growing district to another. As a result certain peculiarities are found in the character of the fibre, which constitute the basis of classification in accordance with the place of origin - *i.e.* (a) Jat, (b) District and (c) Northern.

Jat jute has the finest fibre characteristics and is followed closely in this respect by District jute. Northern jute comes last. Jute grown in the districts of Dacca, Mymensingh and Comilla is known as Jat jute. Jute produced in the districts of Pabna, Faridpur, Kushtia, Jessore, Khulna, Barisal, Sylhet, Chittagong and Noakhali is known as District jute and that produced in the districts of Rangpur, Dinajpur, Bogra and Rajshahi as konwn as Northern jute. Quality, however, does not always correspond to the areas of production. Sometimes Jat or Northern jute can be found in the District areas, while Northern areas do also grow superior jute. But in a general way the classification followed by the trade on the basis of origin holds good.

(iii) **Skill of the farmer**

126. The quality of jute also depends to a great extent on the varying skill of the farmers in the cultural and retting practices followed by them. A substantial percentage of the jute suffers from defects which are mainly due to unsatisfactory cultural practices and faulty methods of retting. The trade has given several names to these defects, such as ' rooty ', ' croppy ', 'specky ', ' knotty ', 'sticky' etc. Fibre becomes rooty if the plants are left standing in the fields even after the floods have receded. Incomplete steeping makes the top ends of the fibre rough and hard and such jute is known as 'croppy'. Uneven retting and insufficient washing make the fibre 'specky' *i.e.*, patches of outer bark adhere to the fibre. Insect bites or some other damage in the growing plants produce 'knots' in the fibre. As a restult a portion of the fibre sticks together. Overretting or storing jute in moist condition makes the fibre 'dazed', *i.e.* dull and of poor spinning quality. If the hard bark and dried bast is not removed from the fibre it is called ' hunka '. The presence of any of these defects reduces the market value of the fibre. Many of these defects can be avoided or reduced by proper attention on the part of the growers during the process of retting (including steeping and washing).

Areas Where Jute Should be Grown

127. Jute thrives best in areas where the soil consists of loam or sandy loam, the climate is hot and damp *i.e.* the temperature is between 60°F and 100°F and the humidity varies from 70% to 90%, and the day-light lasts for at least 12 hours during the growing period. Jute also needs pre-monsoon showers for the preparation of the soil and intermittent rains during the period of its growth. In addition, it needs an abundant supply of clear flowing water for the purpose of retting and washing. All these conditions obtain in East Pakistan. In fact, its geographical location and physical resources are such that it can produce all the jute the world needs, both in quantity and quality.

128. In recent years considerable emphasis has been laid in Pakistan on the production of quality jute in order to reduce the wide difference between prices of good and bad quality jute and to maintain a competitive position *vis-a-vis* other competing fibres. Quality jute is defined by the trade as that which is sound and strong and is on the average 6 to 7 feet long. It should possess bright colour and lustre and should be light-rooted and free from stick, hard centre and leaf and moss. Essentially it has to be strong spinning fibre.

129. As already mentioned in paras. 12—16 the quality varies from place to place depending on the variety of jute, the natural environments and the skill of the farmer. Good quality jute is generally grown in the low-lying areas which are usually innundated by early rains and floods and other areas which have proximity to sources of plentiful fresh water. The location and distribution of these two types of areas as reported to us are shown in statements I & II attached at the end of this Chapter. The areas where medium quality jute is grown are shown in statement III. As the exact acreage of these three areas is not known it is desirable that a survey should be made to ascertain the size of each of these three categories of land. Apart from this, a comprehensive soil survey should be conducted regarding the types of soil in East Pakistan and their chemical contents, etc., so as to find out what crops will be suitable for which areas. This survey may be conducted by the EPWAPDA on the same line as is being done by WAPDA in West Pakistan.

130. We recommend that in the areas shown in statement I and other low-lying areas where jute grows well and no other crop can be safely grown, the cultivation of jute should be encouraged without any restriction even if such areas fall within the border belt.

131. We further recommend that jute should be grown in the areas shown in statement II and III (except in the border belt).

132. It may, however, be noted that the good tracts of land, as shown in statement II, are not all homogeneous and some parts of it would produce medium or even inferior quality. Conversely, some areas of medium quality tracts as shown in statement III may yield good quality, jute. It is difficult to assess the exact proportion of good, medium and inferior quality jute that can be grown in the areas recommended by us, due to the absence of neeessary data. A rough district-wise distribution of jute acreage and quality composition is, however, shown in the following table :—

Districtwise distribution of Jute acreage and quality composition of yield.

Districts	Percentage of total acreage	Percentage of total yield	Proportion of acreage under white and tossa %		Percentage of		
			White	Tossa	Good quality	Medium quality	Low quality
	1	2	3	4	5	6	7
Jat area							
Mymensingh ...	26·52	28·48	80	20	45	47	8
Dacca ...	10·86	11·31	78	22	45	47	8
Comilla ...	9·90	10·24	91	9	45	47	8
Total ...	47·28	50·03	82	18			

District-wise distribution of Jute acreage and quality composition of yield—contd.

Districts	Percentage of total acreae	Percentage of total yield	Proportion of acreage under white and tossa %		Percentage of		
			White	Tossa	Good quality	Medium quality	Low quality
	1	2	3	4	5	6	7
District area							
Faridpur ...	8·64	8·35	60	40	40	51	9
Pabna ...	4·76	4·51	64	36	40	49	11
Kushtia ...	1·39	1·19	7	93	38	51	11
Jessore ...	3·65	37·8	10	90	40	49	11
Khulna ...	1·16	1·04	24	76	38	51	11
Bakerganj ...	2·18	1.89	59	41	38	51	11
Noakhali ...	2·27	2·05	97	3	40	50	10
Sylhet ...	2·17	1·73	100	...	40	50	10
Total ...	26·44	24·41	55	45			
Northern area							
Dinajpur ...	4·18	3·94	97	3	38	51	11
Rangpur ...	13·49	13·62	91	9	38	51	11
Bogra ...	4·24	4·11	58	42	38	51	11
Rajshahi ...	4·37	3·89	38	62	38	51	11
Total ...	26·28	25·56	77	23			
GRAND TOTAL	100·00	100·00	74	26			

(*a*) Figures in columns 1 to 4 are calculated on the basis of the average acreage and yield under jute during the last 5 years (1955-56 to 1959-60) obtained from the Jute Directorate. In Dinajpur jute cultivation was banned in 1959-60 so 4 years average was taken.

(*b*) Figures in columns 5 to 7 are based on evidence.

133. In the above table the Jat, District and Northern areas account for 47%, 27% and 26% of the total acreage and 50%, 24% and 26% of the total yield of the Province rsepectively. This calculation, however, excludes a negligible amount of jute produced in Chittagong and Chittagong Hill Tracts. About 80% of the total jute is grown in 7 districts—Mymensingh, Dacca, Comila, Faridpur, Pabna, Bogra and Rangpur—which form more or less a compact block.

134. The fertility of the jute lands of East Pakistan is undergroing slow but sure changes due to changing courses of rivers which are the main sources of natural irrigation. Some of the rivers have silted up, causing considerable damage to the adjoining jute areas. So, the areas which are considered most suitable for jute today may prove otherwise in future. Modern science has, however, proved that soil is amenable to proper treatment and what nature takes away man can add. We are, therefore, confident that the existing areas where the bulk of jute is produced can be preserved and developed for the cultivation of the required quantity and quality for many years to come.

STATEMENT I

Areas Exclusively suitable for Jute

(*a*) Low lying char areas :

(*i*) along Brahmaputra in.	...	Dewanganj, Islampur, Melanda, Jamalpur P.S.'s of Jamalpur Subdivision ; Kotwali, Iswarganj, Nandail, Gaffargaon P.S.'s of Mymensingh Sadar Sub-division. Hussainpur, Pakundia and Kathiadi P.S.'s of Kishoreganj Subdivision.
(*ii*) along Jumna in	... ...	Kurigram, Gaibandha, Bogra, Jamalpur, Tangail, Serajganj, Pabna, Manikganj Subdivisions.
(*iii*) along Padma in	... ...	Pabna, Kushtia Sadar, Goalundo, Manikganj, Faridpur Sadar, Madaripur (North), Munshiganj Subdivisions and Dohar P.S. of Dacca Sadar Subdivision.
(*iv*) along Meghna in	... ...	Habiganj, Kishoreganj, Brahmanbaria, Narayanganj, Comilla Sadar, Munshiganj, Chandpur, Madaripur (East), Bakerganj Sadar (East) and Noakhali Sadar (West) Subdivisions.
(*v*) along Arialkhan in	...	Faridpur district.
(*vi*) along Madhumati in	...	Jessore and Faridpur districts.
(*vii*) along River Jumna, Bengali and Karotoa in		Rajshahi Bogra and Rangpur districts.

(*viii*) along the river passing through Habiganj P.S., along Shakha Barak passing through Baniachang P.S., along Kusiara passing through Balaganj and Golapganj P.S.'s, along river Manu passing through Moulvi Bazar P.S. These lands are traversed by rivers and due to accumulation of valuable silt are extraordinarily fertile.

(*b*) beel areas in	... ...	Bogra Sadar, Gabtali, Sariakandi, Dhunot, Sherpur P.S.'s of Bogra district.
(*c*) Haor areas in	... ...	Austagram, Itna, Nikli, Bajitpur P.S.'s of Kishoreganj Subdivision. Khaliajury, Madan, Mohanganj, Kalmakanda P.S.'s of Netrokona, Subdivision. Dharmapasha and Nabiganj P.S's of Sylhet district. Sarail and Nasirnagar P.S.'s of Brahmanbaria Subdivision.

STATEMENT II

Areas Where Good Quality Jute is Grown

White	*Tossa*
MYMENSINGH DISTRICT (excluding Nalitabari P.S. of Jamalpur Subdivision, Haluaghat P.S. of Mymensing North Subdivision, Durgapur, Purbadhala, Kalmakanda, Khaliajuri P.S.'s of Netrokona Subdivision).	MYMENSINGH DISTRICT (excluding Netrokona Subdivision and Dewan ganj and Sribardi P.S.'s of Jamalpur Subdivision).
DACCA DISTRICT	DACCA DISTRICT (Excluding Munshiganj Subdivision).
COMILLA DISTRICT (excluding Kotwali, Laksam, Chaudagram P.S.'s of Comilla Sadar Subdivision and parts of Faridganj and Chandpur P.S.'s of Chandpur Subdivision).	COMILLA DISTRICT (particularly in Burichang P.S. of Comilla Sadar and Hajiganj P.S. of Chandpur Subdivision).
SYLHET DISTRICT (Madhabpur, Lakhai P.S.'s of Habiganj Subdivision and Dharampassa P.S. of Sunamganj Subdivision).	FARIDPUR DISTRICT (Particularly Madaripur Subdivision).
	BOGRA DISTRICT (West).
	RAJSHAHI DISTRICT (Naogaon Subdivision excepting Niamatpur Patnitola and Dhamairhat P.Ss.).

STATEMENT III

Areas Where Medium Quality Jute Is Grown

White	*Tossa*
SYLHET DISTRICT (Tahirpur, Sulla P. Ss Sunamganj subdivision, Habiganj, Nabiganj P.S. and part of Banjachang P.S. of Habiganj Subdivision, Moulvi Bazar and Rajnagar P.S.'s of Moulvi Bazar Subdivision, Balaganj and part of Golabganj P.S.'s of Sylhet Sadar Subdivision.	
FARIDPUR DISTRICT	FARIDPUR DISTRICT (Faridpur Sadar and part of Goalundo Subdivision).
PABNA DISTRICT (Mainly Serajganj Subdivision).	PABNA DISTRICT (Sadar) and part of Serajganj Subdivision.
JESSORE DISTRICT (Major part of Narail and Magura Subdivision).	JESSORE DISTRICT (Part of Magura, Narail and Sadar Sub-divisions and Sailkupa P.S. of Jhenaidah Subdivision).

STATEMENT III—*contd.*

Areas Where Medium Quality Jute Is Grown—contd.

White	*Tossa*
KUSHTIA DISTRICT (Kushtia Sadar Subdivision particularly Daulatpur P.S.).	
KHULNA DISTRICT (Mullahat P.S. of Bagerhat Subdivision and Terakhada, Dhamuria, Fultala, Daulatpur and Khulna P.S.'s of Khulna Subdivision).	———
BAKERGANJ DISTRICT (Part of Sadar North Subdivision).	
NOAKHALI DISTRICT (Part of Sadar Subdivision).	
BOGRA DISTRICT (East).	
RANGPUR DISTRICT (exepting Patgram, Hatibandha and Kaliganj P.S.'s of Sadar Subdivision and including only Chilmari, Rahumari and Ulipur P.S. of Kurigram Subdivision).	RANGPUR DISTRICT (Rangpur Sadar Subdivision excepting Patgram, Hatibandha and Kaliganj P.S.'s, Nilphamari Subdivision, and Chilmari and Ulipur P.S.'s of Kurigram Subdivision).
RAJSHAHI DISTRICT (Naogaon Subdivision excluding Patnitala, Dhamairhat and Niamatpur P.S., Natore Subidvision excepting Lalpur P.S., and Bagmara, Mohanpur and Durgapur P.S.'s of Rajshahi (Sadar) Subdivision.	RAJSHAHI DISTRICT (Natore Subdivision excepting Lalpur P.S.)
DINAJPUR DISTRICT (Thakurgaon Subdivision particularly Tetulia, Debi ganj, Boda and Pachagarh P.S.'s and part of Sadar Subdivision adjoining Rangpur District.	

CHAPTER V

YIELD AND COST OF RAW JUTE

Yield per Acre of Raw Jute

135. It was reported by the Finlow Committee that " An average crop of jute is about 16 maunds per acre, but yields as high as 40 maunds per acre have been authentically recorded ".[1] The Indian Central Jute Committee adopted 14.8 maunds per acre as the " general average yield for the year 1937-38 ".[2] The Land Revenue Commission of Bengal, 1940, accepted 17 3/5 maunds as the normal yield per acre.[3] There is a distinction between the " average yield " and the " normal yield ". The average yield of good years may be very different from the average yield of bad years ; the normal yield is the average of the yield obtained over a long series of years.

136. A consolidated statement of the evidence on this question which we received in the course of our enquiry is given below.

The Yield of Raw Jute—White and Tossa—and of Mesta per acre in different Districts

Districts	Yield of Jute/Mesta in maunds per acre							
	White Jute				Tossa			Mesta
	Food and Agri. Deptt. E. Pak.	P.C. J.C.	Jute Directorate	Dacca-* N. Ganj Chamber of Commerce	Food and Agri. Deptt.	P.C. J.C.	Jute Directorate	Food and Agri. Deptt.
Jat area :								
Mymensingh ..	19	13.9	19	30	22	13.4	19.5	24
Dacca	19	14.9	19	28	21	16.0	19.5	20
Comilla	19	17.9	19	28	21	16.7	19.5	*Nil*
District area :								
Faridpur	18	16.3	17.5	25	21	14.8	19	22
Pabna	17	11.2	17.5	22	20	15.0	18.5	21
Kushtia	17	12.9	14.5	16	19	9.2	16.5	20
Jessore	17	15.6	15	22	19	13.7	16.5	20
Khulna	14	..	15	16	17	15.7	17.5	*Nil*
Bakerganj	17	15.4	14.5	16	19	15.0	16.5	20
Noakhali	16	16.3	15	20	19	9.0	17.5	*Nil*
Sylhet	..	15.1	12.5	20	..	..	..	*Nil*
Northern area :								
Dinajpur	16	12.7	16	20	18	10.7	18	19
Rangpur	18	14.6	17.5	26	21	13.1	18	22
Bogra	18	11.7	17.5	22	20	12.6	19	21
Rajshahi	16	13.3	14.5	24	19	12.8	17	20

* No mention of white or tossa.

P.C.J.C. = Pakistan Central Jute Committee.

[1] Finlow Committee Report, 1933, p. 3.

[2] I.C.J.C. First Marketing Report, 1940, p. 42.

[3] Floud Commission Report, 1940, Vol. II, p. 42.

137. It will be seen from the above table that the Dacca-Narayanganj Chamber of Commerce stated that the yield of jute per acre varies from 16 to 30 maunds, while the Jute Directorate's view is that the yield of white jute varies from 12.5 to 19 maunds and that of tossa jute from 16.5 to 19.5 maunds. The Food and Agriculture Department's figures are : White 14 to 19 maunds, tossa 17 to 22 maunds. The Pakistan Central Jute Committee estimated the yield of white jute to vary from 9 to 18 maunds per acre during 1958 and 1959.[1] Other estimates received by us mostly fall in the range 14-1/2 to 19 maunds. We are of the view that the normal yield of white jute is 17·25 maunds and that of tossa jute about 19 maunds per acre. On the basis of 75·48% acreage under white and 24.52% under tossa jute[2] the average works out at 17·5 maunds per acre.

Cost of Production of Raw Jute per Maund

138. Agricultural costing is not simple. The reasons are :—

(*a*) Agricultural products are of the nature of joint supply and, therefore no crop can be treated as a separate, independent entity.

(*b*) The same land may give more crops than one during the same year.

(*c*) The yield varies from year to year.

(*d*) The residual effects of manure, capital cost of implements, cattle, embankments, etc., spread over more seasons than one.

(*e*) Farmers in our country do not keep any account of their expenditure or income.

139. As a result of these handicaps it is difficult to allocate the shares of these different operational costs and the cost of tools, implements, capital and management on several products. For instance, no one can say what should be the proportional cost of production of jute sticks. Mr. H. G. Sandars has rightly said, " Average costs determined objectively are impossible to obtain. Undoubtedly, average cost cannot be given ; all that can be attempted are costs typical of certain sets of conditions "[3]. The cost of production study of a particular crop has, however, its own value. In the first place, though not accurate in detail, it provides some idea about the expenses involved in the production. Secondly, the details of cost show where the large expenditures are incurred and where economy can be effected. Unfortunately such studies, even imperfect ones, have not been done in our country.

140. It is said that the cost of production of jute was Rs. 3-10 as. per maund in 1908.[4] Sir Azizul Huq put the cost in 1939 at Rs. 4-0 as. per maund on the basis of yield of 16 maunds per acre and Rs. 4-4 as. per maund on the basis of 14-1/2 maund per acre. This was exclusive of rent, interest and cost of manure.[5]

141. Evidence received by us indicates a large variation in the estimates of the cost.[6] The basis of calculation is also found to be different, *e.g.*, some estimates do not take into account rent and/or cost of maintenance of bullocks and equipment ; very few estimates take into account the value of jute sticks or of the fibre obtained from weeded jute plants. In such estimates we have adopted a uniform provision of Rs. 4-11 as. per acre as rent, Rs. 30-5 as. per acre as the cost of maintenance and depreciation, and Rs. 20 per acre as the value of by-products. A few estimates include interest on the capital invested ; the cost of manu e also is taken into account by some. So these estimates can at best be taken as indicative of what the cost might be and the broad trends discernible are shown in the table below.

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1. P.C.J.C. figures supplied to the Jute Enquiry Commission.
2. Cf. ante Chapter IV para. 117.
3. H. G. Sandars, Outline of British Crop Husbandry, Cambridge University Press, 1945, p. 321.
4. N. C. Chaudhuri, Jute and Substitutes, 1933, p. 46.
5. Sir Azizul Huq, ' Man Behind the Plough ', 1939 p. 62.
6. *Vide* tables appended to this chapter.

Cost of Production of Jute

(Figures in Rupees)

	Jute			White Jute			Tossa Jute		
	Highest estimate	Lowest estimate	Average estimate	Highest estimate	Lowest estimate	Average estimate	Highest estimate	Lowest estimate	Average estimate
Ploughing, sowing etc. ..	148·00	60·75	90·54	108·00	49·00	84·90	133·50	56·00	92·06
Weeding ..	120·00	50·00	75·58	135·00	40·00	81·56	135·00	60·00	91·78
Harvesting, washing and drying ..	120·00	45·00	78·56	85·00	52·00	68·78	120·00	52·50	70·19
Miscellaneous, rent etc. ..	103·75	4·69	26·28	88·00	4·69	24·04	61·14	4·69	18·46
Cost of maintenance etc. ..	90·31	30·31	36·31	..	..	30·31	..	..	30·31
LESS value of by-products	..	..	20·00	..	..	20·00	..	..	20·00
COST/ACRE Rs.	395·81	220·31	287·27	330·31	222.00	269·59	330·31	227.00	282·80
Yield per acre Mds. ..	25	15	17·03	21	12	15·56	24	12	17·09
Cost per maund Rs. ..	22·00	13·69	17·07	21·13	14 25	17·35	20·10	11·50	17·10

N.B.—Figures in rows are not additive except for the columns showing average.

We are of the opinion that Rs. 280 may be taken as the cost of production per acre and on the basis of average yield of 17·5 maunds per acre the cost of production comes to Rs. 16 per maund.

In the above calculation of cost, family labour is evaluated at the same rate as hired labour. But if the supervision cost of the farmer is taken into consideration, the wages of family labour will be higher. In view of the fact that nearly 60% of the labour supply is contributed by the members of the grower's family,[1] the actual cost of production should be considered to be higher than Rs. 16 per maund.

Again, the above cost refers to the cost of production of jute grown on the farmer's own land. If land is taken on lease, the cost will be higher by about Rs. 10 per maund.[2] According to the Land Revenue Commission of Bengal, 1940, approximately 66% of the cultivated land was operated by family members and 34% was cultivated by share—or cash—tenants.[3] When this fact is taken into consideration the over-all average cost will be substantially higher.

[1] It is estimated by the Jute Directorate that on an average the value of family labour is Rs. 94 per acre. The sample survey made by the Pakistan Central Jute Committee revealed that on an average family labour constituted 61% and 55% of total labour devoted per acre in 1954 and 1955 repsectively. This means that the value of family labour is around Rs. 100 per acre.

[2] The annual cost of lease varies from Rs. 150 to Rs. 200 per acre.

[3] *Vide* Report of the Land Revenue Commission, Vol. II, p. 119.

142. It is of interest to examine the comparative costs of jute, mesta, paddy and sugarcane and the return generally obtained therefrom. These are indicated in the table below.

Respondents	Crops	Cost/Md.	Selling ptice per md.	Net gain per md. Col 3-2	Yield per acre	Total gain per acre Col. 4 × 5
1		2	3	4	5	6
		Rs. As.	Rs. As.	Rs. As.	Mds.	Rs. As.
Regional Assistant .. Controller of Jute, Rangpur.	Jute ..	17 8	18 0	0 8	16.5	8 4
	Mesta ..	8 7	10 0	1 9	21.0	32 13
	Paddy ..	8 0	13 0	5 0	18.0	90 0
	Sugarcane ..	0 14	1 14	1 0	600 0	600 0
Chief Inspector of Jute, Rajshahi.	Jute/White ..	14 8	20 0	5 8	18	99 0
	Jute/Tossa ..	16 0	22 0	6 0	20.25	121 8
	Mesta ..	6 8	10 0	3 8	18	63 0
	Aus Paddy ..	7 0	15 0	8 0	18	144 0
	Sugarcane ..	0 15	1 14	0 15	600	562 8
District Magistrate, Rajshahi.	Jute/White ..	16 0	20 0	4 0	15	60 0
	Jute/Tossa ..	17 0	22 0	5 0	18	90 0
	Mesta ..	7 0	10 0	3 0	21	63 0
	Aus Paddy ..	8 0	14 0	6 0	12	72 0
	Sugarcanc ..	1 0	1 14	0 14	600	525 0

It appears that the total gain per acre from the cultivation of jute is greater than that from the cultivation of mesta, but is normally lower than the gain from the cultivation of aus paddy or sugarcane. Sugar-cane cultivation, however, extends over a whole year and, therefore, does not permit another crop to be raised ; if jute is sown, a winter crop can always be obtained and in some cases transplanted aman can also be grown (provided the harvesting of jute is not very late).

Measures to Improve Yield and Reduce Cost

143. Cost varies inversely with the yield *i.e.* if yield rises cost falls. The improvement of yield per acre largely depends on the following factors :—

1. Use of improved seeds, implements and fertilisers.

2. Improved cultural practices, *e.g.*, irrigation and better ploughing (by mechanical tillers).

3. Control of pests and diseases.

4. Provision of credit facilities.

144. The existing supply of good quality seeds is very inadequate and its distribution is unsatisfactory. To produce 70 lakh bales of jute about 2 lakh maunds of seeds would be required. The maximum output of seeds in Government's and Pakistan Central Jute Committee's farms has been about 2,000 maunds a year *i.e.* about 1 % of the total requirements. The Pakistan Agricultural Enquiry Committee of 1952 recommended that 25% of the jute seeds should be " handled " by the " Agriculture Department ". The word " handled " should be noted. If 25 % of the seeds (which means 50 thousand maunds) are to be grown, it will be necessary to put about 12,500 acres of high and medium land under seed cultivation, as the average yield of seeds is abut 4 maunds per acre.

It is difficult to say how much jute area is actually under improved varieties. In the opinion of the Agriculture Department about 40 % of the jute acreage is under the cultivation of improved varieties. As some farmers also grow good seeds, it is not improbable that about 40 % of the total jute acreage is under the cultivation of improved varieties, though not planted with Government guaranteeed seeds.

145. Research on jute started in India with the appointment of a Fibre Expert under the Government of Bengal in 1904. Three improved strains of capsularis and one of olitorius were evolved by the Agriculture Department during the period 1904 to 1939. The three improved strains of capsularis evolved were—(1) Kakiya Bombai, (2) R-85 and (3) D-154. Kakiya Bombai was the first departmental selection, isolated from seeds obtained from Sirajganj in Pabna District. It was a late maturing, high yielding variety but it was dropped later as it was susceptible to chlorosis. It was replaced by R-85 which was the second selection of the Department, isolated from Kakiya Bombai in Rajshahi in 1916. This gave somewhat heavier yield than Kakiya Bombai but was also susceptible to chlorosis. D-154 which was the third selection from Kakiya Bombai, was evolved in Dacca in 1919. This variety was found superior to the previous two and was comparatively less susceptible to chlorosis. D-154 is the most popular departmental variety now under cultivation.

146. The Indian Central Jute Committee, which was established in 1938 for looking after the research on jute, evolved three improved varieties, namely—C-39-212, C-41-13 and C-39-412, which in certain tracts proved superior to D-154. Three other varieties were evolved after Independence by the Pakistan Central Jute Committee, namely—C-320, C-321 and C-322. Subsequently C-322 was dropped out of the recommended list as it was found to be more susceptible to stem-rot.

147. As regards olitorius, Chinsura Green was evolved at Dacca by the Agriculture Department in 1915. This variety was originally named D-38, but as the seed originally came from Chinsura the name was changed to Chinsura Green. This variety has been most popular, but after Independence two new heavier yielding strains namely—0-2 and 0-3 have been evolved by the Pakistan Central Jute Committee and have proved popular with the cultivators. The use of these improved seeds has shown an increase in yield of 3 to 5 mds. per acre.

148. All areas in East Pakistan are not self-sufficient in seed production. No seed can be grown in low-lying areas where harvesting takes place at an immature stage. The seeds are generally grown on high and medium lands from where they are despatched to various markets. The germination capacity of the growers' seeds is not very high and it usually does not exceed 65 %, as against 96 % germination of the Government guaranteed seeds.

149. Up to the time of Partition high quality jute seeds were produced in Champaran, Saran and Muzaffarpur districts of Bihar. The planters entered into an agreement with the Bengal Government for supplying stipulated quantities of improved jute seeds of not less than 96% germination capacity. The demand for departmental seeds gradually increased and by 1923, 3,000 maunds of jute seeds were raised for distribution. To facilitate distribution, the Agriculture Department entered into an agreement with Mr. A. L. Godden, Agent of the Joint Steamer Companies at Narayanganj, who undertook production of jute seeds through planters in Bihar and their sale to jute growers at a fixed price approved by the Agriculture Department. The Department scrutinised the distribution and also undertook testing of the seeds prior to their sale to growers. This worked quite well. Its success was recognised by the trade and in 1925 the London Jute Association granted £ 1,500 (Rs. 20,000) per annum for 5 years for the distribution of quality seeds in small packets to approved growers. In the same year the Indian Jute Mills Association also, realising the financial risk involved in the production and distribution of seeds, offered to guarantee the Agriculture Department against loss upto Rs. 2·5 lakhs a year. In fact, in 1927-28 when the sale of seeds fell short of the contracted quanity, the Indian Jute Mills Association met the resultant loss and also renewed its guarantee for the future. During the period 1922—1936, 17,882 maunds of seeds of D-154 and 6,524 mds. of seeds of Chinsura Green were distributed through the Government agent.[1]

150. After Independence, the responsibility for multiplication and distribution of seed was taken over by the Agricuture Department of the Government of East Pakistan. Subsequently the Pakistan Central Jute Committee, established in 1951, undertook production of nucleus jute seeds in its Nucleus Jute Seed Multiplication Farm at Chitla (Kushtia) which was established in 1955. The production of seed, however, has been completely inadequate to meet the demand. The production of nucleus and improved seeds by the Pakistan Central Jute Committee and the Agriculture Department since 1955-56 has been as given in the table below :—

Year	Quantity of seeds produced by PCJC	Quantity lifted by the Government of East Pakistan		Distribution of seeds among registered growers	Quantity produced by Government
	Mds.	Mds.	Seers	Mds.	Mds.
1955-56	225	..		..	1,142
1956-57	600	328	0	..	918
1957-58	730	99	0	..	1,651
1958-59	885	519	0	..	1,200
1959-60	221	135	28	100	500

Source : Pakistan Central Jute Committee & Agriculture Directorate.

The distribution of improved seeds by the Agriculture Department after Partition did not, on an average, exceed 3,000 mds. a year, which could cover only about 24,000 acres or hardly 1·6% of the total jute acreage.

[1] Indian Central Jute Committee First Marketing Report, 1940. p. 235-36.

151. In the 2nd 5-Year Plan period, the Agriculture Department proposes to multiply improved jute seeds through its Seed Multiplication Farms and registered growers at the following rate :—

Year	Nucleus seeds	Acreage to be covered with Registered Growers	Seeds (produced by Regd. growers and in Govt. Farms) to be procured from previous years crop	Seeds expected to be sold taking 2% handling shortage and 5% unsold
	Mds.	Acres	Mds.	Mds.
1st Year	Oli. 300 Cap. 700			
	1,000	10,000	8,000	7,500
2nd Year	450 1,050			
	1,500	15,000	42,000	41,000
3rd Year	600 1,400			
	2,000	20,000	63,000	61,500
4th Year	750 1,750			
	2,500	25,000	84,000	82,500
5th Year	2,500	25,000	1,09,500	1,07,500

N.B.—Oli. = Olitorius ; Cap. = Capsularis ; Regd. = Registered.

Source : Agriculture Directorate.

152. The nucleus jute seeds will be produced by the Pakistan Central Jute Committee at its Nucleus Jute Seed Multiplication Farm at Chitla (Kushtia) and at the Dinajpur Farm which was established by the Committee in March, 1960. These seeds will be multiplied by the Agriculture Department in its own seed-farms in the districts of Jessore, Kushtia, Rajshahi and Dinajpur and also through registered growers located in compact blocks in these four districts. The improved seeds thus multiplied will be distributed in the jute growing areas of the Province in a planned manner so that local varieties are ultimately completely replaced by the improved ones over a period of five years. We recommend that the programme of seed multiplication and distribution as envisaged in the Second Five Year Plan should be vigorously pursued.

153. *Fertilisers.*—The situation in regard to supply and use of chemical fertilisers is not very satisfactory. Although supply is fairly adequate and the price is subsidised, the distribution and off-take is not what it should be. Between 1951 and 1960 a quantity of about 2 lakh tons of chemical fertilisers was procured by the

Agriculture Department of which only about 1 lakh 18 thousand tons was distributed (for all crops). The off-take of fertilisers, however, is on the increase, as may be seen from the following table :—

Progress of Receipt and Distribution of Chemical Fertilisers from July, 1951 to June, 1960

	Receipt	Distribution to Growers	
		Tons	Tons (including *ex*-stock)
1951-52	2,000	2,698
1952-53	4,500	3,340
1953-54	15,000	6,525
1954-55	*Nil*	9,290
1955-56	4,516	1,668
1956-57	41,942·7	16,083
1957-58	80,925	18,106
1958-59	*Nil*	21,299
1959-60	51,734·5	38,881
Total ..	2,00,618·2	1,17,890

Source : Agriculture Directorate.

The off-take would have been much better but for the following reasons :—

(*i*) The supply stores are often far away from the farmers' homes.

(*ii*) The farmers are not fertiliser-minded ; they are ignorant of the advantages of chemical fertilisers.

(*iii*) Those who desire to use fertilisers cannot avail of them on account of lack of finance (although the Government subsidy extends upto 50 per cent).

154. We understand that the Provincial Government have already decided, and taken steps, to construct Seed and Fertiliser Stores in every Union of the Province. This will make fertilisers available to the farmers at convenient places.

155. In order to make the farmers fertiliser-minded, we recommend that large-scale demonstration plots be laid out in cultivators' fields where improved cultural practices and manurial trials can be effectively demonstrated for the benefit of the jute growers. Supply of chemical fertilisers to growers should be continued at subsidised rates for some years more so that they become fully familiar with them.

Implements :

156. In recent years, the price of iron and steel has increased considerably and their supply has become inadequate and irregular. The shortage of blacksmiths due to the migration of a large number of non-Muslim blacksmiths immediately after the Partition has further aggravated the situation. There is consequently a shortage of even ordinary implements and their prices are also very high.

157. The cultivation of jute begins at the end of the winter season when there is practically no rainfall in the Province. At that time the soil becomes hard and dry and the available bullock power proves unequal to the task of breaking it.

The problem of implements as well as draught animals could be solved if farming were mechanised. Mechanisation of agriculture, however, is difficult in East Pakistan because the farmers are poor and unorganised, the holdings are extremely small and scattered, illiteracy is wide-spread and technical knowledge is almost unavailable. Besides, mechanisation is likely to create rural unemployment. We have, therefore, to find out a way by which assistance can be given to the cultivators without disturbing employment. We believe that small tractors are the answer. They can be conveniently used for turning the soil at the initial stage of cultivation ; the clods can also broken by the same machinery. The remaining ploughings, laddering, etc. can be done by bullocks. Such tractors will supplant and not replace bullock power. Large machines can be used in some cases, for such work as reclamation of waste-land, cultivation of large farms, construction of rural roads and modernisation of country boats. In small farms, baby tractors of, say, 5 H.P. can be used to cultivate land and also to irrigate it (as such tractors usually contain pumps for surface irrigation), while simple handdrawn seed-drills and hand-hoes can be used for line-sowing and weeding purposes. This sort of cultivation will increase the yield per acre and reduce the cost of production. As bullock power is in short supply and not infrequently beyond the means of the poor jute grower, we recommend that a pilot scheme to use small tractors for first ploughing be undertaken by the Government of East Pakistan on an experimental basis. It should be possible for a driver-*cum*-mechanic to plough farmers' lands from field to field, keep necessary records and also look after the machines.

158. Trials undertaken by the Pakistan Central Jute Committee all over the province have shown that the cost of cultivation can be considerably reduced if jute is sown in lines (with seed-drills) and weeding is undertaken by mechanical means (with hand-hose). The line-sowing method has also shown an increase in yield of about 15 per cent. Popularisation of seed-drills and hand-hoes would, therefore, be an important step in reducing the cost of jute cultivation and increasing its production.

159. We understand that the Government of East Pakistan have already taken steps to meet the shortage of small implements by importing a large quantity of iron and steel for manufacture of implements by the village black-smiths. We recommend that the manufacture of improved agricultural implements, like seed-drills hand-hoes, paddy-crushers, etc. should be done through private firms on a large scale. The Agriculture Department should distribute these implements to growers at concessional rates or on hire or instalment purchase system in order to make the growers familiar with them.

160. We further recommend that the Co-operative Societies, the Agricultural Bank and the Agricultural Development Finance Corporation should extend their credit facilities for the purchase of these implements by the growers.

Pests and diseases :

161. Hot and humid conditions during the jute season favour the development of insects and diseases in plants. It has been estimated by the Plant Protection Department that the loss in jute due to insect pests alone is about 5 per cent. annually on an average ; in some years it is much higher. The damage to jute by insects and diseases not only affects the yield but also the quality of the fibre. This is particularly true in the cases of apion pest and stem rot disease.

162. Farmers are ignorant of the pest and disease control measures. Besides, their financial resources do not permit them to purchase chemicals or sprayers. The Central Government have a Plant Protection Department in East Pakistan for under-

taking measures against pests and diseases of crop. But its present staff and equipment are quite inadequate for undertaking such measures on a wide scale and the Department is hardly able to cover one per cent. of the jute area affected. We recommend that for routine control measures every Union should be provided sufficient sprayers, insecticides and pesticides so that timely and effective steps may be taken by local Agricultural Assistants and other Union staff to control insects and diseases at the very incidence. Training of voluntary squads in plant protection work will greatly help in this direction. For dealing effectively with serious outbreaks both ground and aerial wings of the Plant Protection Department should be strengthened.

163. We further recommend that more attention should be given by the Jute Research Institute to the breeding of disease resistant varieties, particularly varietie resisting the stem-rot disease, which is difficult to control once it breaks out in field.

164. *Provision of agricultural credit.*—The bulk of farmers' lands are used for crops other than jute. It is, therefore, difficult to say how much credit exactly iss needed for the cultivation of jute alone. A survey of rural credit made in 1956 by the Dacca University Socio-Economic Research Board in 4 sub-divsiions (out of 54 in the Province) covering 2,728 sq. miles and more than 30 lakh people, showed that 66 to 87% of the rural families had outstanding debts in mid. June, 1956 and the average debt per family varied from Rs. 160 to Rs. 360[1]. There are about 50 lakh families of jute growers in East Pakistan and if 50% of them need credit at the average rate of Rs. 200 per family, the total requirements will be of the order of Rs. 50 crores. The existing supply of credit is undoubtedly inadequate. But even if funds become available, the advancing of loans becomes difficult on account of the lack of creditworthiness of the farmers. This fact is amply demonstrated by the agricultural loan operations of the Government of East Pakistan, as shown below.

Agricultural Loans by Government of East Pakistan

Year	Amount granted	Amount due for Recovery	Amount actually collected	Percentage of amount due actually collected
		Lakh Rs.		Percentage
1955-56	9·74	46·45	20·68	44·5
1956-57	152·58	40·87	4·93	12·1
1957-58	12·18	181·58	15·81	8·7
1958-59 (*a*)	233·44	298·00	81·42	27·3
1959-60	138·00	368·00	29·20	7·9
Total ..	545·94		152·04	

(*a*) For 15 months from 1st April 1958 to 30th June 1959.

Source : Revenue Department, Government of East Pakistan (Last column ours).

[1] Report on the Survey of Rural Credit and Rural Unemployment in East Pakistan, Appendix B, Tables 7(*b*) and 7(*c*), page 26.

It appears that the percentage of recovery of agricultural loans is very poor. There may be many reasons for this ; the most important one probably is the high proportion of loans used for domestic requirements. It was found by the Dacca University Study referred to above that as much as 69% of the loan was used for family expenditure, 7% for non-farm business and only 20% (11% on recurring and 9% on capital expenditure) on farming[1].

165. The institutional credit through the Agricultural Development Finance Corporation, the Agricultural Bank and the East Pakistan Provincial Co-operative Bank has been expanding in the recent years, as shown in the table below[2].

(Amount of Loan in Lakh Rupees)

		Year July—June			
		1956-57	1957-58	1958-59	1959-60
ADFC	Loans sanctioned ..	23·88	79·85	82·69	99·72
Agricultural Bank ..	Do. ..	..	..	30·06(*a*)	147·77
East Pakistan Provincial Co-operative Bank ..	Loans distributed ..	12·82	46·75	117·46	294·82
		36·70	126·60	230·21	512·54

N.B.—(*a*) Loans sanctioned during the period from 15th December, 1958 to June, 1959.

In 1959-60 the total loan given by these institutions was about Rs. 5 crores which though higher than in the past was still much below the potential need of the jute growers (*i.e.* Rs. 50 crores). All these institutions are reported to be recovering their loans quite satisfactorily and it is likely that they will in future ensure a greater flow of credit to the agricultural sector. The Credit Enquiry Commission's recommendations given below are of special significance in this respect.

(*a*) The primary co-operative credit societies should be reorganised as single purpose societies and strengthened with paid staff and enabled to recover their dues as arrears of land revenue.

(*b*) The Apex Banks should also be reorganised into strong and autonomous institutions with all central Co-operative Banks being merged into them but they should be subject to inspection and control by the State Bank.

(*c*) For providing medium and long-term credit to the agricultural sector there should be a rural Credit Fund with an initial contribution of Rs. 5 crores subscribed by the Government and the State Bank, to which a recurring annual appropriation of Rs. 1 crore may be made out of the profits of the State Bank.

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1. Rural Credit and Unemployment Report, op. cit. p. 61.

2. *Source* : (*i*) ADFC's loan figures for 1956-57 and 1957-58 have been obtained from the Credit Enquiry Commission's Report 1959, p. 60, the figure for 1958-59 from the Annual Report of the Corporation and the figure for 1959-60 from A.D.F.C., Dacca. (*ii*) Agricultural Bank's loan figure for 1958-59 is from the Credit Enquiry Commission's Report, 1959, p. 62, and that for 1959-60 from the Annual Report of the Agricultural Bank. (*iii*) Information of the amounts distributed by the East Pakistan Provincial Co-operative Bank has been supplied by the Bank.

(*d*) The State Bank may finance the Co-operative Banks and the statutory agricultural credit agencies at a concessional rate that is at least 1 % and 1/2% respectively, below the Bank rate.

(*e*) A Rural and Co-operative Credit Advisory Committee may be established under the auspices of the State Bank to provide machinery for consultation and co-ordination of the activities of rural credit agencies.

(*f*) The current procedures of the Agricultural Development Finance Corporation and the Agricultural Bank should be relaxed for smoother functioning and steps should be taken to enable them to give loans against hypothecation of crop and mortgages.

166. We support the above recommendations and also recommend that extension of agricultural credit facilities may be conveniently integrated with the distribution of seeds, fertilisers and small agricultural implements by the Agriculture Department so that growers utilise the credit for adoption of these improved methods.

Estimates of cost of production of Raw Jute per acre

(Figures in Rupees)

Estimates by Items of Cost	Jute Directorate	Dacca-Narayanganj Chamber of Com.	Editor World Jute	D.M. Mymensingh	R.A.C. Jute Comilla	D.M. Jessore	D.M. Bakerganj	Commissioner Rajshahi	S.D.O. Naogaon Rajshahi	C.I. Jute Gaibandha	Average of Estimates
1	2	3	4	5	6	7	8	9	10	11	12
Ploughing	48 0	72 0	60 0	36 0	55 0	82 8	49 8	60 0	75 0	63 0	
Seeds and sowing	8 3	5 0	9 0	3 0	10 0	12 0	1 8	4 8	9 0	3 0	90·54
Manuring	16 8	20 0	...	42 0	15 0	53 8	9 12	30 0	47 8	5 0	
Weeding	91 5	120 0	60 0	72 0	90 0	70 0	50 0	60 0	52 8	90 0	75·58
Harvesting and retting	43 0	36 0	30 0	120 0	30 0	35 0	30 0	22 8	22 8	30 0	78·56
Extracting, washing and drying ...	37 2	73 0	36 0		40 0	52 8	35 8	48 0	22 8	42 0	
Rent and interest	4 11	10 0	15 0	6 0	5 0	80 0	103 12*	4 11	10 0	4 11	24·38
Miscellaneous	—	—	—	6 0	—	—	3 0	—	10 0	—	1.90
Cost of maintenance and depreciation ...	90 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	36·31
Less value of by-product	20 0	20 0	20 0	20 0	20 0	20 0	20 0 (55 0)	20 0	20 0	20 0	20·00
Total cost per acre ...	319 2 (319 2)	346 5 (336 0)	220 5 (210 0)	295 0 (285 0)	255 5 (265 0)	395 13 (390 8)	293 5 (228 0)	240 0 (225 0)	259 5 (249 0)	248 0 (233 0)	287·27 (274.06)
Yield/acre (mds.)	15.8	25	15	18	17	18	14	17.5	15	15	17·03
Cost/maund (Rs.)	20 4 (20 4)	13 14 (13 7)	14 11 (14 0)	16 7 (15 13)	15 0 (15 9)	22 0 (21 11)	20 15 (16 5)	13 11 (12 14)	17 5 (16 10)	16 8 (15 9)	17·07 (16·09)

D.M. = District Magistrate.
S.D.O. = Sub-Divisional Officer.
R.A.C. = Regional Assistant Controller.
C.I. = Chief Inspector.

* Interest Rs. 100 and rent Rs. 3/12/-.

Figures within brackets are actual estimates supplied to the Commission prior to adjustment.

This table and the two following are based on estimates submitted to the Commission. All estimates take the farmer's own labour into account at the rate of hired labour. Some estimates omitted rent and/or cost of maintenance and depreciation and/or did not exclude the value of by-product. For these estimates we have made a uniform provision of Rs. 4/11, Rs. 30-55 and Rs. 20 for rent, cost of maintenance etc., and value of by-product respectively. Estimates which show a large figure against rent and interest includes interest on investment in land and equipment.

Cost of maintenance and depreciation of bullocks and equipment are calculated as follows :—

Maintenance cost of one pair of bullocks (assuming that one pair of bullock can cultivate 4 acres of land on double crop basis) @ 8 annas per diem *i.e.*, Rs. 22-13 per acre ; Depreciation cost for implements, bullocks etc., is Rs. 7-8 giving a total of Rs. 30-5.

Estimates of cost of production of White Jute per acre

(Figures in Rupees)

Estimates by Items of cost	P.C.J.C.	R.A.C. Jute Ganj	C.I. Jute Mymn. Sadar	R.A.C. Jute Khulna	C.I. Jute Sirajganj	C.I. Jute Jessore Sadar	C.I. Jute Khulna Sadar	S.D.O. Gualundo	R.A.C. Jute Rangpur	S.D.O., Nilphamari	D.M., Rajshahi	C.I. Naogaon	Average of estimates
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Ploughing	55·20	95 0	90 0		72 0	105 0	80 0	45 0	60 0	48 0	54 0	60 0	
Seeds and sowing	18·70	10 0	10 8	49 0	9 0	3 0	3 0	5 0	3 0	6 0	6 0	6 0	84.90
Manuring		—	—		7 8	—	—	10 0	30 0	20. 0	24 0	30 0	
Weeding	66·67	135 0	120 8	60 0	67 8	102 0	60 0	40 0	90 0	72 0	84 0	81 0	81·56
Harvesting and retting	32·55	35 0	30 0	60 0	40 8	85 0	70 0	21 0	48 0	2 0	30 0	36 0	68·78
Extracting, washing and drying	38·86	35 0	30 0		31 8			31 0	36 0	35 0	36 0	42 0	
Rent and interest	62·46	6 0	4 11	45 0	4 11	4 11	4 11	85 0	3 0	4 11	4 11	6 0	19·64
Miscellaneous	20·81	4 0	—	10 0	—	—	—	3 0	—	—	6 0	9 0	4·40
Cost of maintenance and depreciation ...	30·31	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30·31
Less value of by-product	20·00	20 0	20 0	20 0	20 0	20 0	20 0	20 0	20 0	20 0	20 0	20 0	20·00
Total cost per acre ...	305·65 (295·25)	330 5 (320 0)	296 0 (281 0)	0 234 5 (224 0)	243 0 (228 0)	310 0 (295 0)	228 0 (213 0)	250 5 (240 0)	280 5 (270 0)	222 0 (207 0)	255 00 (240 0)	280 ·5 (270 0)	269·59 (254·20)
Yield/acre (mds.)	14·77	16	14	16	15	21	16	12	15	14	15	18	15·56
Cost/maund (Rs.)	20·69 (19·99)	20 10 (20 0)	21 2 (20 1)	14 10 (14 0)	16 3 (15 3)	14 12 (14 0)	14 4 (13 5)	20 14 (20 0)	18 11 (18 .0)	15 14 (14 13)	17 0 (16 0)	15 9 (15 0)	17·35 (16·70)

P.C.J.C. = Pakistan Central Jute Committee.
R.A.C. = Regional Assistant Controller.
C.I. = Chief Inspector.
D.M. = District Magistrate.
S.D.O. = Sub-Divisional Officer.

P.C.J.C.'s estimate is based on a sample survey in East Pakistan during the years 1958 and 195

Figures within brackets are actual, estimates supplied to the Commission prior to adjustment.

Estimates of cost of production of Tossa Jute per acre

(Figures in Rupees)

Estimates by Items of cost	P.C.J.C.	R.A.C. Jute N. Ganj	C.I. Jute Mymn.	R.A.C. Jute Khulna	C.I. Jute Jessore	C.I. Jute Khulna	D.M. Faridpur	D.M. Rajshahi	S.D.O. Nilphamari	C.I. Jute Naogaon	Average of estimates
1	2	3	4	5	6	7	8	9	10	11	12
Ploughing	50·21	95 0	90 0		105 0	80 0	45 8	54 0	48 0	66 0	
Seeds and sowing	14·93	10 0	10 8	56 0	3 0	3 0	3 0	6 0	12 0	6 0	92·06
Manuring		—	—		—	—	85 8	24 0	20 0	33 0	
Weeding	71·27	135 0	120 8	75 0	102 0	60 0	60 0	126 0	72 0	96 0	91·78
Harvesting and retting	33·16	35 0	30 0	70 0	85 0	70 0	25 8	36 0	25 0	36 0	70·19
Extracting, washing and drying	33·21	35 0	30 0				27 0	48 0	35 0	48 0	
Rent and interest	44·80	6 0	4 11	50 0	4 11	4 11	6 0	4 11	4 11	6 0	13·63
Miscellaneous	16·34	4 0	—	10 0	—	—	—	6 0	—	12 0	4·83
Cost of maintenance and depreciation	30·31	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30 5	30·31
Less value of by-product	20·00	20 0	20 0	20 0	20 0	20 0	20 0	20 0	20 0	20 0 (9 0)	20·00
Total cost per acre	274·23 (263·92)	330 5 (320 0)	296 0 (281 0)	271 5 (261 0)	310 0 (295 0)	228 0 (213 0)	262 13 (252 8)	315 0 (300 0)	227 0 (212 0)	313 5 (294 0)	282·80 (269·24)
Yield/acre (mds.)	13·64	18	16	18	27	14	14	18	12	20.25	17·09
Cost/maund (Rs.)	20·10 (19·35)	18 6 (17 12)	18 8 (17 9)	15 5 (14 8)	11 8 (10 15)	16 5 (15 3)	18 12 (18 0)	17 8 (16 11)	18 15 (17 11)	15 11 (14 8)	17·10 (16·22)

P.C.J.C. = Pakistan Central Jute Committee.
R.A.C. = Regional Assistant Controller.
C.I. = Chief Inspector.
D.M. = District Magistrate.
S.D.O. = Sub-Divisional Officer.

P.C.J.C.'s estimate is based on a sample survey in East Pakistan during the years 1958 and 1959.

Figures within brackets actual estimates supplied to the Commission prior to adjustment.

Estimate of Cost of Production of Jute submitted by the Pakistan Jute Association

(Cost in Rupees per acre)

	White		Tossa	
	Rs.	As.	Rs.	As.
Rent	4	8	6	0
Ploughing	34	0	45	0
Seeds	4	0	4	0
Weeding	34	0	55	0
Harvesting	20	0	35	0
Retting and Extraction	15	0	25	0
Washing and bundling	15	0	22	0
Cost of Purchase and repairs of agricultural implements	5	8	—	
Cost of maintenance of cattle and hired labour :				
(*a*) 20 men @ Rs. 1/8 per day for all operations	50	0		
(*b*) 30 men @ Rs. 1/8 per day for 15 days			75	0
	180	0	267	0
Less value of by-product	15	0	15	0
Total cost per acre ..	165	0	252	0
Yield of jute per acre	14 mds.		18 mds.	
Cost of production per maund	Rs. 12		Rs. 14	

CHAPTER VI

PRICES OF JUTE

The Problem of Prices

167. The Bengal Jute Enquiry Committee of 1939 observed, "The fundamental problem of jute is the problem of jute prices, with special emphasis on the price of raw jute. To say this, is not to take a sectional view of the subject matter of our enquiry. The national economy of the Province is so intimately bound up with the price of raw jute that it may without exaggeration be called *the* problem of jute in Bengal."[1] We feel that this observation holds true even today.

168. The two basic problems of the price of raw jute are (i) the instability of the price and (ii) the low return to the grower. What is required is that the price of jute should be stabilised as far as practicable and that it should be reasonable both to the growers and to the consumers abroad. Before we discuss these issues a brief review of the price of jute in the past may be given.

Review of Jute Prices

169. Reports of the East India Company at the end of the 18th century indicate that the normal price of jute at that time was Re. 1 per maund or Rs. 5 per bale of 400 lbs.[2] The price remained at about the same level till 1828, when jute came to be exported on a commercial scale. Thereafter the price rose almost steadily; and by 1851 it came up to Rs. 14-8 per bale.[3] The first Jute Mill was started in India in 1855 and as a result the demand for raw jute increased and its price rose to Rs. 30 per bale by 1882. Then there was a fall to an average of Rs. 25 per bale upto 1887. But again the price rose gradually upto Rs. 44 per bale in 1894.[4] This was followed by a fall again and by 1900 the price stood at Rs. 35 per bale.[5]

170. The table below shows the fluctuations in the price of pucca bales of Export Firsts since 1909-10 until Independence.

Price, Production, Mill Consumption and Export of Jute in India in some Typical Years.

Year July—June	Price per pucca bale (Firsts)	Production of raw jute	Mill Consumption of raw jute	Export of raw jute
	Rs. As.		(Lakh bales)	
1909-10	32 2	79·32	44·59	40·09
1913-14	81 3	89·81	43·74	41·93
1914-15	42 9	105·31	48·05	29·67
1915-16	51 15	74·24	56·09	31·07
1917-18	36 10	89·29	52·96	17·26
1918-19	69 7	70·19	49·97	21·93
1925-26	87 11	90·00	53·44	35·17
1926-27	106 15	121·88	53·74	44·49
1927-28	62 1	102·38	56·33	48·87
1929-30	54 14	103·85	62·46	44·47
1930-31	30 7	112·55	44·37	34·26
1931-32	32 12	55·67	41·50	31·14
1933-34	26 12	80·12	41·97	42·50
1937-38	33 13	86·81	65·02	37·27

1. Bengal Jute Enquiry Committee (Fawcus Committee) Report 1939, p. 11.
2. Finlow Committee Report of 1933, p. 5.
3. C.W.E. Cotton—Handbook of Commercial Information for India, 1924, p. 112.
4. N.C. Chowdhury, Jute and Substitutes, 1933, p. 142.
5. *Ibid.* p. 233.

Price, Production, Mill Consumption and Export of Jute in India in some Typical Years.—concld.

Year July—June	Price per pucca bale (Firsts)		Production of raw jute	Mill Consumption of raw jute	Export of raw jute
	Rs.	As.		(Lakhs bale)	
1939-40	65	12	97·50	70·15	29·63
1940-41	37	2	131·86	53·84	13·49
1941-42	54	7	54·75	68·41	15·46
1942-43	68	15	90·61	67·31	13·16
1943-44	82	10	70·04	54·01	9·53
1944-45	80	5	62·04	57·78	10·50
1945-46	83	1	79·91	65·18	21·89
1946-47	149	6	56·48	60·81	15·02

Source : The Jute Balers' Association, Calcutta, Golden Jubillee Souvenir, 1959. Complete statement in Appendix D.

From Rs. 32-2 as. in 1909-10 the price increased upto Rs. 81-3 as. in 1913-14 and then remained somewhat depressed during the years of World War I. In the post-war years prices improved considerably and with increasing mill consumption and exports, rose to reach Rs. 106-15 as. in 1926-27. This high price contributed to expansion of production which remained over 100 lakh bales from 1926-27 to 1930-31. Because of larger production, however, prices declined again.

171. In 1930-31 consumption and exports dropped considerably because of the World Trade Depression and prices fell sharply and reached the minimum (Rs. 26-12 as.) in 1933-34. The prices remained depressed upto 1937-38 although consumption and exports almost regained the pre-depression level. In 1939-40 the prices again rose to Rs. 65-12 as. In response to this rise, production also increased enormously, reaching a maximum of 132 lakh bales in 1940-41. In the latter year consumption and exports were low as compared to the previous year and the price sagged to Rs. 37-2 as. per bale. In subsequent years, on account of restricted production and fair level of consumption and exports the prices tended to rise and by the end of the Second World War ruled at over Rs. 80 per bale. After the War, there was a revival of trade ; both local consumption and exports increased. This, coupled with a short crop raised the price to a (by then) record level of Rs. 149-6 as. per bale in 1946-47.

172. The prices mentioned above were the wholesale annual average prices in Calcutta, which were naturally higher than those prevailing in the mufassil areas. The prices received by the growers are shown below :—

Year	Price per maund (*a*)		Year	Price per maund (*b*)	
	Rs.	As.		Rs.	As.
1900—04	4	1	1925—29	10	4
1905—09	5	2	1930—34	3	8
1910—14	6	8	1935—39	5	9
1915—19	6	15	1940—44	9	1
1920—24	8	8	1945—46	14	4
			1946—47	25	8

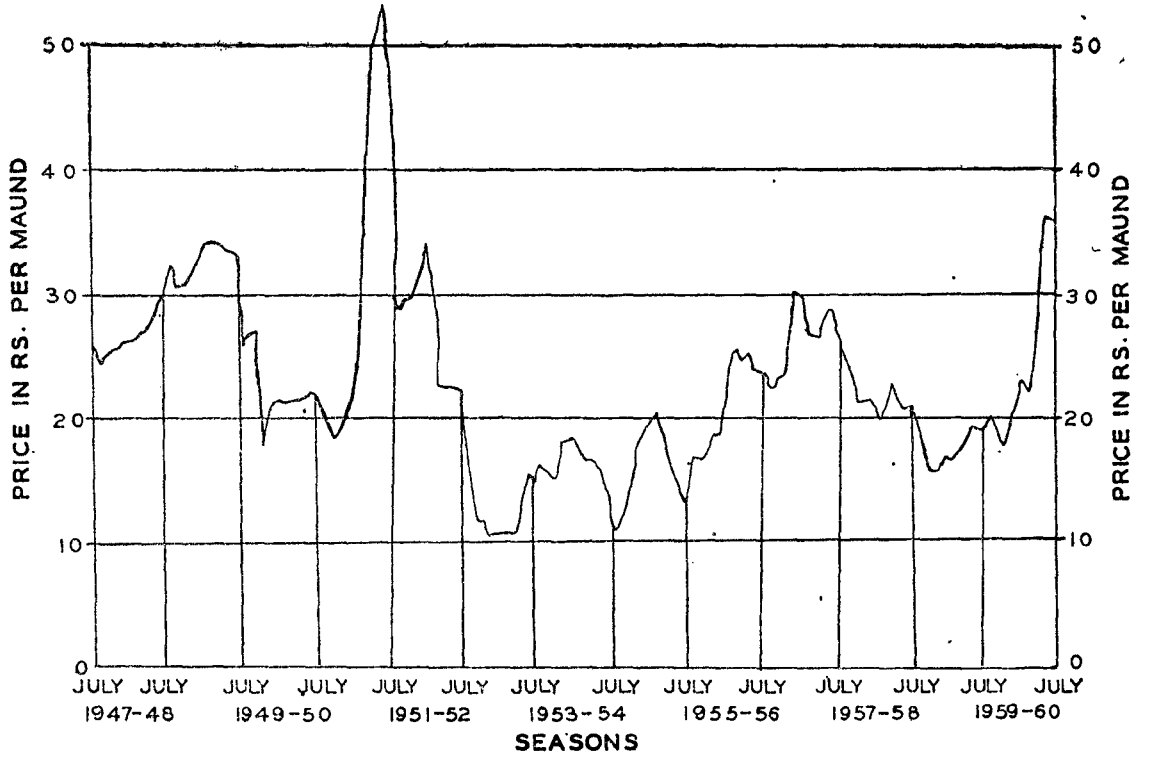
(*a*) Finlow Committee Report, p. 6.

(*b*) Worked out from FAO Bulletin No. 28, p. 65-66.

GRAPH I

PRICES OF LOOSE JUTE IN BALING CENTRES OF EAST PAKISTAN

(1947-48 TO 1959-60)



173. As in the pre-Independence period, so over the last 13 years, prices of jute rose and fell, forming a number of cycles, as shown in the graph attached.[1] Broadly there were 4 cycles extending over the following periods :—

(*i*) August, 1947 to September, 1950.

(*ii*) October, 1950 to December, 1952.

(*iii*) January, 1953 to December, 1958.

(*iv*) From January, 1959 (continuing).

This pattern was generally exhibited at all levels *viz.*, at growers' level, at Narayanganj and in the U.K./Continent, as indicated in the following table :—

Prices of Raw Jute Export Firsts (B Bottom) at Various Levels.

Year July—June	Average prices at growers level B—Bottom loose unassorted		Pucca bale price FOB Narayanganj Export Firsts		Price of Export Firsts CIF U.K./ Continent	
	Per md.	Index	Per bale	Index	Per ton	Index
	Rs. As.		Rs. As.		£ *s.*	
1947-48 ..	24 11	100	165 4	100	93 13	100
1948-49 ..	32 12	133	203 1	123	106 15	114
1949-50 ..	21 8	87	155 9	94	105 13	113
1950-51 ..	30 3	122	157 2	95	147 12	158
1951-52 ..	27 9	112	185 10	112	156 9	167
1952-53 ..	12 3	49	87 7	53	77 15	83
1953-54 ..	16 15	69	119 0	72	93 14	100
1954-55 ..	16 3	66	110 0	67	94 14	101
1955-56 ..	20 12	84	124 0	75	84 11	90
1956-57 ..	26 12	108	168 6	102	100 6	107
1957-58 ..	22 15	93	154 0	93	99 3	106
1958-59 ..	17 13	72	149 0	90	91 0	97
1959-60 ..	23 14	97	192 1	116	102 18	110

1. Graph based on data presented in Appendix D.

Source : Jute Directorate. Index ours

The reasons for these ups and downs in prices are discussed below :

174. *August, 1947 to September, 1950.*—During the two years following Independence the jute trade continued as usual and the rising trend in prices of the post-war period continued till March, 1959. Then a downward trend followed, which was aggravated by the trade deadlock between Pakistan and India arising from non-recognition by India of Pakistan's non-devaluation of its currency. The downward trend was, however, arrested by (a) the establishment of the Jute Board and the National Bank of Pakistan towards the end of 1949, which helped to promote export of raw jute, (b) the price support scheme launched by the Jute Board and (c) very low production in 1949-50 due to flood damage. (*vide* table below).

PAKISTAN JUTE

Production, Mill Consumption and Export of Jute and Price of Jute at Growers' Level.

Year July—June	Price per md.* of loose unassorted jute as received by the grower	Index	Production of raw jute	Carry over from previous season	Mill consumption of raw jute	Export of raw jute
	Rs. As.	1947-48 =100			Lakh bales	
1947-48 ..	21 8	100	68·76		..	60·55
1948-49 ..	30 4	141	55·35	7·21	..	56·81
1949-50 ..	20 0	93	42·55	3·75	..	33·82
1950-51 ..	19 0	88	60·61	10·00	..	67·62
1951-52 ..	25 12	120	69·04	1·00	0·08	48·84
1952-53 ..	10 4	48	68·22	18·93	0·99	53·00
1953-54 ..	15 8	72	36·39	30·66	2·81	50·96
1954-55 ..	15 10	73	45·90	11·73	3·43	51·40
1955-56 ..	18 14	88	64·99	3·85	7·34	56·83
1956-57 ..	24 14	116	59·02	2·02	8·09	45·60
1957-58 ..	20 10	96	60·53	4·33	9·41	45·73
1958-59 ..	16 6	76	61·79	7·64	12·09	43·94
1959-60 ..	19 4	90	55·25	11·05	15·35	47·18

Source : Column 3 from Jute Board ; other columns from Jute Directorate.

*Weighted average price (weights given by approximate monthly volume of disposal by growers).

175. *October*, 1960—*December*, 1952.—Prices went up on account of stock-piling by many countries in the train of the Korean War* (June, 1950-July, 1951) and reached a peak by the middle of 1951. After the Korean War the demand for raw jute fell but the high prices during 1950-51 and 1951-52 led growers to raise bumper crops in 1951-52 and 1952-53 (*vide* table above). As a result, a downward trend in prices followed from the beginning of 1952 and prices sagged to a minimum by the end of 1952 (*vide* Graph I).

176. *January*, 1953—*December*, 1958.—From the beginning of 1953 prices, began to recover because of (a) lower production of jute by the cultivators who were hard hit by the falling prices in the preceding year, (b) measures taken by Government to stop excess production from the season 1953-54 and (c) gradual recovery in the world commodity market. Prices were further strengthened by the heavy damage to jute crop caused by devastating floods in the 1954-55 season which wiped out the carryover accumulated during the post Korean War depression. During 1955-56 export was promoted by the devaluation of the Pakistani currency and increasing demand from overseas countries for jute. There was also increasing demand by local industry. Consequently prices began to rise. The Suez crisis also contributed to the rise in prices. The downturn in the trend since the middle of 1957 corresponds to the general recessionary tendencies in the world commodity market following the recession in the U.S. economy in 1957-58. The production of jute was also quite high on account of high prices ruling in the previous season (*vide* table in para. 174).

177. *From January*, 1959, *continuing*.—From the beginning of 1959 the prices began to rise due to the general recovery in the world commodity market. This trend continued in the 1959-60 season on account of (a) a relatively short crop in Pakistan, (b) greater demand for overseas and (c) greater demand from India in particular. Because of a short crop again in 1960-61 both in Pakistan and India prices have risen sharply since October, 1960 and are not likely to come down appreciably in the remaining part of this season.

Cyclical Fluctuations

178. As discussed above, inter-seasonal fluctuations or cyclical fluctuations as they are generally called, arise out of changing conditions of demand and supply. The demand for raw jute is moulded by such factors as (i) expansionary and recessionery tendencies in the world commodity market, (ii) the international political situation and (iii) the desire of some countries for self-sufficiency in jute and jute-like fibres (as discussed in Chapter III). The supply of raw jute is greatly affected by (i) the Government policy regarding the production of raw jute in Pakistan, India and other countries, (ii) the price received by the growers in Pakistan and India, particularly the price ruling at the time of sowing, which guides the grower in deciding how much area he should sow jute on and (iii) weather conditions (such as drought and floods), diseases and pests, etc., which are decisive in the matter of the growth of the plant and the quality of the fibre. Thus over the past 50 years the total supply has been marked by great variations (*vide* tables in paras 170 and 174) which together with the variations in demand resulted in the cyclical fluctuations of jute prices.

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*Korean war began on the 24th June, 1950 and a cease-fire was accepted on the 1st July, 1951 But the Armistice Agreement was signed on the 1st July, 1953.

179. The amplitude and average pattern of these cyclical fluctuations are shown in the table below :—

Amplitude and Average Pattern of Cyclical Fluctuations in the Price of Raw Jute 1909-10 to 1958-59.*

Period	No. of years	Lowest price during the period	Highest price during the period	Average price for the period	Amplitude of fluctuation with respect to the average		Average annual fluctuation
					% (*i*) below	% (*ii*) above	
		Rs. As.	Rs. As.	Rs. As.	Percentage		
1909-10/1913-14	5	32 2	81 3	53 12	40	51	27·0
1914-15/1917-18	4	36 10	51 15	45 8	19	14	12·9
1918-19/1923-24	6	66 7	76 7	71 7	7	7	4·2
1924-25/1929-30	6	54 14	106 15	72 9	24	47	22·8
1930-31/1933-34	4	26 12	32 12	29 8	9	11	7·1
1934-35/1938-39	5	29 8	41 6	34 12	15	19	7·7
1939-40/1944-45	6	37 2	80 5	64 14	43	24	19·6
1947-48/1949-50	3	155 9	203 1	174 10	11	16	10·9
1950-51/1952-53	3	87 7	185 10	143 6	39	29	26·0
1953-54/1958-59	6	110 0	168 6	137 6	20	23	14·4

Source :—(*i*) Prices prior to Independence—Jute Balers Association, Calcutta, Golden Jubilee Souvenir, 1959.

(*ii*) Prices after Independence—Jute Directorate, Government of East Pakistan.

* Amplitude of fluctuation for each period is calculated as follows :

(*i*) $\frac{\text{Average price } \textit{minus} \text{ lowest price} \times 100}{\text{Average Price}}$ (*ii*) $\frac{\text{Highest price } \textit{minus} \text{ average price} \times 100}{\text{Average Price}}$

Average annual fluctuation for each period is calculated in the following manner :

$$\frac{\text{Mean deviation of prices} \times 100}{\text{Average price.}}$$

It appears from the table that the amplitude of fluctuation was very high during the following periods :

(*i*) Pre First World War period 1909-10/1913-14
(*ii*) Pre World Depression period 1924-25/1929-30
(*iii*) Korean War period 1950-51/1952-53

The post-World War I period was the most stable period. In the 1930s, covering the Depression period (1930-31/1933-34) and the post-Depression or pre-World War II period (1934-35/1938-39) the jute market was steady but much depressed. It was only steady at a reasonable price in the pre-Korean War Period (1947-48/1949-50) and to a less extent in the post Korean War period (1953-54/1955-56).

180. The cyclical fluctuation in prices is, however, different at various stages of marketing. It is smaller at the export level than at the internal marketing level and is highest at the growers' level as may be seen from the table below :—

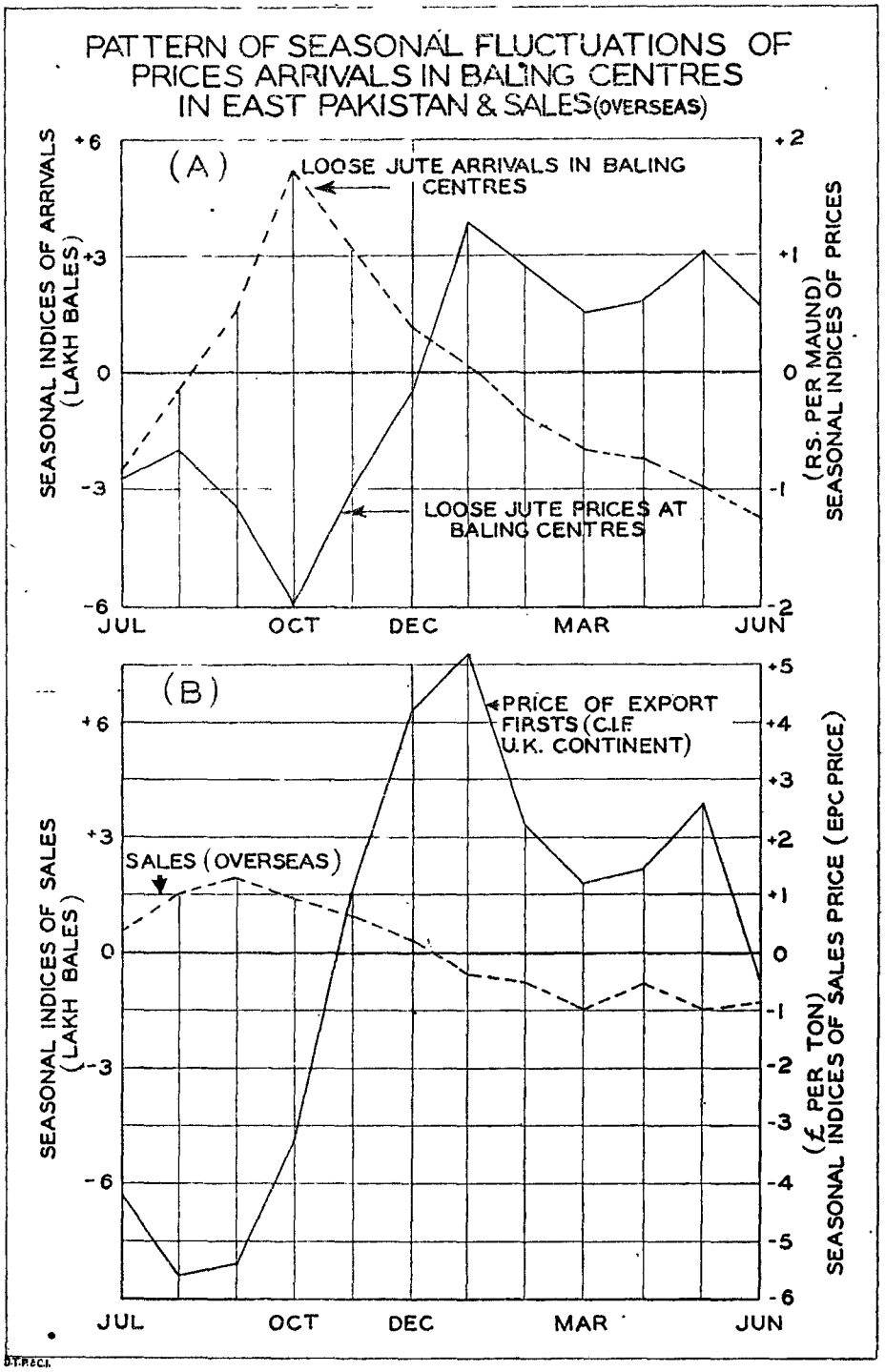
Amplitude of Fluctuations and Average Annual Fluctuation of Prices of Raw Jute (Export Firsts) at Different Levels.

Period	No. of years.	Lowest price during the period	Highest price during the period	Average price for the period	Amplitude of* fluctuation with respect to the average		Average annual fluctuation.*
					% below	% above	
		Growers' level † Rs. per maund			percentage.		
1947-48/1949-50	.. 3	21 8	32 12	26 5	18	24	16·3
1950-51/1952-53	.. 3	12 3	30 3	23 5	48	30	31·8
1953-54/1958-59	.. 6	16 3	26 12	20 8	20	32	16·1
		FOB Narayanganj Level Rs. per bale.			percentage		
1947-48/1949-50	.. 3	155 9	203 1	174 10	11	16	10·9
1950-51/1952-53	.. 3	87 7	185 10	143 6	39	29	26·0
1953-54/1958-59	.. 6	110 0	168 6	137 6	20	23	14·4
		CIF. UK/Continent level £ per ton.			percentage		
1947-48/1949-50	.. 3	93 13	106 15	102 0	8	5	5·5
1950-51/1952-53	.. 3	77 15	156 9	127 5	39	23	25·9
1953-54/1958-59	.. 6	84 11	100 6	93 18	10	7	4·4

*For basis of calculation *see* foot-note to the table in para 179.

†Price (unweighted annual average) received by growers for B. Bottom loose unassorted.

GRAPH II


PATTERN OF SEASONAL FLUCTUATIONS OF PRICES ARRIVALS IN BALING CENTRES IN EAST PAKISTAN & SALES (OVERSEAS)
(A)
LOOSE JUTE ARRIVALS IN BALING CENTRES
LOOSE JUTE PRICES AT BALING CENTRES
SEASONAL INDICES OF ARRIVALS (LAKH BALES)
(RS. PER MAUND) SEASONAL INDICES OF PRICES
+6
+3
0
-3
-6
+2
+1
0
-1
-2
JUL
OCT
DEC
MAR
JUN
(B)
PRICE OF EXPORT FIRSTS (C.I.F U.K. CONTINENT)
SALES (OVERSEAS)
SEASONAL INDICES OF SALES (LAKH BALES)
(£ PER TON) SEASONAL INDICES OF SALES PRICE (EPC PRICE)
+6
+3
0
-3
-6
+5
+4
+3
+2
+1
0
-1
-2
-3
-4
-5
-6
JUL
OCT
DEC
MAR
JUN

Seasonal Fluctuations

181. Apart from cyclical fluctuations there are seasonal fluctuations, *i.e.*, month to month fluctuations in the price of jute. These fluctuations are of two types, regular and irregular.

Regular Seasonal Fluctuations.—The pattern of regular seasonal fluctuations over the four years ending 1958-59[1] has been similar in the cases of both loose jute prices at baling centres in East Pakistan and export prices of pucca bales (Export First CIF UK/Continent). This pattern as shown in the Graph II attached has the following features : prices falling from May/June, reaching the minimum in September/October, then rising upto January, falling again upto March and rising again upto May/June. Broadly, July to December may be termed as the low price period and January to June the relatively high price period.

182. The fall in internal prices from May/June may be attributed to the following reasons :—

(*i*) The position of the current season's crop becomes fully known by then and the prospects of the new crop can also be guessed ; and

(*ii*) Overseas buyers considerably reduce their purchases.

This falling trend continues (despite rising export sales upto October because of the arrival of the new crop from the end of June which reaches the peak in October *vide* Graph II A & B). This heavy rush of arrivals in the early part of the season is due to the following reasons :—

(*i*) low holding power of the growers on account of financial stringency and inadequate credit facilities,

(*ii*) inadequate storage facilities in villages, particularly when the aman paddy is harvested in November and has to be stored,

(*iii*) lack of organisation among growers in the form of co-operative societies etc., and

(*iv*) difficulty of transport after the flood water begins to recede in October, leaving most rural areas without proper communication to the markets.

183. After October arrivals at baling centres and sales for exprot both decline steadily till alomst the end of the season (except for a slight revival in sales in April) (*vide* Graph II A and B). This fall in arrivals results in a steady rise in price upto January and again from March to May. As may be expected, arrivals and price, though not quite in inverse proportion, show opposite trends *viz.*, the higher the arrivals the lower the price and *vice versa*. The exception, is in February/March when inspite of declining arrivals the price also declines—apparently because the new crop starts being sown at that time.

184. In this connection it may be noted that the pattern of arrivals at baling centres has somewhat changed over the last 13 years. The table on page 93 shows that as compared to 1949-50, in recent years the arrivals have been less in the first quarter and more in the next two quarters. The busiest month is now October as against September in 1949-50. To some extent the growers' holding power has increased but there are other reasons also for the changes *e. g.* (l) as business houses and presses do not observe a vacation as they used to in pre-Independence times in the last few months of the season, the growers do not have to sell their crop by a

[1] The period of 4 years ending 1958-59 has been chosen because it covered a complete period of a rise and fall (cycle) in price.

Percentage of Arrivals of Loose Jute at Baling Centres in East Pakistan month by month (1940-50 to 1958-59)

Season July-June	July	August	Septem-ber	Octo-ber	Novem-ber	Decem-ber	Janu-ary	Febru-ary	March	April	May	June	Total
						Percentages.							
1949-50	7·3	15·1	20·2	7 7	8·9	10·6	7·5	6 5	4·4	5·0	5·2	1·6	100·0
1950-51	7·6	12·2	16·6	14·2	13·8	10·2	9·6	5·8	2·8	3·5	1·0	2·7	100·0
1951-52	9·9	8·3	11·1	11·6	10·0	10·4	8·3	5·8	0·9	1·3	3·7	81·7	100·0
1952-53	Neg.	8·0	15·1	16·8	13·4	13·1	6·6	5·5	7·5	3·0	3·6	7·4	100·0
1953-54	7·5	11·3	13·7	13·7	13·7	7·6	10·0	7·5	5·0	5·0	2·5	2·5	100·0
1954-55	7·9	8·4	5·4	14·3	11·9	9·4	10·0	13·4	9·8	4·1	3·2	2·2	100·0
1955-56	3·6	9·4	12·3	25·5	16·8	9·9	9·9	5·4	4·2	1·7	p·8	0·5	100·0
1956-57	4·0	10·0	16·0	14·0	13·0	14·0	8·0	7·5	6·0	3·5	2·5	• 1·5	100·0
1957-58	3·6	4·8	8·7	22·5	15·5	12·2	9·0	6·4	5·6	4·5	4·0	3·2	100·0
1958-59	4·1	6·9	11·7	16·7	16·0	11·0	9·8	7·7	6·3	4·1	3·3	2·4	100·0
1959-60	5·7	12·1	15·2	15·7	15·3	11·5	8·4	6·2	4·7	2·8	1·5	0·9	100·0
Average	5·5	9·5	13·2	15·9	13·6	11·0	8·9	6·9	5·1	3·4	2·8	4·2	100·0

N.B.—Average percentage for each month is calculated as follows :

$$\frac{\text{Average monthly arrival during the period 1949-50 to 1959-60}}{\text{Average annual arrival during the period 1949-50 to 1959-60.}} \times 100$$

where arrival is taken in bales.

Source : Jute Directorate.

certain date, (2) the growers now realise that higher prices are likely to be obtained in the latter part of the season, and (3) the growers are not under the same pressure to pay off their debts and loans at the beginning of the season.

185. As already mentioned the pattern of export sales is, seasonally, broadly similar to the pattern of arrivals. It is also clear that a greater proportion of sales are effected in the first two quarters of the season when prices in the internal as well as in the export market are low. There are, however, some differences too in the two patterns of arrivals and sales which are brought out in the table below. As normally there is a time lag of two months between a sale and the actual export in respect of it, shippers usually purchase within a month of the sale to meet their commitment. It will appear from the table below that the absolute quantity of arrivals is much above that of sale in the months September to March but in the last quarter sales are larger than the arrivals. Also, the range between the highest and the lowest figures of arrivals (about 10 lakh bales) is much mor e than that (about 5 lakh bales) in respect of sales.

Average Pattern of Export Sales and Arrivals at Baling Centres in East Pakistan.

	Monthly Sales (EPC Reistration) Average 1955-56 to 1959-60		Monthly Arrivals in Baling Centres Average 1955-56 to 1959-60	
	Lakh bales	P.C. of Total	Lakh bales	P.C. of Total
July	4·71	9·63	2·47	4·18
August	5·49	11·22	5·07	8·58
September	5·58	11·40	7·49	12·68
	15·78	32·25	15·03	25·44
October	6·77	13·83	11·11	18·80
November	5·51	11·26	9·02	15·26
December	4·88	9·97	6·87	11·63
	17·16	25·06	27·00	45·69
January	3·27	6·68	5·48	9·27
February	2·87	5·87	3·94	6·67
March	3·03	6·19	3·20	5·42
	9·17	18·74	12·62	21·36
April	2·86	5·84	1·95	3·30
May	2·09	4·27	1·48	2·50
June	1·88	3·84	1·01	1·71
	6·83	13·95	4·44	7·51
Total ..	48·94	100·00	59·09	100·00

Source : Data in Appendix D

186. *Irregular Seasonal Fluctuations*:—In addition to the regular seasonal fluctuations discussed above, there are irregular seasonal fluctuations. Some of the reasons for them are the following:—

(*i*) Sometimes overseas buyers suddenly enter the market or suddenly keep away from it, according to their assessment of the future trend of the market.

(*ii*) Similarly, sometimes big shippers and mills suddenly disappear from the market when there is heavy arrival of jute either in the belief that the crop is a bumper one or in an effort to force the price down further.

(*iii*) Illegitimate speculation fostered by lack of timely and reliable forcasts of the jute crop and irresponsible propaganda by interested persons about the size of the crop or the market trends. In the absence of correct crop forecasting, even under normal conditions of production there is ample room for speculative activities which often take the form of gambling. Timely dissemination of accurate statistics will go a long way to reduce fluctuations due to speculation based on "sentiments".

(*iv*) Reports of rainfall, floods or drought give rise to fluctuations in prices between periods of sowing and harvesting.

(*v*) Temporary bottlenecks in transport, particularly during the peak season, such as those caused by priority for movement of rice or by disruption of a railway link due to a natural calamity affect the movement of jute and hence its price.

(*vi*) The growers, due to lack of market information at their level, sometimes react to price fluctuations erratically, withholding or releasing jute while the reverse might have contributed to stability by harmonising supply to demand.

187. All the factors discussed in paras 182 to 186 combine to mould the seasonal fluctuations, the broad features of which over the last 13 years are summarised in the table below :—

Amplitude of Fluctuations and Average Monthly Fluctuation in the Prices of Loose Jute in the Baling Centres of East Pakistan.

Seasons July-June	Lowest price during the season	Highest price during the season	Annual average of monthly prices	Amplitude of fluctuations with respect to the average*		Average monthly fluctuation*
				% below	% above	
	Rs. per md.			Percentage of average.		
1947-48	24 2	29 11	26 5	8	13	4·0
1948-49	30 2	34 8	32 8	7	6	4·2
1949-50	17 5	27 0	22 7	23	20	8·5
1950-51	17 14	53 8	30 4	41	77	38·7
1951-52	22 4	38 15	28 9	22	36	14·1
1952-53	9 13	15 5	11 10	16	32	12·0
1953-54	14 5	18 5	16 8	13	11	7·3
1954-55	10 14	20 2	15 12	31	28	17·0
1955-56	12 1	25 14	20 5	41	27	18·8
1956-57	22 11	30 3	26 7	14	14	8·2
1957-58	19 10	27 5	22 7	13	22	6·6
1958-59	16 2	21 5	18 1	11	18	7·7
1959-60	17 4	36 6	23 15	28	52	19·0

*For basis of calculation see foot-note to the table in para 179.

Source :—Data supplied by the Jute Directorate.

Effects of Fluctuations in Prices

188. The fluctuations in the prices of jute are rather inherent in the present structure of the jute trade. While it is not possible to remove these fluctuations altogether, there is need for reducing (*i*) sudden and wide fluctuations which have several harmful effects, and (*ii*) seasonal fluctuations which in effect reduce the return to growers and also the foreign exchange earnings.

189. Instability in the price of jute causes harm to all concerned. Its effect on the growers is very great. Growers, generally, decide the extent of their jute sowing on the basis of the price of jute relative to the price of rice as prevailing at the time of sowing. The price at the time of sowing may give a wholly wrong idea

about the size of the demand for jute in the coming season. As growers seldom keep a reserve out of the sale proceeds of jute obtained during the high price period, the low prices following in the wake of high prices cause great hardship to the growers.

190. The traders and manufacturers also do not know what type and what magnitude of risk they will be called upon to bear. Uncertainty about the price of jute particularly violent rise or fall, may bring high profits at one time and heavy losses at another. Once the capital is lost it is very difficult to recoup it for several years. This is particularly true of the small shippers. Farias and beparis who do the important job of assembling and carrying jute to the secondary markets are hard hit when the prices fall as their capacity for bearing loss is very limited.

191. The Government also is not certain and cannot be certain as to how much foreign exchange earnings or revenues will accrue from jute exports or jute duties. As a result both the balance-of-payment position and the public revenues become uncertain (*vide* Chapter II, paras 50 & 52). The violent fluctuations of jute prices go to make the economy of the country unstable.

192. To the consumers of jute unstable prices are worse than high prices. It is reported that wide variation in the prices of raw jute in the past years has shaken the confidence of many inducers and led them to take recourse to other packaging materials and to bulk handling.

193. The seasonal fluctuations in prices result in low return to growers on the average because the growers sell a larger portion of their jute in the first two quarters of the season when the prices are usually low. This will be evident from the folloing table :—

Unweighted and Weighted Annual Averages of Monthly Price of Loose Jute Received by Growers.

Season July—June	Annual Average of monthly prices per md. of loose unassorted jute as received by growers	
	Unweighted average	Weighted average*
	Rs. per md.	Rs. per md.
1947-48	23 3	21 8
1948-49	31 4	30 4
1949-50	20 0	20 0
1950-51	28 11	19 0
1951-52	26 1	25 12
1952-53	10 11	10 4
1953-54	15 7	15 8
1954-55	14 11	15 10
1955-56	19 4	18 14
1956-57	25 4	24 14
1957-58	21 7	20 10
1958-59	16 5	16 6
1959-60	22 6	19 4
Average ..	21 2	19 13

*Weights given by estimated monthly volume of disposal by growers.

Source :—Jute Directorate.

It will be seen from the above table that the unweighted average generally does not give a correct figure of the price the growers actually got in the season. In 1950-51 because of very high prices in the latter part of the season when the arrivals were small, the average was Rs. 28/11/- per maund but the growers actually got only Rs. 19 per maund.

194. In a similar way foreign exchange earnings are relatively lower because a larger proportion of sales take place in the early part of the season when prices are usually low (*vide* table in para 185). The following table shows that the extent of loss on account of the above pattern of sales (as indicated by the difference between the unweighted and weighted averages of the export prices is more than £ 2 per ton).

Unweighted and Weighted Annual Averages of Monthly c.i.f. UK/Continent Price per Ton Export Firsts.

	Lowest Monthly Price	Highest Monthly Price	Annual Average of Monthly Prices	
			Unweighted	Weighted*
	£	£	£	£
1955-56	80	93	84 4	82 3
1956-57	84	116·5	100 8	96 5
1957-58	95	112	100 1	99 4
1958-59	87	98·5	92 3	90 8
Average ..	..	..	94 4	92 0

*Weights given by the monthly volume of sales (EPC registration). Derived from data in Appendix D.

195. As wide fluctuations in jute prices are harmful to all interests (growers, the country, traders, manufacturers, and consumers) and bedevil jute's progress, we are of the view that measures should be taken to reduce these fluctuations as much as possible.

Stabilisation of Price of Jute

196. The question of stabilising agricultural prices has engaged the attention of many countries for the past 30 years or more. Several methods, such as restriction of production, price support, valorization, international agreements and State trading, have been tried, with success in some countries and failure in others. Artificial attempts to stabilise price may succeed as a temporary measure. In the long run stabilisation has to come only through the balancing of demand and supply.

197 We agree with the view that 10% fluctuation either way will not materially harm any jute interest. Measures should, therefore, be adopted to keep the fluctuations within a range of 10% either way, which is in line with the range of fluctuation in prices during the post World War I period and during the first 3 years of Independence, as shown in the table in para 179.

198. The price of jute is affected by both internal and external factors. We can do very little directly to control the external forces. But in view of the fact that Pakistan supplies about 95% of the fibre exported, steps taken within this country would help stabilise the price to some extent. The question is what we can do to keep fluctuations within reasonable limits.

199. In this connection we have received many suggestions, some of which are noted below:—

(*i*) to produce jute according to world demand,

(*ii*) to increase internal consumption of jute,

(*iii*) to increase competition within the country,

(*iv*) to conduct Buffer Stock Operations,

(*v*) to establish a futures market in jute,

(*vi*) to fix minimum and maximum prices,

(*vii*) to introduce a price support scheme,

(*viii*) to nationalise the jute trade, and

(*ix*) to channelise jute export through a central agency.

Suggestions (*vii*), (*viii*) and (*ix*) are dealt with in Chapter XIII of this Report.

200. The main cause of price fluctuation is mal-adjustment of demand and supply. A large measure of stability can be achieved if this malady can be cured. Unfortunately, attempts made during the past 20 years or so to adjust supply to demand through regulation of jute cultivation have not been successful. This is why in its Interim Report this Commission has recommended the abolition of the licensing of jute cultivation. We have, however, also recommended that the growers should be given advice every year, in the light of the expected world demand in the coming season, as to how much jute they should grow.

201. An increase in the consumption of jute by our own mills is essential in order to reduce dependence on the foreign market. This will bring in stability and will also go to ensure a fair return to the grower. The improvement in the internal prices since the end of 1958 is in part due to increased off-take by the Pakistan mills.

202. The number of upcountry buyers has decreased considerably due to a change in the pattern of trade. For greater stability there should be a larger number of buyers operating in the interior. But new buyers are not expected to come in large numbers on account of the inherent risk in the jute trade due to the violent price fluctuations. We are of the view that side by side with efforts to bring in an adequate number of buyers in the market the following steps may be taken :—

(*a*) Mills and shippers should be encouraged to set up more outstation buying agencies.

(*b*) The East Pakistan Jute Marketing Corporation should expand its activities in areas where there is paucity of buyers of jute

In any case the establishment of a large number of growers' co-operative societies in the real sense of the term, as discussed in Chapter VII, is the ultimate answer.

203. *Buffer stock operations.*—In recent years considerable success has been attained with what is called " buffer stock operations". In this case a strong central

organisation, usually a Government or semi-Government organisation, enters into into the market and buys, stores and sells the commodity on its own account. But such operations imply two things : (*i*) specific minimum and maximum prices and (*ii*) a State-wise organisation. It also needs working capital and adequate warehouses. The question of creation of a " buffer stock " will arise only at a time when supply is in excess of demand. How and by whom such operations may be conducted is indicated in Chapter XIII.

204. We are of the view that combined efforts through " buffer stock operations " increased internal demand and farmers' co-operatives will help stabilise the price of jute.

Jute Futures Market

205. The practice of buying and selling goods for delivery at a future date is an old one, but it did not get official recognition till the middle of the 19th century. The Chicago Board of Trade, the oldest futures market in the U.S.A. was organised in 1848 ; its written rules governing margin payments and other practices were adopted in 1865. The Cotton Brokers' Association of Liverpool adopted written rules for the first time in 1863, thus officially recognising futures trading.[1]

206. " Prior to 1912, there had been no organised effort to establish a jute futures market in Calcutta. In that year, however, a start was made by setting up an exchange called the ' Jute Bara ' at 68, Cotton Street, ostensively for gambling operations. Owing to certain reasons, however, it ceased to exist soon after the outbreak of the Great War in 1914. It was succeeded in 1916 by the Calcutta Jute (or Pat) Association, which proved little better than its predecessor as no delivery was implied in the transactions, which were limited to a minimum of 25 bales. After an adventurous existence, often interrupted by police raids, it was finally suppressed by police orders in 1927. The suppression of the Pat Association provided an impetus for the establishment of a futures market on sounder lines with the result that the East India Jute Association Ltd. was formed in 1927. It was an improvement on its predecessor in that it made provisions for the delivery of jute if desired by the buyer. It did not, however, exclude the gambler-speculators whose operations have a disturbing effect on prices. Moreover, the basis of transactions being pucca bales, it did not afford ' hedging ' facilities either to producers or to the consumers of loose jute, *i.e.*, the mills.[2]

207. The question was considered by the Finlow Committee, the majority of whom did not favour any kind of regulated jute futures market. Some members, however, were in favour of it. In their vie—

> "(*i*) A futures market offering scope for speculation is justifiable because it provides several advantages—widening the market, facilitating trade intelligence, maintaining a comparative steadiness in price by hedging facilities and avoidance of violent fluctuations.
>
> (*ii*) There is a real need for a futures market in jute in the prevailing circumstances of the trade, as fluctuations in the price of jute are no less violent than in the case of other staple commodities for which such markets have been established[3].

They endorsed " the suggestions of the London Jute Association as essential to the organisation of a Jute Futures Market, *viz.*, that the organisation should be

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[1] The U.S.D.A. The Yearbook of Agriculture & Marketing, 1954, p. 325.

[2] I.C.J.C., First Marketing Report, p. 98-99.

[3] Finlow Committee Report (Miniority Report), p. 162.

established by statute, that all sales and purchases should be the subject of written and stamped contracts in the prescribed form, that dealers should have the right to demand delivery of the produce mentioned in the contracts within a reasonable period and that a minimum quantity should be fixed, below which no transaction should be valid in law".[1]

208. The Fawcus Committee expressed the view that the existence of a properly organised futures market of loose jute is in the interest of jute trade as a whole and recommended that "loose jute should be the basis of a Futures Market".[2]

209. The jute futures market has not worked very satisfactorily in India. In Pakistan there has been no such market so far though a futures market in cotton is functioning in Karachi. Opinion is divided as to whether there should be a jute futures market in East Pakistan or not.

210. At one time the Pakistan Jute Association and some prominent businessmen were against setting up of such a market in the Province. But recently some have expressed themselves in favour of establishing a well-organised jute futures market at Narayanganj. The Pakistan Jute Association is also considering the feasibility of such a market to be located at Narayanganj. With that end in view it has set up a small Sub-Committee to examine the question.

211. Jute business is a speculative business and fluctuates with the fluctuations of prices. It is, therefore, felt by some people that a future market would be useful for providing hedging facilities against future losses. On the other hand, some hold the view that such a market would bring more fluctuations and its operators will function more as gamblers than as genuine speculators. They point out that even in Calcutta the jute futures market could not be controlled properly when the prices fluctuated beyond reasonable limits.

212. Those who are in favour of the futures market contend that in the absence of any such organised market in East Pakistan, the genuine traders are helpless when the speculators start unbridled speculation which upsets all calculations for normal trading. They also say that in the absence of a futures market regulated by rules of conduct under some law for forward business, the genuine traders cannot, through their Association, take any action against traders who indulge in wild speculation. With a recognised futures market at least operators indulging in heavy and irresponsible speculation can be detected and suitable action taken against them. Though there is no organised futures market in the province at present, gambling goes on in what may be called an unofficial futures market, which disturbs the trade to a great extent.

213. The question of futures market is a complicated one and requires sufficient time to study. We, therefore, recommend that this question should be studied by a Committee to be set up by the Government in consultation with the Pakistan Jute Association, the Pakistan Jute Mills Association and others concerned. This Committee should study the working of futures markets also in other countries before formulating its recommendations for setting up or not setting up a futures market in jute. If and when the Jute futures market is establised, it should be under the supervision of the Jute Authority.

Price at the Growers' level and at the Export Level

214. From the growers' hand jute is moved to the exporting point through a number of intermediaries, *viz.*, farias, beparis, dalals, aratdars, kutcha balers, pucca

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[1] *Ibid.*

[2] Fawcus Committee Report, p. 100

balers, and shippers. In this movement, costs of transport, assortment and packing are incurred and the various intermediaries keep a margin of profit. From the evidence received it appears that the difference between the price at the grower's level and the landed price in U.K./Continent is around Rs. 20 per maund. The Jute Directorate, Narayanganj, has compiled a detailed statement (reproduced on p. 105) showing the spread between the price received by growers and the price paid by foreign consumers. This appears to be fairly representative of the position obtaining in the market.

215. It appears from the statement on pages 81 and 82 that the difference between the price received by the growers for B-Bottom jute and the c.i.f. U.K./Continent price) weighted average price of Export Firsts and N.C.)[1] is Rs. 19/6/- per maund This is composed of marketing cost Rs. 13/10/9 and profit Rs. 5/11/3 retained by various intermediaries. The above estimate has been prepared by the Jute Directorate. On the basis of the Pakistan Jute Association's estimates of kutcha and pucca costs[2] being Rs. 1/12/6 and Rs. 3/1/6 per maund respectively (as against the Jute Directorate's Re 0-13-0 and Rs. 2-2-3 respectively), the total marketing cost becomes Rs. 15/9/6 and the profit is reduced to Rs. 3/12/6. The price-spread will obviously vary from time to time depending on the prices of Export Firsts and N.C. and the amount of profits retained by intermediaries. The marketing cost of about Rs. 15 per maund, however, remains more or less constant.

216. Evidence received by us indicates that there is scope for curtailing this price spread at various stages by reducing the cost of movment through improvement of the internal transport system, (b) reducing the brokers' commission in respect of both internal and external transactions, and (c) reducing the pucca bale packing charges from Rs. 3/8/- per bale at present to about Rs. 3 per bale. Charges of middlemen like farias, beparis, kutcha balers and pucca balers, will naturally come down when the risk of sharp price fluctuations is reduced and the number of buyers in the market is increased by the measures suggested in para 199 to 203. It also seems to us that the profit margin of some categories of intermediaries such as dalals and aratdars, can be fixed by Government.

217. Pucca pressing facilities are very inadequate in some areas. Consequently jute has to be transported in the form of kutcha bales to pucca baling centres where the kutcha bales are unpacked and assorted and pressed into pucca bales at extra cost. This cost can be avoided if more pucca pressing facilities are provided in centres where there is need.[3]

218. The spread may also be reduced somewhat if the present licence fees, taxes and duties imposed on the movement, storage and export of raw jute are revised, simplified and consolidated into a smaller number of taxes[4].

The Concept of a Fair Price

219. The most general complaint in the country is that the growers of jute are not getting a "fair price". Now, what is this "fair price"? In reply to this question the Pakistan Jute Association has said, "A fair return to the grower is dependent upon the prices at which he has to buy his essential requirements such as paddy, edible oil, cloth, fuel, etc. A fair price should, however, be related to the price of manufactured goods and also competitive fibres. Otherwise by increasing the

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[1] One maund of B. Bottom is taken to consist of ·75 maund of Export Firsts and ·25 maund of N.C. The c.i.f. prices of Export Firsts and N.C. were weighted accordingly.

[2] *Vide* Chapter VII.

[3] Measures for improving the efficiency of marketing , which in turn will reduce the price spread, are discussed in Chapter VII.

[4] *Vide* Chapter XIII.

Spread between the Price Received by the Growers and Export Price with Break-up of the Spread

(Figures in Rupees)

	Market price as on 23-12-59 (per maund)	Difference (per maund)	Cost (per maund)		Profit (per maund)	
Price Received by Growers for loose B-Bottom jute.	22 4 0		Handling in village or hat	0 1 0		
			Transport from village or hat to baling centres.	0 8 0		
			Unloading from Boat or Cart	0 0 6		
		1 8 0	Aratdar's commission	0 5 0		
				0 14 6	0 9 6	(Beparis & Faria's profit).
Price Received by Beparis & Farias at Baling Centres for loose B-Bottom jute.	23 12 0		Importing from Beparis heaps and assortment.	0 3 0		
			Packing	0 1 6		
			Rope and bale ticket	0 0 6		
			Establishment, Godown rent and Insurance.	0 3 0		
		2 0 0	Godown shortage	0 1 0		
			Transport	0 2 0		
			Kutcha bale, brokerage and Dalal's commission.	0 2 0		
				0 13 0	1 3 0	(Kutcha baler's profit).
Price, FOB Baling Centres for B-Bottom in Kutcha bales.	25 12 0		Import	0 0 6		
			Pucca assortment	0 10 0		
			Carrying to Press House	0 0 6		
			Packing @ Rs. 3/8/- per bale	0 11 3		
			Bale Ticket and ropes	0 1 0		
			Carrying from press to godown and godown to ghat.	0 1 0		
			Establishment, Overhead charges including Bank interest.	0 7 0		
		6 1 0	Godown rent and Insurance	0 4 0		
			Godown shortage	0 1 0		
			Jute Tax	0 4 0		
			Brokerage	0 2 0		
				2 10 3		

Spread between the Price Received by the Growers and Export Price with Break-up of the Spread—contd.

(Figures in Rupees)

	Market price as on 23-12-59 (per maund)	Difference (per maund)	Cost (per maund)		Profit (per maund)
Weighted average Price FOB* Narayanganj in Pucca bale. (Export Firsts—Rs. 186 per bale or Rs. 38.27 per md. 75% N.C.—Rs. 60 per bale or Rs. 12.35 per md. 25%).	31 13 0		*Less* -/8/- for pucca balers' direct purchase of loose jute, as in that case they do not incur the kutcha baler's cost of -/13/-.	0 8 0	
				2 2 3	3 14 9 (Pucca baler & Shipper's profit).
		9 13 0	*Charges from baling centres to port* :—		
			Freight to Chittagong/Chalna ports ..	0 14 0	
			Insurance (Movement)	0 1 0	
			Port charges & Port Commission ..	0 5 0	
			†Export duty	3 9 6	
Weighted average* price CIF U.K./Continent in pucca bale. (Export Firsts—£100 per ton or Rs. 48.97 per md. 75% N.C.—£40 per ton or Rs. 19.59 per md. 25%.)	41 10 0		*Charges beyond port* :—		
			†Overseas freight @ 192 shilling for long jute and 140 shilling for cuttings per ton less rebate. ..	3 15 0	
			Overseas commission @ 2% ..	0 13 3	
			Overseas Insurance @ 1/2% ..	0 3 3	
				9 13 0	
Price difference between grower's level and the CIF U.K./Continent level.	..	19 6 0		13 10 9	5 11 3 (‡)

* 1 md. of B-Bottom (uncut) jute is taken to be equivalent to ·75 md. of Export Firsts and ·25 md. of N.C.

†Export duty and overseas freight were calculated exactly for ·75 md. of long jute and ·25 md. of cuttings.

‡ Excluding the profit of the pucca press owners and commissions of brokers, Dalals and Aratdars, which have been included in the cost cols.

N.B.—The above calculations are on the basis of
£ 1 = Rs. 13·33
1 ton = 27.22 mds.
1 bale = 4.86 mds.

Source : Jute directorate.

prices within the country, if too high, it might price jute out of existence". There is not doubt that while the needs of the jute grower are many, his means are very humble and he has to depend largely, if not exclusively, on his cash crop to meet his needs. But unfortunately the price of jute cannot be related to the general price level or even to the prices of his "essential requirements". It has to be not only "fair" to the grower but also "reasonable" to the consumer. Hence the correct approach seems to be to consider "fair price" from the following angles :—

(*i*) Jute/paddy or jute/rice price ration.

(*ii*) Cost of production of jute.

(*iii*) Relationship with export price of jute.

(*iv*) Relationship with the prices of jute goods.

(i) *Fair Price in Relation to the Prices of Paddy and Rice*

220. The price of raw jute is interlinked with the price of paddy in two ways (i) paddy is the alternative crop to be grown on jute lands and (ii) jute growers have to purchase paddy or rice for part of the year with the sale-proceeds of their jute. It is the jute/paddy or jute/rice price ratio which largely influences the decision of the grower as to how much land he will put under jute. So, the price for raw jute should be fair from thuis point of view ; otherwise the farmer will tend to shift to paddy whenever the jute/paddy price ratio is favourable to the latter. The critical ratio at which the grower will just continue to grow jute can be calculated as follows: An acre of land produces on the average 17-1/2 maunds of jute or 15 maunds of aus paddy, at a total cost of Rs. 280 and Rs. 150 per acre respectively. The cost per acre for cultivating jute and paddy are thus in th e ratio of 1·86 : 1. Taking the yield into account the ratio of the price per maund of jute to that of paddy works out at 1·6 : 1. Government have undertaken to purchase paddy wherever offered at Rs. 12 per maund the actual market price being much higher. On this basis the distress price of jute comes to Rs. 19·2 (Rs. 12× 1·6) per maund. As we are envisaging an expansion of jute production, it is advisable to maintain the jute/paddy price ratio at not less than 1·6 :1 (or the jute/rice price ratio at not less than 16 : 15 as 1·5 maunds of paddy is equivalent to 1 md. of rice). From this point of view, we consider Rs. 21 per maund as the lowest conceivable price for the jute growers.

221. In some cases the jute/paddy price ratio is either inapplicable or not decisive. About 25% of the jute acreage is lowlying land where only jute can be safely grown. About 25% of the acreage is especially suitable for jute and cultivation of jute on it is much more remunerative than that of paddy. On some land jute is sown in rotation with paddy in alternate years or once in every two or three years as a normal practice[1]. Thus, in less than 50% of the jute acreage the jute/paddy or jute/rice price ratio has the decisive role on the cultivation of jute.

The critical jute/paddy price ratio laid down above may change if the cost of production per maund of either jute or paddy or both changes disproprotionately on account of the various measures that are being taken for improving the cultivation of both jute and paddy.

(ii) *Fair Price in Relation to Cost of Production*

222. From the point of view of the grower the price should be higher than the cost of production by at least Rs. 5 per maund, considering the period over which human and cattle labour is employed and money is invested. As stated in Chapter V the cost of production of raw jute has been estimated by us at Rs. 16 per maund on an average. Hence, the lowest price to the grower on this basis too should be Rs. 21 per maund (loose unassorted basis). If the grower fails to get this he will have little incentive to grow jute.

[1] *Vide* Chapter IV, para 119 (*iii*).

(iii) *Fair Price in Relation to Export Price*

223. A fair price for loose B-Bottom jute at the growers' level on the basis of export price (c.i.f. UK/Continent) may be calculated as follows :—

$$[(\text{Price of Export Firsts in £ per ton}) \times \cdot 75 \times (\text{Price of N. C. in £ per ton}) \times \cdot 25] \frac{\times 13 \cdot 33}{27 \cdot 22}$$

less the price spread between the growers' level and the c.i.f. UK/Continent level, where 1 maund of loose B-Bottom jute is taken to be equivalent to 75 md. of Export Firsts and ·25 maund of N. C. in pucca,

£ 1=Rs. 13·33 and
1 ton=27·22 maunds.

A price of £ 100 per ton for Export Firsts and of £ 40 per ton for N. C. (c. i. f. UK/Continent) would be more than fair to overseas buyers and on that basis a minimum fair price to the growers works out to Rs. 22/4/- as per maund of loose B. Bottom jute[1]. This price also gives Rs. 21 per maund for loose jute unassorted (containing all grades).

(iv) *Fair Price of Raw Jute in Relation to Prices of Jute Manufacturers*

224. A fair return to the jute growers should also be considered with respect to the prices of jute manufacturers. For this purpose the obvious choice is the prices of sacking and hessian at Calcutta, because India is by far the largest jute manufacturing country in the world and accounts for over 50 % of the world's jute goods production. Under the present world demand for, and supply of, jute manufactures Rs. 110 for sacking (B-Twill 100 bags) and Rs. 42 for hessian (40" × 10 oz., 100 yds) may be taken as prices which are likely to expand the demand for jute goods. On the basis of the above prices of hessian and sacking the prices of uncut jute (kutcha bales) delivered at mills at Narayanganj have been calculated to be the following[2] :

	Price Rs. per md.
B-Bottom	28
C-Bottom	25
X-Bottom	22
Cuttings	19

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1. *Vide* statement on page 105 and para 215.

2. This is calculated as follows:

A. Value of 1 md. of raw jute composing hessian *i.e.* 50% B-Bottom and 50% C-Bottom (cut

=[Value of 1 ton (3600 yds.) of Hessian 40" 10 oz.—(manufacturing cost plus profit] ÷ 27·22

=[Rs. 42 × 36—(Rs. 665 plus Rs. 100) ÷ 27·22

=Rs. 747 ÷ 27·22=27·44

This gives 26·5 per maund of jute (uncut) *i.e.* Rs. 28 per md. of B-Bottom and Rs. 25 per md. of C-Bottom.

B. Value of 1 md. of jute composing sacking (20% C-Bottom, 45% X-Bottom and 35% cuttings).

=[Value of 1 ton of sacking (B. Twills 1000 bags) — (manufacturing cost plus profit)] ÷ 27·22

=[Rs. 110 × 10— (Rs. 370 plus Rs. 100)] ÷ 27·22

=Rs. 630÷27.22=Rs. 23·14 which roughly correspond to the following set of prices for uncut jute :

25 for C. Bottom
22 for X-Bottom
19 for Cuttings.

C. The manufacturing costs of hessian (Rs. 665) and of sacking (Rs. 370) per ton have been calculated from the PJMA's estimate of average manufacturing cost—Rs. 458·49 per ton (*vide* Chapter X) on the assumption that the composition of jute manufactures in Pakistan is 30% hessian and 70% sacking (*vide* Chapter XI).

225. The Commission could not obtain accurate information on the coutturn of raw jute grade-wise . But indications are that the grade outturn of white jute willl be roughly : 37% B-Bottom and higher grades, 43% C-Bottom and 20% X-Bottom.[1] On the basis of this grade outturn the average price per maund of raw jute of the above composition is calculated to be Rs. 25·51 per maund f.o.b. baling centres of East Pakistan. This works out to Rs. 22·0 at the grower's level.[2] The manufacturing costs of jute goods are, however, not correctly known. When more accurate cost estimates become available the price for the growers can be more correctly ascertained with the help of the formula given.

Fair Price to the Growers

226. The above discussion indicates that the critical minimum price of jute that is, the price which will prevent the grower from shifting to alternative crops, varies from Rs. 21 to Rs. 22 per maund. The calculations have been severally based on the following assumptions :

(*i*) Yield of jute per acre is 17·5 maunds , as against 15 maunds of aus paaddy ;

(*ii*) The cost of production of jute is Rs. 15 per maund, as against Rs. 10 per maund of paddy.

(*iii*) The export price of raw jute is £ 100 for Export Firsts and £4 0 for N. C. per ton (c.i.f. UK/Continent); the marketing cost, including profit, is Rs. 19-6-0 per maund ;

(*iv*) The price of jute goods is Rs. 110 for sacking (B-Twill 100 bags) and Rs. 42 for hessian (40" × 10) oz. 100 yds.) and the conversion costs of hessian and sacking are Rs. 665 and Rs. 370 per ton respectively.

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1. Grade outturn of raw jute (white) is derived from the grade outturn of the exports to overseas and India and mill purchases in Pakistan. On the basis of grade-wise distribution of E.P.C. sales supplied by the State Bank of Pakistan for the year 1958-59 it is fair to assume that out of the 41 lakh bales exported to overseas in 1959-60, 65% was white jute (cut) and about 9% cuttings (white jute), *i.e.* roughly 29 lakh bales of white jute including 3 lakh bales of cuttings. Further grade-wise breaksdown on the same basis is shown in the table below. Exports to India consisted of 5·5 lakh bales of cuttings and .5 lkh bales of Export Firsts. Pakistan mills consumed about 16 lakh bales in 1959-60 (15·35 lakh bales actually) of which 2 lakh bales was Export Firsts and the rest more or less equally distributed among the various grades, as shown in the table below :

Grades	Exports overseas		Export to India lakh bales.	Mills purchase in Pak. lakh bales.	Total Export & Mills purchase	Grade outturn of crop in %	
	P.C. of total export (40 lac bales).	Quantity lakh bales				Cut jute	Uncut jute
Export Firsts & up	30%	12·0	0·5	2·0	14·5	28	37
Export Lightning	28·5%	11·5	..	5·0	16·5	32	43
Export Hearts ..	6·5%	2·5	..	5·0	7·5	15	20
Cuttings ..		3·0	5·5	4·0	12·5	25	
Total ..		29·0	6·0	16·0	51·0	100	100

2. Rs. 3/8 is the cost of marketing plus profit between the growers' level and *f.o.b.* Baling Centres (cf. ante the price spread statement on page 81·82.)

227. We have said in Chapter V that the cost of production of jute given there does not include the cost of supervision of the farmer who contributes 60% of the total labour required; nor does it indicate the cost of production on leased land where it would be as much as Rs. 10 per maund more, *i.e.*, Rs. 26 as against Rs. 16 per maund. Therefore, the real cost of production may be different from what the money cost is. It has been found in recent years (omitting the current year) that the cultivation of jute has been less profitable than that of paddy. The fact that in the last two years the production of jute in Pakistan has not been keeping pace with the world demand is not all due to climatic conditions; it is also due to the inclination of the farmer to grow more rice and less jute. If we are to make the farmer grow the requisite quantity of jute to meet the world demand, he shall have to be given a reasonably fair price, and this price we consider is Rs. 25 per maund.

228. There is another angle from which we should look at the grower's price. The jute grower has on an average 3 acres of land and a family of 5½ members. If all his land is put under jute and if everything goes well he will get 52·5 maunds of jute which @ Rs. 25 per maund will give him about Rs. 20 per month for each member and this has to cover not only his and his family's maintenance but also his operational cost. After deducting his cost, his income would only be Rs. 40 per month for the whole family. Again, production of jute is a hazardous job. The physical strain on the jute grower is heavy, the risks of cultivation, harvesting, storage, marketing and price fluctuations are high, and his crop or any other property is seldom insured. Taking all these facts into consideration, we think that a grower should get for his jute on an average Rs. 25 per maund.

Minimum Price

229. It has been suggested that fixing a minimum price at the grower's level would correct the imbalance between the harvest price and the export price and would at the same time, curtail the profits of middlemen. Past experience has, however, shown that a minimum price for the growers cannot be effective unless it is backed by a Support Scheme. The table below shows the effect of minimum prices in the past on the three occasions they were fixed.

Monthly Price of white Jat Bottom (Loose) per maund at Narayanganj and the Minimum Price level during the Price Support Scheme.

Figures in Rs. per md.

Months	1949-50		1950-51		1951-52	
	Market price	Minimum price	Market price	Minimum price	Market price	Minimum price
July ..	26-0		22-6		42-5	
August ..	28-0		23-0		32-14	
September ..	29-0		21-0		32-15	
October ..	23-8	Rs. 23/- since 28th Oct. '49.	18-15	Rs. 20-8 since 8th Oct., 1950	32-8	
November ..	20-0		20-5		31-15	
December ..	24-4		21-8		33-6	
January ..	23-14		24-4		35-14	
February ..	23-12		31-8		33-12	
March ..	24-8		40-4		24-1	Rs. 23/- since 19th March, 1952.
April ..	24-4		52-14		24-2	
May	25-8		55-9		33-0	
June.. ..	25-8		58-13		23-0	

N.B.—Underlined figures indicate prices below the minimum price.

Source : Jute Directorate.

230. The enforcement of the minimum price needs the establishment of a costly administrative machinery whose competence and reliability may not be upto the mark. In the past the Jute Board was called upon to enforce the minimum prices through price support schemes. While it met with some success in improving the prices the cost of it has been very high. In the 3rd price support scheme, *i.e.*, in 1951-52 the Government underwent a loss of over Rs. 9 crores. After that there has been no price support scheme. We, however, leave the matter of enforcing a minimum price for the growers to the Jute Authority to decide as and when the question arises.

How to Ensure Fair Price to the Growers

231. It is an axiomatic truth that knobody can give a price to the grower higher than what is warranted by the law of demand and supply. Again, no buyer will give him a price higher than what he (the grower) can extract. But placed as he is, it is difficult for him to improve his bargaining power by himself. So some measures have to adopt to strengthen his position as a seller.

232. We recommend that the following steps should be taken to help the growers to get a fair price:—

The first thing to do is to bring about a reduction in the cost of production and the cost of marketing. The cost of production can be reduced either by increasing the yield per acre or by decreasing the operational costs, like the cost of ploughing and weeding, or by both. Government have taken and are taking steps to supply better seeds, cheaper fertilisers, more credit facilities and more improved implements than are supplied at present. Research activities are being extended to produce and supply pedigree and disease-resistant seeds. Growers should also be taught, and induced to adopt, improved agricultural practices.

233. On the marketing side we are recommending in the next Chapter the establishment of regulated markets which will provide licensed warehouses where growers, jute can be kept, graded and sold. As regulated markets in the initial stage will have to be on an experimental basis, it is necessary to provide all help, including financial assistance, for the establishment and operation of such markets. We are also recommending in the subsequent chapters[1] the extension of activities of the jute growers co-operative marketing societies and of the East Pakistan Jute Marketing Corporation. There are certain costs in the marketing of jute which can be reduced, *e.g.* the balling charges. There is no doubt that ample economy can be effected in the marketing cost at the sedondary level. Further, steps should be taken to eleminate unnecessary and illegal deductions which are being made at present at the baling centres.

In addition to the indirect measures mentioned above, the jute Authority should take steps to ensure a fair proportion of the export price of jute to the growers.

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1. *Vide* Chapters VII and VIII.

CHAPTER VII

MARKETING OF JUTE (Internal)

234. Jute being a commercial crop, marketing forms an integral part of its productive process. The object of marketing is to place the framers' produce at the disposal of the ultimate consumers. It involves a number of important operations, such as assembling, transporting, storing, grading, processing and exporting. These are risky and expensive operations and are not expected to be done by the farmers themselves. These operations are done at different stages by a number of middlemen who form a link between the producers and the consumers and whose object, it goes without saying, is to earn a profit from the services they render.

235. The various operatives are like links in a chain. If there is weakness in any one of them the entire chain becomes weak. It is, therefore, necessary that all the marketing operations should be done in a sound and orderly manner so that weakness does not appear at any stage.

236. There are three distinct stages in the movement of jute from the field to the mills at home and to the export points:

(*i*) from the village to the primary market,

(*ii*) from the primary market to the baling centre or the secondary market, and

(*iii*) from the secondary market to the mill or shipping point.

The middlemen who operate at the various stages and constitute the set-up of the jute market are farias, beparis, aratdars, brokers, dalals, kutcha balers, pucca balers and shippers.

237. *Farias and beparis.*—They form the first link in the chain of middlemen in the loose jute trade. Generally the farias go from door to door in the villages, purchase jute from the growers and sell it to beparis in the primary markets. Some beparis also purchase at the grower's premises while some farias purchase at the primary jute markets. In fact both the classes do the same job—assembling of jute—only the beparis handle a larger volume than the farias. They carry jute from the villages to the secondary markets. Many of them are cultivators themselves and take up jute trade as an additional occupation. They buy jute in unassorted bundles on eye-estimation of quality. Payment is generally made in cash, but sometimes growers sell on credit also.

Beparis are, again, of two kinds:—

(*i*) those who operate individually with their own capital *i.e.* free-lance beparis, and

(*ii*) those who either operate with the money advanced to them by aratdars or large buyers, or are employed by large balers on commission basis.

The latter type of beparis (or commission agents) are not common now-a-days. In the past a number of big business firms of Calcutta used to maintain many out-station agencies in rural areas and primary markets and engage salaried men or commission agents to pruchase jute for them. The number of such agencies in primary and rural markets is comparatively small now.

238. Primary markets and *hats* are held once or twice a week where the farias and beparis operate. It was found by the Indian Central Jute Committee that in 1937-38 in East Bengal growers sold 81% of their jute at their own premises, 15% in the primary markets and hats, and only 4% in the baling centres or secondary

markets. In North Bengal 75% was sold in the villages, 18% in the primary markets and hats and 7% in the baling centres. [1] The situation does not seem to have undergone any significant change since then as the means of transport and the marketing system are much the same as before. Evidence received by us shows that about 90% of the jute is sold by growers to the beparis and farias (mostly at their *i.e.* growers' premises and only a small quantity in primary markets) and about 4% is sold to aratdars, 5% to kutcha balers and 1% to pucca balers, shippers and mills. At many places in the northern districts, markets are held at night and there is little lighting arrangement, which puts growers to inconvenience.

239. *Aratdars.*—They generally operate between the peripatetic dealers on the one hand and balers and dalals on the other. They are mainly established at the baling centres. Their specific function is to finance the beparis and undertake storage of their fibre. But many of them do not keep any 'arat' or godown. They generally work as agents of the local buyers and sellers.

240. In the secondary market a seller, be he a grower or a bepari, seldom approaches buyers directly. It is aratdars who bring him in contact with the buyers and in this sense aratdars work as dalals. But they also work on behalf of the farias or beparis with whom they have long-standing relationship. As both the parties are well known to each other the beparis can leave their unsold jute with the aratdars and rely on them for payment of the price after the jute has been sold through them.

241. There is another class of aratdars who are actually merchants. They generally provide their own capital but sometimes borrow from outside. They finance beparis to purchase jute for them. They have their own godowns and store jute on their own account.

242. *Kutcha balers.*—They operate in the secondary market. They pack jute in kutcha bales of different sizes varying from 1½ maunds to 4 maunds. Jute fibre is handled by growers, beparis and dalals/aratdars in unassorted condition and in loose form in bundles of different sizes. The kutcha balers for the first time classify jute in recognised commercial grades and pack according to accepted trade standards. The term kutcha baler in fact embraces all dealers who own or hire an establishment to prepare kutcha bales.

243. There are 3 distinct groups of kutcha balers:—

(i) *Merchants and firms who are of local importance.*—They are small concerns and have no branches in other places and their individual turnover generally does not exceed 8,000 bales year. They constituted the majority in the kutcha baling trade before Independence. They used to send their jute to the Calcutta market. Now they sell to big buyers of their locality. The number of such merchants has dwindled after Partition as all exports, including those to India, are made in pucca bales and as many pucca balers buy direct in loose form.

(ii) *Large baling firms.*—Before Independence most of them had their head offices in Calcutta and branches at big secondary markets like Chandpur, Sarisabari and Narayanganj. They also maintained a number of sub-agencies at small secondary markets or even at primary markets. Now these firms have their head office at Narayanganj, Khulna or Chittagong. They maintain their out-agencies as before.

Some of these firms have also pucca baling presses. They sell their jute direct to the mills or exporters or export it themselves.

(iii) *Representatives of jute mills.*—Before Independence some of the European and Indian mills maintained buying agencies in large baling centres in East and North Bengal where they operated on the same lines as

[1]. I.C.J.C.—First Report on the Marketing & Transport of Jute, 1940, op. cit., p. 78.

the big baling firms. All the jute purchased by these agencies was graded, baled and despatched to the mills controlled by their principals. With the establishment of mills in Pakistan, the same system is being followed by the latter.

244. Kutcha balers buy (*a*) loose jute (i) generally from the beparis, (ii) sometimes from big growers and (iii) also through their agents or through beparis and farias and (b) kutcha bales from other kutcha balers. They make their purchases sometimes on cash and sometimes on short term credit *i.e.* with promise to pay after receiving payment from the pucca balers for the jute. The kutcha balers assort their purchased loose jute according to kutcha marks, and also pucca grades, and pack into kutcha bales. (Kutcha bales are generally of 4 mds. but some kutcha presses pack bales of 1½ mds. to 3 mds.). These kutcha bales are then sold to another kutcha baler or to a pucca baler or to a mill. These deals may be in the nature of ready transactions (generally delivery is effected within 7 days) or forward sales. In the case of forward sales, price, quality, quantity and time of delivery are settled as per P.J.A. or P.J.M.A. contract and the terms and conditions of the contract apply. In case of non-delivery or non-lifting, the defaulting party is liable to pay the market difference. However, generally the payment of market difference is not made at the full market value as amicable settlement takes place in many cases.

245. *Pucca balers.*—As in the past, pucca baling is done at the important secondary markets. The pucca balers purchase both loose stocks and kutcha bales in the same manner as other purchasers *i.e.* through dalals. They make another check on the grade and the fibre is then packed by means of a hydraulic press into bales of high density measuring about 10½ c. ft. and weighing 400 pounds each. Pucca bales are mostly meant for export. They are either directly exported by the baler (if he has the shipper's licence) or are sold to a shipper for export.

All pucca balers are not shippers, nor do all of them own presses. If they do not have their own press they get their jute pressed through other press owners. There are also some press owners who are neither balers nor shippers but simply press others' jute or let out their press and premises to balers and shippers.

246. It will be seen from the above that a large number of middlemen at various stages operate in the jute market and their existence at some of the stages such as assembling, baling and shipping is unavoidable. In their business they also take three kinds of risks: (i) those arising from natural causes, such as loss of quantity, deterioration of quality, pests and accidents during storage and transport; (ii) those arising out of dishonest dealings one middlemen may be cheated by another of his own or a higher level; and (iii) those which arise out of price fluctuations.[1]

247. It is obvious that the middleman renders an important service in the trade and also bears considerable risks in rendering it. He is, however, responsible for a variety of abuses. Often he charges too high a price for the service he renders. As his income consists of the difference between what he pays and what he receives after deducting his expenses etc., he tries his best to enlarge that difference not infrequently by unfair means. Watering of jute, use of false weights and measures, undergrading of jute and spreading of rumours are some of the malpractices indulged in by the middlemen. Hence, the objections against the middleman are not so much against the services rendered by him as against the malpractices which he adopts from time to time. What is required is to eliminate these malpractices of the middleman and not the middleman himself.

Important Changes in the Pattern of Jute Trade

248. (1) In pre-Independence days there were several terminal markets in Calcutta, situated towards the northern part of the city, at Cossipore, Hatkhola,

1. *Vide ante* Chapter VI.

Shambazar, Fulbagan, Bagbazar, Belgachia and Ultadanga, of which the first three were the most important. Jute from eastern and northern Bengal used to go to Cossipur and Hatkhola in kutcha bales to be sold for spot delivery. The cheif buyers in these raw jute markets were the pucca balers. Their purchases were regulated according to orders received. Normally they did not did accumulate large stocks and their future purchases were seldom excessive. Mills bought only occasionally in these markets as they generally purchased directly from the mufassil areas either from kutcha balers or through their own agencies. In East Pakistan there are no such jute markets at the important baling or manufacturing centres.

(2) In the past there were many outstation agencies of big buyers in the rural areas. To-day the number of such agencies is quite small.

(3) Before Independence secondary markets grew up and developed on the basis of sales largely to Calcutta mills and shipments through the Calcutta Port. So all trade was directed towards Calcutta. After Independence this pattern of trade, as far as Pakistan jute is concerned, has undergone a complete change. Calcutta has been replaced mainly by the overseas market. As a result some new secondary markets have developed in East Pakistan, such as Daulatpur/Khulna. Some of the old secondary markets have assumed new importance, such as Sarisabari. Some other old secondary markets of north Bengal which were directly linked with the Calcutta markets of Cossipur and Hatkhola or the mill sidings there, have gone down in importance. They are now being linked up with Daulatpur, Khulna and Sarisabari.

(4) In the past there was no licensing and registration of jute dealers. There was also no export price check.

(5) At the time of Independence East Pakistan's jute trade was dominated by foreign concerns. Many of them have either left the country or curtailed their business. Their places have not been adequately filled by Pakistan nationals. The number of buyers to-day is, therefore, less than in the past.

(6) Formerly the Indian Jute Mills Association formed more or less a buyers monopoly in the raw jute market. Pakistan is generally free from any such mono polistic element, though the inadequacy of the number of buyers referred to above has given a position of great influence to a few large buyers.

Imperfections of Marketing

249. The Fawcus Committee observed two kinds of defects. "First, there are the frictional defects arising out of the existing customs or practices of the market, or from the restricted nature of the facilities it offers to buyers and sellers. Secondly, there are the more fundamental defects, which arise from the present structure of the jute market, and prevent competitive bargaining between buyers and the primary sellers on equal plane..... The first category of defects includes those arising out of imperfect knowledge of market conditions, irregular allowances and deductions, absence of standardization of weights and measures and of the quality of jute, difficulties of transport, etc.".[1] It also includes absence of storage and grading facilities in the primary markets. The most widely prevalent ills of the present day marketing are manipulations in weighing and grading, fraudulent deductions, and watering and adulteration of jute.

250. The defects of the second category, as rightly pointed out by the Fawcus Committee, are more fundamental. They include " all those factors which are responsible for the very meagre holding power of the cultivator and account for his low

1. Fawcus Committee Report, 1939, p. 39.

bargaining strength ".[1] The farmers are poor, scattered and unorganised They are unable to wait and circumstances compell them to sell the bulk of their crop during the first four months of the season, *viz*, July, August, September and October. They cannot be expected to bargain equally with the powerful and organised buyers. "As against his (the grower's) lack of holding power and organization has to be set the remarkable holding power and reserve of strength which the ultimate buyers in this country as well as abroad possess. To this fundamental structural weakness of the jute market must be ascribed in no small measure the inability of the jute growers to obtain an adequate share of the rise in prices of manufactures ".[2].

251. The situation has slightly improved in recent years. Attempts are being made to remove the frictional defects. Through the efforts of the Directorate of Jute a number of deductions like 'namuna' (sample), 'britti' (charity), 'khata' (office expenses) have been reduced in several places. But a lot of other charges and deductions both in kind and cash continue. Some of the existing customary charges and deductions are shown below:—

(1) *Primary markets*

Name of charge	Amount of charge per maund	Particulars
Tola (Toll)	3 pies to 1 anna ..	Realised by Ijaradars from growers and farias.
Dalali	1 anna ..	Paid by farias and beparis.

(2) *Secondary markets.*

Name of charge or deduction	Amount of charge or deduction	Particulars
Dalali (brokerage)	2 annas per maund	Paid by farias and beparis.
Aratdari	4 annas per maund	Do.
Dhalta (anticipated loss in weight and quality etc.)	1¼ mds. to 2½ maunds per 100 mds.	Do. Do.
Kabari (expenses of buyer's staff) ..	1 md. per 100 mds.	Do.
Koyali (weighing charges)	Rs. 2 to Rs. 6 per 100 maunds.	Do.
Moisture allowance	Over 5% by weight	

Some of the charges, like the toll in the primary markets and aratdari and brokerage in the secondary markets, may have some justification, but other charges and deductions like 'dhalta' and 'kabari' have none.

252. The fundamental defect of marketing , *viz.*, the low holding capacity of growers due to poverty, lack of storage accommodation in the rural areas and difficulty of transport after the recession of flood waters at the end of October, still continues. The other difficulties mentioned by the Fawcus Committee are stated below:-

(*a*) Diversity of weights: There is a bewildering diversity of weights in the different jute growing districts. The standard by which jute is weighed

1. Ibid
2. Fawcus Committee Report, 1939, p. 39.

by buyers varies from 60 to 126 tolas per seer. It is , therefore, difficult to compare village prices of different places with the prices prevailing at the secondary markets which may be based on other standards. There is also a general complaint that under-weighing is practiced by buyers of practically all categories.

(*b*) Absence of machinery for dissemination of market news: The villagers are at a particular disadvantage as the petty middlemen who trade on their own often spread false information about the market situation. The present machinery for dissemination of authentic information is utterly inadequate.

(*c*) Absence of standardisation of quality and grading facilities: The growers sell their jute in completely unassorted condition and hence suffer on account of deliberate under-estimation of quality by buyers. Farias and beparis also do not do any grading but are comparatively better informed about the quality requirements of the various grades.

(*d*) Lack of organisation on the part of growers and petty dealers: On account of this they are unable to talk on equal terms with the buyers, who possess greater bargaining power and highly efficient organisations to protect their interests.

Existing Facilities of Storage. Insurance, Finance, Baling and Transport

253. *Storage.*—(*i*) At grower's level: Growers generally keep their jute at their dwelling houses along with other crops or articles on kutcha floor or at best on machan made of bamboo, betel-nut plants, *chatai*, etc. Their houses are mostly thatched and sometimes made of corrugated iron sheets and normally have bamboo fencing and mud floor. The jute so stored is liable to be damaged by dampness, rats, weevils etc. and also by fire. Some big growers have separate godown-type rooms attached to their bed-rooms or *katcheri*. There is practically no arrangement for safe storing of jute for any length of time. Jute has to share the space available for the dwelling of family members. Space has also to be found for the storing of 'aman' paddy which is harvested in November and December. That they have very little space left for jute when 'aman' is harvested is one of the reasons for early disposal of jute.

(*ii*) At primary markets: Most of the primary markets are mere open spaces without even a kutcha shed, where jute is assembled and transactions are made. In such markets covered boats serve the purpose of temporary storage. In some important markets jute is stored in small, kutcha godowns owned or hired by farias, beparis and aratdars. On the whole, storage arrangements at the primary market level are neither adequate nor satisfactory. However, for the farias and beparis storage is not a very serious problem as they are peripatetic dealers and generally keep their jute in their boats, which vary in capacity from 25 to a thousand maunds. It is estimated that about 10% of the total crop is stored in this manner in the course of the season. What the primary market needs is covered space to protect jute from rains and storms.

(*iii*) At baling centres: There is no dearth of storage space at the baling centres which are termed as "secondary markets". Under the East Bengal Jute Dealers Registration Act, 1949, administered by the Directorate of Jute, every jute godown is registered on payment of a certain fee which is calculated on the basis of the area of the godown. Registered godown space in East Pakistan at present is 1,94, 62,759 sq. ft. This space includes space for assorting and packing as well as for storing pucca and kutcha bales. This total space is sufficient for storage of about 55 lakh bales at one time and is, therefore, quite adequate. Most of the jute godowns belong to private parties, *viz*, aratdars, kutcha balers, pucca balers and shippers, and are equipped with import sheds and assorting sheds. Some of them have pucca or kutcha presses in them.

Apart from these godowns of private parties, the Jute Board has constructed 80 godowns at selected centres, with a total floor area of 2,87,000 sq. ft.[1] These godowns are meant for storing kutcha or pucca bales and are not equipped with any presses.

254. These jute godowns in the secondary markets have been constructed mainly on the consideration of communication facilities available to the exporting points. The average distance between the primary market *i.e.* village hat and the nearest baling centre is about 10 miles. The average production per grower being small (15 to 20 maunds) the growers prefer to sell the bulk of their produce at their door instead of travelling a distance of 10 miles with it. Besides, in the baling centres they are not sure of quick disposal nor of storage facilities available to them.

255. The difficulty of the growers in not having storage facilities near their production centres, coupled with their urgent need for money to meet their expenses after harvesting, puts them in a weak position. This can be remedied largely by setting up warehouses in regulated markets at the village level, which we are recommending later in this chapter.

At the baling centres jute brought in by growers, beparis and farias is sometimes kept in the godowns of balers. This compels them to sell their jute to the balers concerned as shifting to other buyers would involve additional cost of loading and unloading. This also places the sellers at a disadvantage in bargaining.

Storage Charges

256. (*a*) In the primary markets it is mostly the family members of the growers who help in storing jute and there are, therefore, practically no expenses of storage.

(*b*) In the secondary markets, where beparis and other classes hold the jute either in bales or in loose form, storage charges vary from -/2/- to -/4/- per maund for the season. There is no standard for fixing these charges. A godown owner, whether he is an aratdar, bepari or baler, charges according to the demand for storage in the particular market and also according to the facilities provided by him.

The storage charges can be rationalised after working out the expenses incurred in regulated markets. Any immediate arbitrary reduction may dislocate the marketing arrangements.

257. Although the total storage capacity in the province is adequate, its distribution is not in accordance with the turnover of different baling centres. As we have already stated, the pattern of marketing has changed after Independence. Some secondary markets have grown in importance and some others have gone down. A few new markets like Daulatpur/Khulna have come into existence. The establishment of pucca presses in difierent areas has also changed the importance of different markets. As a result there is shortage of storage facilities in some markets and excess of storage space in others. Some godowns are reported to have remained unutilized and are being dismantled and sold.

Insurance facilities

258. There is no insurance in vogue for the storage and movement of jute at the village and primary levels. Jute in dwelling houses or in transit in small country boats is hardly insurable. Insurance Companies too do not usually favour insuring loose jute in transit. From the stage of kutcha bales onwards jute is fully insured

1. 47 at Narayanganj (4,000 sq. ft. each), 33 at other centres (3,000 sq. ft. each).

against damage by fire or otherwise. No trader would like to keep his jute uninsured, because of the risk involved. No bank will advance money to any trader against hypothecation or pledge of jute, unless the stock is well covered by insurance. There are sufficient facilities provided by Insurance Companies, both foreign and Pakistani, for insuring jute in godowns or baled jute in transit by flats or barges. The premium is, however, rather high due to the heavy claims that have to be met by under-writers which in turn are due to the unsatisfactory nature of the premises, congestion, the inherent fire risk, and, in some instances, malpractices in an adverse market.

259. It has been reported that of late there have been frequent serious fires in jute godowns in East Pakistan, causing anxiety to the Insurance Companies. If such frequent, serious fires continue the insurance rates would probably be increased and the insurers may become selective, depriving many jute merchants of full insurance. The banks will also withold funds from those merchants. There will thus be difficulties for the small merchants to operate, resulting in paucity of buyers in the internal markets.

260. By such frequent fires there is also a great loss of national wealth and of foreign exchange earnings (as the bulk of our jute either in the raw form or in the form of manufactured goods is exported). The fire hazards may be traced mainly to the congested nature of godowns. Once a fire starts it spreads so quickly that within a few minutes the entire area is affected. The fire affects the wooden framework of the corrugated iron sheets, the roof and walls collapse in no time and all the godowns in the vicinity fall in danger.

In almost all case the Fire Brigade is called promptly, and it also takes action quickly, but sometimes inaccessibility to the right spot by the Fire Brigade causes great loss before help can be rendered.

261. The reasons for the unsatisfactory state of the godowns are as follows :—

(*a*) Before Independence, jute business was more or less centred round Calcutta. Jute stations in East Pakistan were treated as 'outstations' and the godowns there were mostly built with corrugated iron sheets and wooden frames and in a very congested manner, without giving any consideration to the hazard of fire. The godowns were, also, situated in thickly populated areas along with other godowns and residential quarters. After Partition, particularly during the Korean War boom, many jute godowns sprang up in the same manner for quick earning of money by storing of jute and trading in it.

(*b*) Under the insurance tariff for jute godown and press-houses a discount of 1% is allowed for storage of jute in bales if the storage godown is situated at a minimum distance of 75 ft. from the working godowns. There is also an additional discount for limited storage. But nobody in the jute trade at present seems keen to avail themselves of these benefits as, firstly, the premises are not built up according to the insurance requirements and, secondly, since the rent for the space in the godowns as it obtains to-day is very high, the benefit derivable from the discount given by the Insuarnce Companies can well be foregone. The godowns have, therefore, again been constructed in a very congested manner and every bit of land has been utilised.

262. *Facilities of Finance.*—The farias operate with small funds and purchase jute from growers on credit as well as on cash payment. Sometimes they also lend money to the growers and collect the crop at a discount, no interest being formally charged on the loan.

At times beparis get advances from the aratdars, kutcha balers and pucca balers to whom they are expected to deliver their stocks. In some cases, aratdars or kutcha balers make payment to the extent of 50 % to 70 % only of the value of jute delivered by the farias and beparis, the balance being paid when the jute is sold.

The kutcha balers have their own capital and also get finance from private parties and commercial banks on hypothecation of jute and sometimes against immovable properties.

263. Pucca balers and exporters finance themselves to the extent of not more than 40%. The rest they get from comemrcial banks in the form of (*i*) cash credit against hypothecation or pledge of jute stocks and (*ii*) packing credit against Railway receipts and bills of lading covering jute coming from the interior stations to Narayanganj, Chalna and Chittagong by rail or by I.W.T. flats. They also get overdraft facilities.

264. Out of the total cash credit more than 50 % is supplied by the Pakistani banks, more than 25% by foreign banks other than Indian banks and the rest by India banks. The proportion of credit supplied by the Pakistani banks is gradually increasing with larger participation of Pakistani nationals in the jute trade and due to more liberal credit policies of the Pakistani banks.

The following table shows the limits of cash and packing credits sanctioned by the scheduled banks (according to their nationalities) in 1956-57, 1957-58 and 1958-59 and the maximum outstandings.

(In thousand rupees)

	Total cash credit limits	Maximum outstanding	Total Pcaking credit limits	Maximum outstandings
1956-57 :				
Foreign Banks other than Indian	8,57,46	8,08,56	3,22,35	4,05,08
Indian Banks	6,32,90	4,99,13	..	..
Pakistani Banks	10,82,32	10,47,31	1,10,00	1,12,72
	25,72,68	23,55,00	4,32,35	5,17,80
1957-58 :				
Foreign Banks other than Indian	6,27,11	5,29,55	2,36,14	2,10,59
Indian Banks	5,86,00	4,27,54	1,50	1,02
Pakistani Banks	12,46,35	11,34,37	1,32,40	87,75
	24,59,46	20,91,46	3,70,04	2,99,36
1958-59 :				
Foreign Banks other than Indian	5,97,62	5,19,07	2,53,00	2,07,18
Indian Banks	4,39,75	3,63,15	2,00	2,00
Pakistani Banks	11,08,33	10,14,66	73,83	68,58
	21,45,70	18,96,88	3,28,83	2,77,76

Source : State Bank of Pakistan, Dacca.

265. There is, however, a credit gap in the jute market arising from the following factors :—

(*i*) Jute business was almost entirely in the hands of Indian and other foreign nationals. A continuous process of transfer of their cash capital was started by many Indian traders after Independence. Many of them deserted Pakistan with their entire capital. A small number of new Pakistani firms have entered the trade but they are inexperienced and financially weak. Most of the kutcha balers in the mufassil now carry

on business on credit. Growers cannot afford to sell their jute on deferred payment basis but the farias and beparis sell on credit to kutcha balers. Consequently, they have to keep a bigger margin of profit for themselves. This dearth of finance at the lower level, combined with the comparatively small number of buyers, exerts a depressing influence on the market.

(*ii*) Although at the shippers' level generally finance is adequate, small and new shippers find it difficult to obtain enough finance.

266. *Baling and Port facilities.*—At the time of Independence most of the pucca baling facilities were concentrated in Calcutta. In East Pakistan, there were only 32 pucca presses, with an annual capacity of 28·34 lakh bales. Most of the jute from East Pakistan used to be sent to Calcutta in the form of kutcha bales Even upto September, 1949, exports of jute from East Pakistan were made mostly through Calcutta-in 1948-49 only 10·56 lakh bales were shipped through Chittagong Port. From October, 1949, on account of the trade deadlock with India over the non-devaluation issue, the Government of Pakistan took prompt and effective steps to arrange export directly from East Pakistan to overseas countries in pucca bales. Many pucca baling presses were imported and set up in different parts of the province. The total number of presses operating in 1959-60 was 88, with an annual aggregate capacity of about 100 lakh bales (*vide* table below).

Development of Pucca Baling and Port Facilities

(1947-48 to 1959-60)

Figures excepting column 1 are in lakh bales)

Year	No. of pucca press	Annual* pressing capacity	Actual annual production of pucca bales	Export of raw jute			Total Overseas export
				Through Chittagong	Through Chalna	Total	
1	2	3	4	5	6	7	8
1947-48 ..	32	28·34	9·05	7·46	..	7·46	7·46
1948-49 ..	33	28·72	14·91	10·56	..	10·56	17·77
1949-50 ..	35	27·18	19·49	15·46	..	15·46	17·23
1950-51 ..	41	43·56	31·45	19·81	3·75	23·56	42·04
1951-52 ..	46	51·12	29·32	19·99	11·40	31·39	32·03
1952-53 ..	60	67·99	45·24	22·14	15·62	37·76	37·71
1953-54 ..	67	82·81	40·68	20·73	16·96	37·69	37·65
1954-55 ..	76	86·56	40·28	19·03	20·07	39·10	39·09
1955-56 ..	80	93·95	49·62	18·81	24·45	43·26	43·26
1956-57 ..	92	104·02	44·24	14·57	25·00	39·57	39·57
1957-58 ..	88	103·02	43·89	16·02	23·34	39·36	39·36
1958-59 ..	89	101·97	50·25	16·23	25·96	42·19	42·19
1959-60 ..	88	101·22	40·92	14·46	26·50	40·96	40·96

Source : Jute Directorate.

*Maximum monthly capacity multiplied by 12.

The capacity of Chittagong Port was also increased and a subsidiary port was developed at Chalna in 1950. These two Ports have been handling all the overseas exports since 1952-53 (*vide* table on page 97). More and more exports of raw jute have been routed through Chalna and in 1959-60, 26-1/2 lakh bales were exported through this port as against 14-1/2 lakh bales through Chittagong.

267. The establishment of pucca presses was not done in a planned manner so as to increase the efficiency of marketing by minimising the movement of loose jute and facilitating movement to ports by the shortest route. As a result there is undue concentration of pressing capacity in certain areas, such as Narayanganj, Chandpur, Sarisabari and Saidpur, and there is shortage of pressing capacity in other important centres, such as Ashuganj, Bhairab, Iswarganj, Mymensingh, Charmuguria, Daulatpur, Kurigram and in Tangail sub-division (Mymensingh district) as can be seen from the table below :—

Distribution of Pucca and Kutcha Presses in East Pakistan

Centres	No. of presses in			Total maximum monthly capacity of production in bales working 10 hours a day and 25 days a month. (Pucca Bale only)	
	1947-48 Pucca	1959-60 Pucca	Kutcha	1947-48	1959-60
Dacca District	**18**	**35**	**97**	**1,43,750**	**4,00,761**
Narayanganj	18	31		1,43,750	3,68,101
Postagola		1			15,000
Keraniganj		1			7,500
Narisingdi		1			8,750
Mirrerbag		1			1,410
Mymensingh District	**5**	**12**	**327**	**40,925**	**1,06,212**
Sarishabari	1	7		9,375	61,350
Bausi	2	2		17,500	20,812
Nikli	2	2		14,050	14,050
Gouripur	..	1		..	10,000
Comilla District	**2**	**7**	**58**	**12,500**	**56,250**
Chandpur	2	5		12,500	32,500
Ashuganj	..	2			23,750
Noakhali District	**5**	..	..		
Chittagong District	**4**	**3**	..	**20,300**	**34,250**
Chittagong	4	3		20,300	34,250
Faridpur District		**3**	**90**		**26,250**
Charmuguria	..	1			12,500
Gualundo	..	2			13,750
Kushtia District	..	..	**46**	..	..

Distribution of Pucca and Kutcha Presses in East Pakistan

Centers	No. of presses in			Total maximum monthly capacity of production in bales working 10 hours a day and 25 days a month, (Pucca Bale only)	
	1947-48 Pucca	1959-60 Pucca	Kutcha	1947-48	1959-60
Jessore District	..	..	33	..	..
Khulna District	..	12	45		1,09,610
Daulatpur	..	10			92,110
Rajapur	..	2			17,500
Barisal District	..	..	1		
Pabna District	1	1	78	7,500	7,500
Serajganj	1	1		7,500	7,500
Sylhet District			10		
Rangpur District	2	10	290	12,500	55,625
Saidpur	1	4		7,500	27,500
Alamnagar	1	2		5,000	10,000
Gaibandha	..	3			15,000
Bonarpara	..	1			3,125
Rajshahi District	..	2	67		15,250
Atrai	..	1			6,250
Naogaon	..	1			9,000
Dinajpur District	..	1	71		15,000
Phulhat	..	1			15,000
Bogra District	..	2	85		16,875
Santahar	..	1			9,375
Joypurhat	..	1			7,500
		88	1,303	[2,37,475	8,43,583

One press at Nalgola was dismantled.

This has resulted in such uneconomic movements as from Ashuganj to Sarishabari or Narayanganj and then to the Port of Chittagong or Chalna, when jute could have been pressed into pucca bales at Ashuganj and sent directly to Chittagong. Pucca presses in some places, *e.g.*, Gualundo, Atrai, Naogaon, Phulhat and Nikhli are remaining out of commission or are operating much below capacity on account of small arrivals. There is thus need for redistribution of the pressing capacity.

268. It has been mentioned above that the existing pucca baling capacity in East Pakistan is about 100 lakh bales annually. But this is the maximum nominal capacity. Some of the presses are worn out and require repairs and replacements in order to keep them in good working condition and maintain their normal outturn. Spare parts are not available locally and licences issued for the import of spare parts for presses and machinery have in the past been inadequate. As a result, if there

is a breakdown in a press work sometimes remains suspended for a long period. The effective working capacity is thus much lower than 100 lakh bales, though it is still adequte in the aggregate, to meet the present baling requirements of the jute trade.

269. The kutcha baling capacity is also quite adequate, with 1303 kutcha pressed spread over the whole province. Many of them are remaining idle because of the following reasons :—

(*i*) The kutcha baling capacity in East Pakistan was mostly used for pressing bales for despatch to Calcutta. As export to Calcutta in kutcha bales was stopped, a major part of the capacity fell into disuse. Establishment of some pucca presses in the Northern area also reduced the need for kutcha presses to some extent.

(*ii*) Kutcha balers operating on their own account in the mufassil baling centres find it difficult to sell to parties at Narayanganj or Daulatpur. Big shippers purchase jute through their own agencies in kutcha baling centres and only on rare occasions make purchases from local kutcha balers.

Baling Charges

270. The existing baling costs are more or less uniform in the Province but due to difference in the basis of calculation their estimates vary. We received three estimates, supplied by the P.J.A., the E.P. Jute Marketing Corporation (J.M.C. and the Jute Directorate, as shown below :—

Kutcha baling charges per bale of 4 *maunds,*

size 16 *c.ft. to* 17-1/2 *c.ft.*

	Statement by		
	P.J.A.	Jute Directorate	J.M.C.
	Rs. as. ps.	Rs. as. ps.	Rs. as. ps.
Expenses for importing loose jute	0 0 8	0 2 0	1 10 0
Assorting	0 10 4	0 10 0	0 11 6
Packing	0 11 4	0 6 0	0 8 0
Rope and bale ticket	0 1 4	0 2 0	0 1 3
Godown shortage	1 0 0	0 4 0	N.S.
Establishment charges, Insurance and interest ..	3 0 0	0 12 0	2 15 3
Exporting charges	0 5 0	0 8 0	0 3 0
Brokerage & Dalali	0 6 0	0 8 0	0 4 0
Godown hire	0 12 0	N.S.	0 12 0
Miscellaneous expenses such as strong and drying expenses.	0 3 4	N.S.	0 6 0
Total ..	7 2 0	3 4 0	7 7 0

N.S.—Not shown. J.M.C's estimate relates to F.O.B. Narayanganj.

It appears that the P.J.A. statement over-estimates packing charges, godown shortage and establishment charges, insurance and interest and includes godown hire, resulting in a cost more than double that supplied by the Jute Directorate. The J.M.C.'s estimate is also high because of its higher establishment charges and high expenses for importing loose jute, which include freight from up-country centres to Narayanganj.

Pucca baling charges per bale of 5 maunds, size 10-1/2 c.ft. to 12-1/2 c.ft.

Items	Statement by		
	P.J.A.	Jute Dte.	J.M.C.
	Rs. as. ps.	Rs. as. ps.	Rs. as. ps.
Import and weighment	0 5 0	0 2 6(1)	2 8 0
Pucca Assortment	2 10 0	3 2 0	3 4 0
Kutcha Assortment of loose jute	0 12 6	N.S.	N.S.
Bhaga of Kutcha Assorted Bojhas	0 5 5	N.S.	N.S.
Carrying from Assortment shed to press house ..	N.S.	0 2 6	0 3 6
Packing charges	3 8 0	3 8 0	1 12 0
Bale tickets and ropes	1 6 8	0 5 0	0 5 3
Carrying from Press house to godown and godown to Export ghat.	N.S.	0 5 0	0 4 6
Godown shortage	1 4 0	0 5 0	N.S.
Godown rent and insurance	1 0 0(2)	1 4 0	2 3 0
Overhead charges (Establishment, Bank interest etc.)	3 0 0	3 0 0	3 1 9
Brokerage	N.S.	0 10 0	0 5 0
Jute Tax	1 4 0	1 4 0	1 4 0
	15 7 7	13 3 0	15 3 0

N.S.—Not shown.

(1) Import only.

(2) Insurance only.

It appears from the above table that the charges for bale tickets and ropes, godown shortage, and overhead charges are much higher in the statement submitted by the P.J.A. than in that submitted by the Jute Directorate. The estimate by J.M.C. shows high overheads godown rent and insurance and also high import charges (which include freight to Narayanganj); but some other items, particularly packing charges, are under-rated. We are inclined to believe that the actual charges for kutcha baling as well as pucca baling are somewhere between the estimates of the P.J.A. and of the Jute Directorate and closer to the estimate of the Jute Directorate.

271. *Transport Facilities.*—From the grower's house jute is carried mainly by country boats and bullock carts and sometimes by pack-animals and in head loads to primary markets and baling centres. The proportion of the jute crop so carried varies from period to period within the same season, as shown in the table below :—

Means of Transport	Proportion of jute crop carried by different means in							
	Riverine areas during				Non-riverine areas during			
	July—Sep.	Oct—Dec.	Jan—Mar	Apr—June	July—Sep	Oct—Dec	Jan—Mar	Apr—June
Country Boats ..	95	65	35	25	50	40	15	10
Bullock carts	..	25	50	60	35	45	65	75
Pack-animals ..	..	..	5	5	5	5	10	10
Head loads	5	10	10	10	10	10	10	5
Total ..	100	100	100	100	100	100	100	100

N.B.—Figures are percentages of the total crop carried during each period.

Source : Jute Directorate.

Means of transport from the interior to the baling centres are neither adequate nor efficient except in certain areas and for a very short period when the river levels are at their highest. Rivers and canals in most areas are silted up and badly in need of dredging. As for roads most of the village roads are kutcha and unusable during the rainy season on account of mud. Many roads are in need of repairs. Many get clogged by water hyacinth in some parts of the season and boats have to unload and load on the main river, which increases the transport cost.

272. Transport from baling centres to Narayanganj, Chittagong and Chalna is mainly by railway and by I.W.T. flats, the rest being by big boats. Although the major portion of jute is transported by railway, its services suffer from some bottlenecks and handicaps, *e.g.* :—

(*i*) During the monsoon, due to loading in leaky wagons some jute gets stained and cannot be shipped, resulting in short shipment.

(*ii*) The transhipment from broad gauge to meter guage and *vice versa* causes delay. The ferry on the river Jumna is another bottleneck which causes delay.

(*iii*) During the peak business period and when priority is given to the movement of food grains, a shortage of wagons develops. Wagons are also not available in time.

(*iv*) In some areas there are some specific bottlenecks, *e.g.* :

(*a*) At Ashuganj there is a half-size siding and a trader is not allowed more than 6 wagons daily for despatch of jute, which often prove insufficient. Bhairab, situated opposite Ashuganj on the Meghna, has got a full-size siding where each trader is allowed 12 wagons to load daily. Bhairab, having no pucca press, is not a shipping point and so the loading facility there is not fully utilised. But shippers at Ashuganj are not allowed to load simultaneously from Ashuganj and Bhairab because these stations are within 2 miles of each other. This retards movement.

(*b*) Jute from Kishoreganj is taken to Narayanganj *via* Akhaura and sometimes it takes more than a fortnight to reach Narayanganj.

(*c*) At Netrokona wagons cannot be loaded within the short time provided because of small number of railway coolies available.

(*d*) Lack of space in the yard at Narayanganj causes difficulty in loading jute bales into railway wagons.

(*v*) At times some wagons are misplaced in the course of movement from Chittagong railway station to Chittagong Port, which results in short shipment.

(*vi*) From the Northern areas special railway rates are allowed for jute despatched to Narayanganj and Chittagong but not for jute despatched to Daulatpur which is now a very big jute exporting centre.

We suggest that these bottlenecks and handicaps should be looked into by the railway authorities.

273. The I.W.T. services are generally considered satisfactory. The I.W.T. flats take jute to the side of the ship and there is seldom any case of damage to jute by water or otherwise. But the I.W.T. freights are much higher than the Railway freights from the same points to Chittagong and Chalna.[1] In particular the I.W.T. freights from Daulatpur and Khulna to Chalna are extraordinarily high compared to the distance. The high I.W.T. freights are attributed to the fact the flats hardly get any return cargo from the ports. Moreover, at Chalna the unloading is sometimes delayed as there is no warehouse and this reduces the effective carrying capacity of the flats.

274. Transportation by big boats is taken recourse to where railway and I.W.T. services are not available. But this transportation is very slow and expensive and insurance facilities are not available for it.

Measures for Improvement of Storage, Insurnce, Finance, Baling and Transport Facilities

275. *Storage facilities.*—At Narayanganj, Chittagong and Chalna : At Chalna Anchorage adequate storage facilities should be provided by the provision of floating sheds. If possible, the Civil Supplies godowns at Khulna may be made available to the industry at commercial rates for storage of jute goods. Construction of new godowns and maintenance and renovation of old ones should be facilitated by the supply of suitable building material and provision of land near business centres. In this respect Daulatpur and Khulna should be given special attention as there is some shortage of storage facilities there in relation to the annual turnover which is now of the order of 1 crore maunds.

276. There is need for growers' and beparis' markets at Narayanganj and Daulatpur where they would bring jute and where the purchasers *i.e.* shippers would come and bid for the jute. This will provide a competitive market in which sellers will be able to get better prices than under the existing arrangement. It is reported that the Provincial Government are taking steps in this regard.

277. *At baling centres.*—The mofassil baling centres are generally at a considerable distance from villages. Besides, the growers are not sure of quick disposal there nor of availability of storage in case their jute is not sold. Moreover, they are victims there of certain mal-practices such as unauthorised deductions, underweighment and under-valuation in grading. For these reasons, combined with the small size of the lot to be sold at a time, it is not convenient and economical for the

1. *Vide* table at the end of this chapter.

growers to take their jute to the baling centres. Consequently they dispose of most of their jute in the villages. By this they lose in price as some inter-mediaries intervene and take away a part of their profit.

278. To remedy this situation the following measures may be taken :—

(*a*) *Regulated markets.*—For growers and also for farias and beparis, regulated markets with warehousing facilities may be established at selected baling centres on the same lines as contemplated for Narayanganj and Daulatpur (*vide* para. 276 above). Such markets may also be established in some important primary markets from where jute can be transported to Narayanganj, Chittagong and Chalna throughout the season. Jute stored in these markets will be readily available when required and will help in adjusting supply to demand. Obviously, this objective will not be achieved if regulated markets are established in primary markets which have communicational links with Narayanganj only during the monsoon when rivers are full.

(*b*) Warehouses may also be set up and operated by Co-operative Societies, which may be established with Government's encouragement and initiative. Through these warehouses the balers would be able to purchase jute directly.[1]

279. *Insurance.*—It has been indicated earlier that on account of congested godowns fires are rather frequent, resulting in high rate of insurance premium. But nothing revolutionary can be done with the jute godowns at once because their improvement will involve a huge amount of money. The following steps may be taken to prevent the spread of fire.

Godowns should be limited in size for storing, assorting and baling. The experts who deal with jute fire risk recommend 15 feet high godowns, 2,25,000 c.ft. for working godowns and 50,000 c.ft. for storing godown, which could store jute representing vlues at risk to a maximum of Rs. 2-1/2 lakhs and Rs. 5 lakhs respectively.[1] They also recommend that godowns should be separated by a perfect partition wall or 25 feet distance between corrugated iron sheet walls of 15 ft. height. To reduce the cost of alteration to buildings it is suggested by them that the present rules for a perfect partition wall be amended so that a wall upto a height of 20 ft. could be of 15 inches thickness with 20 inches pillars placed at 20 feet distance along the length of the wall.

In their opinion, if these rules are observed the present jute risk would be divided into small and less hazardous risks and the future losses would be reduced to two-thirds of the present day losses.

280. These experts also suggest that in view of the expenses to be incurred by the insured in carrying out such modifications to their existing premises and the anticipated reduction in losses suffered by the insurers, an incentive should be offered to the insured by a reduction in premium rates. They further suggest that as there is generally not enough space available for the separation of baled jute risk from working risk by a distance of 75 feet, some benefit of reduced rate for baled stock should be allowed even if the nominated baled jute godowns are separated from other risk by not less than 30 feet.

281. The East Pakistan Fire Service Ordinance, 1959 was promulgated on the 7th October, 1959 but it has not yet been put into actual operation. Under this Ordinance all godowns for storage of hazardous goods will be licensed and new godowns will only be allowed according to plans approved by the Fire Service authorities. When this Ordinance is enforced it is expected that the fire risk will be much reduced. It should be brought into force at an early date.

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[1] Discussed later in paras. 303 to 306 of this chapter.

282. Many jute firms have got their own fire fighting arrangement which can tackle the fire at the initial stage before the arrival of the Fire Brigade. They have their own portable fire pumps, which are found to be useful. But these pumps are not readily available in the local markets. It is suggested that big jute houses should be provided with these pumps. Chemical fire extinguishers are also reported to be not easily available. If they can be manufactured in Pakistan and supplied at a moderate cost there would be sufficient demand for them.

283. Many of the important jute centres have still not got Fire Brigades. Of those Daulatpur, Sharisabari, Charmuguria, and Bandar (Narayanganj) are big secondary jute markets and posting of Fire Brigades at these places is overdue.

284. *Finance.*—More facilities of finance should be made available to small shippers (having a turnover of less than 50,000 bales) through a " Small Shippers Corporation, "[1] which may also help them in finding buyers abroad. The Corporation may give some sort of guarantee to the overseas buyers of jute about the performance of the contract by the shippers concerned and at the same time keep strict supervision on the activities of the shippers. Up-to-date market intelligence should also be provided to them. In short, apart from providing finance, the Corporation would arrange to train up the new and small shippers in jute business, so that they may fruitfully utilise the finance provided. The banks will be able to liberalise their credit policy and supply more credit to the small shippers through the channel of the Corporation.

285. In mofussil centres too more finance should be poured in and more buyers should be encouraged to operate so as to ensure greater competition in the market. For this purpose the following steps may be taken :—

(*i*) Commercial banking facilities should be extended to all baling centres of East Pakistan.

(*ii*) The Jute Marketing Corporation and the East Pakistan Co-operative Jute Marketing Society may open branches or agencies in markets which suffer from a lack of purchasers. Kutcha presses and premises lying unutilised may be acquired for them for this purpose.

(*iii*) Co-operative Jute Marketing Societies may be set up to operate at the primary market level in increasing numbers. The local beparis and farias who are mostly growers themselves may be absorbed in them as agents.

286. *Baling facilities.*—Baling is an important process in the marketing of jute as :—

(*i*) Baled jute is convenient to store because of economy in the use of godown space and lower insurance premium,

(*ii*) Baled jute is already graded, which facilitates transactions, and

(*iii*) Baled jute is transported by railway and I.W.T. and ultimately by ships safely and at a cheaper cost.

As stated earlier, there is maldistribution of existing capacity and more capacity is required at certain places. As physical transfer of presses from one place to another is not a practical proposition, we recommend that more presses be set up at Ashuganj, Bhairab, Iswarganj, Mymensingh, Charmuguria, Tangail, Kurigaram and particularly Daulatpur.

287. The pucca press operators are handicapped by a shortage of spare parts which retards normal outturn. We recommend that steps should be taken to

[1] *Vide* Chapter VIII.

manufacture spare parts locally and pending progress in this line adequate import licences for spare parts should be given to press owners so that they may be able to run the presses to their full capacity. This, in turn, may help in reducing the charges of pucca baling.

288. The pucca pressing charges appear to be rather high at the present level of Rs. 3-8-0 per bale. The breakup of the expenses in pucca pressing is shown below :—

		Rs.	As.	Ps.
Salaries A/C	per bale	0	10	0
Labour charges A/C	,,	0	11	2
Oil and fuel A/C	,,	0	3	0
Stores consumed	,,	0	3	8
Rent and Taxes	,,	0	1	9
Repair and Renewal	,,	0	2	2
Insurance	,,	0	6	3
Depreciation	,,	0	6	3
Miscellaneous	,,	0	4	9
	Total ...	3	1	0

Source : P.J.A.

289. In the view of the trade the above charges cannot be reduced. On the other hand, labour charges may increase if there is pressure from labour unions. It is reported that since Independence pressing costs have increased and the increases in cost in the course of the last 5 years have been as detailed below :—

(*a*) Labour costs have risen about 50%.

(*b*) Narayanganj Municipal assessments have been raised by more than 100%.

(*c*) Fuel costs have increased about 25%, and

(*d*) the following new taxes have been levied :

(*i*) Urban immovable property tax.

(*ii*) Fire Services tax.

We, recommend that the pressing charges may be looked into and may be reduced if possible.

290. *Transport.*—All roads, canals and rivers connecting villages with primary markets and kutcha baling centres should be maintained properly, repaired expeditiously and extended where extension is required. The new roads should be so planned as to serve as feeder roads to the national high-ways which are being developed by Government. They should also connect the villages with the main riverine stations.

291. The following steps may be taken to improve the railway services :—

(*i*) Wagons should be checked regularly and leaky wagons should be immediately repaired. In case any jute is damaged or stained in transit it may be carried back to the place of despatch without any charge.

(*ii*) The shippers at Ashuganj should be allowed to book both from Ashuganj and Bhairab.

(*iii*) To minimise the jute traffic by the ferry on the river Jumna the entire jute from Northern areas for export should be carried to Daulatpur-Khulna and necessary facilities for this should be provided, such as (*a*) development of Khulna and Daulatpur railway stations, including provision for storage for short periods, and (*b*) concessional rates from baling centres in Northern areas to Daulatpur and Khulna.

292. I.W.T. services can also be extended and improved if :—

(*i*) Narayanganj Port is developed and modernised, with separate loading, unloading and landing jetties.

(*ii*) Big jetties with modern facilities are constructed at Narayanganj and Daulatpur by the Inland Water Transport Authority and administered by it.

(*iii*) Storage sheds are provided at Chalna anchorage so that barges may be released promptly.

293. Apart from these improvements in rail and river transport, new routes have to be developed for greater efficiency in marketing. Evidence received by us shows that many new routes require to be developed. We recommend prior consideration being given to the following :—

(*a*) *Railway routes*

(*i*) From Tongi to Tangail touching important jute centres.

(*ii*) Extension of the existing Teesta—Kurigram railway line in Rangpur District upto Chilmari on the side of the Jumna.

(*iii*) Joypurhat to Mahimaganj.

(*iv*) Bogra to Bera (in Pabna district) *via* Sirajganj.

(*v*) Chalna to Khulna.

(*vi*) The Broad-gauge line from Parbatipur in the North to Chalna may have an extra rail line so placed as to allow meter-gauge wagons to be taken to Chalna.

(*b*) *I.W.T. Routes*

(*i*) The entire course of the old Brahmaputra passing through Mymensingh District connecting the Jumna and the Meghna near Bhairab-Bazar and with important jute markets on its banks may be dredged where *chars* obstruct navigation.

(*ii*) The Narsingdi canal connecting with Meghna should be dredged.

(*iii*) A short-route waterway from Narayanganj to Chalna should be opened.

(*iv*) Atrai river may be dredged and connected with river Jumna.

(*v*) A regular steamer service from Chilmari in Kurigram sub-division to Narayanganj, touching important jute centres enroute, may be started.

(*vi*) The Garai river in Kushtia and the Madhumati river may be dredged to keep them navigable throughout the year.

(*vii*) The river Bhairab passing by Daulatpur should be dredged.

(*viii*) The mouth of the river connecting Charmuguria with Arial Khan river may be dredged so as to keep it navigable throughout the year.

294. Movement of jute by big boats is very slow and the freight rates are unstandardised and high. We recommend that the possibility of tugging boats by motor launches may be examined by I.W.T.A. The rates should also be standardised at a reasonable level. Similarly the rates for I.W.T. flats need revision. We also recommend that the Railways should examine their present freight structure and rationalise it so as to eliminate apparent inconsistences in the freights for different sections.

Other Measures for Improving the Efficiency of Marketing

With a view to reducing the imperfections in marketing we recommend the measures set out below.

295. The East Bengal Jute Dealears Registration Act of 1949 should be strictly enforced to remove diversity of weights and measures. The Basic Democracies should be required to provide standard weights as well as weighing facilities. In addition, regular checking should be done by market officers and local police. The weights used both at the primary and secondary markets should be uniform.

296. The grades of jute should be standardised and the standardised grades enforced in all the baling centres. Purchase on assortment should be made obligatory in these centres.[1]

297. Dissemination of up-to-date market information in the villages and mofassil areas is a matter of extreme importance. At present Narayanganj prices are disseminated in the upcountry areas in the following ways :—

(*i*) Weekly Thursday quotations are communicated through express letters by the Jute Directorate to the interior officers for circulation in baling centres and in the primary markets.

(*ii*) Daily announcement is made by Radio Pakistan, Dacca in the evening of quotations obtained from the Jute Directorate through the Agricultural Marketing Directorate.

(*iii*) Daily newspapers collect information from the market and publish it.

(*iv*) PJA sends its daily price bulletin to its members.

(*v*) The big jute firms telegraph daily prices from their Head offices to their agencies.

(*vi*) Information is received privately through letters, telephones and telegrams.

These arrangements are inadequate for the purpose because (*i*) the number of Jute Directorate staff posted in the mofussil is far too small and (*ii*) the growers are not generally accustomed to reading newspapers or listening to the radio (which is also generally not available to them).

298. The following measures may be taken for disseminating Narayanganj prices in mufassil areas and for providing prompt market intelligence to growers :—

(*i*) Radio reports on Narayanganj prices should be broadcast twice a day : once in the forenoon and once in the afternoon or evening with the programme for Basic Democracies.

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1. *Vide* Chapter IX for details.

(*ii*) The Government plan for supplying a radio receiving set to each Union should be implemented as soon as possible. On receiving the radio reports the Union Councils should make arrangements for giving publicity to the prices of jute in the village markets by placing them on notice boards at suitable places or by beating drums or through the National Develcpment Organisation.

299. If the staff and finances permit, the Directorate of Jute may issue daily quotations of prices either by wire or by exp ress letter to the Union Councils and to the local officers.

300. The proposed Jute Authority should introduce an effective rural intelligence service with a view to keeping the growers and dealers constantly informed of the day-to-day market conditions prevailing at Narayanganj and Daulatpur.

301. In the secondary markets the charges for storing, baling, weighing, etc. vary from place to place. There is scope to rationalise these charges. We recommend that a complete and detailed study of the present charges be made by the Jute Authority who should be authorised to rationalise and standardise these charges. The charges of dalals and aratdars should also be fixed. We are tentatively of the view that charges of the middlemen might be reduced at each stage to the following extent :—

	Reduction per maund
(*i*) The cost of movement of loose jute from the interior to the baling centres can be reduced by improvement in the internal transport system by excavation of canals, development of roads, etc.	0 4 0
(*ii*) Internal kutcha and pucca bale brokers' commission can be reduced by limiting charges to 1/2% for pucca bales and 1/4% for kutcha bales	0 3 0
(*iii*) The transport charges by Rly. and Steamer Cos. for movement of jute from baling centres to other baling centres as well as to ports can be reduced by	0 3 0
(*iv*) Pucca bale packing charges can be reduced by Government order from Rs. 3-8-0 per bale to Rs. 2-8-0 per bale ...	0 3 0
(*v*) There should be more pucca presses in the interior centres from where jute can be directly exported to the foreign countries after being processed into pucca bales. This will help avoid the charges of kutcha baling and of transport to pucca centres. There are a sufficient number of presses but they are not properly distributed	0 3 0
Re.	1 0 0

So, the above reduction in incidental costs by about Re. 1 per maund and a reduction in the profits are possible, which would go to the benefit of the growers and the ultimate consumers.

302. The charges of some middlemen like farias and beparis and kutcha balers cannot, in our view, be reduced. Aratdari charges may be reduced from 4 annas per maund to 2 annas per maund by law. The external commission of 2% of c.i.f. value may be abolished as recommended in Chapter VIII. The shipping freights are capable of substantial reduction.

Regulated Markets

303. Special emphasis was laid by the Royal Commission on Agriculture in India in 1928, the two Jute Committees of Bengal, 1933 and 1939, and the Pakistan Agricultural Enquiry Committee of 1951 on the establishment of regulated markets. The Royal Commission on Agriculture felt that it " must form an essential part of an ordered plan of agricultural improvement in this country ". The Finlow Committee recommended that " careful trial should be given to a few regulated markets in selected centres ". The Fawcus Committee strongly recommended the establishment of regulated markets simultaneously all over the jute growing areas.[1] The Pakistan Agricultural Enquiry Committee was of the view that the disability of the agriculturist to market his produce 'f can only be removed by establishing properly regulated markets'. [2] An Agricultural Produce Markets Bill was placed before the Bengal Legislative Assembly and was referred to a Select Committee in 1940 but nothing came out of it. So far no action has been taken to start regulated markets for jute or any other agricultural produce in East Pakistan.

304. The chief objects of regulated markets are to remove the malpractices of the middlemen, improve the bargaining capacity of the growers and assure a fair price to them. In his evidence before the Bengal Jute Enquiry Committee of 1939, the Senior Marketing Officer of Bengal claimed the following advantages from regulated markets : [3]

(*a*) Use of standard weights and measures,

(*b*) Reduction of market charges to the minimum,

(*c*) Abolition of all improper allowances and deductions,

(*d*) Supply of market intelligence,

(*e*) Storage facilities,

(*f*) Quick settlement of disputes.

Regulated markets are to be set up by legislation and managed by Market Committees, assisted by Arbitration Committees. In such markets there is little scope for under-grading, improper weighing, illegal deductions or adulteration of any kind. Payment will be prompt and bonus can be obtained by growers for high quality jute. It will also be possible to get advances on deposit of jute. Thus there is likely to be great gain to the jute cultivators from such markets.

305. The immediate benefits of regulated markets should not, however, be over-estimated. Apart from the cost and technical difficulties involved in the establishment of such markets, the co-operation of traders and growers is essential. Farmers in our country are individualistic in nature and have been in the habit

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[1] Report of the Bengal Jute Enquiry Committee, 1939, p. 64.

[2] Report of the Pakistan Agricultural Enquiry Committee, 1951, p. 52.

[3] Fawcus Committee Report on Jute, 1939, Vol. 1, p. 44.

of selling their jute at their own villages. At the initial stage the uninstructed cultivators are likely to view the regulated markets with some amount of suspicion and fear. Vested interests in the jute trade may also show a hostile attitude to them. But these initial difficulties are not insurmountable. Gradually regulated markets will create in the minds of the cultivators a feeling of confidence and of receiving a fair deal.

306. The Royal Commission recommended that Government should establish such markets and the Market Committees should consist of representatives of cultivators, traders and Co-operative Societies of the areas concerned and should be under the supervision of the Department of Agriculture. The duties of the Market Committee would be to maintain order in the market, arrange for arbitration, post price lists, frame rules for the control of the brokers and see that they do not act as agents of both buyers and sellers. The Committee was also to provide some trade facilities. It is high time that regulated markets are started at selected jute-growing centres.

Co-operative Marketing

307. Government sponsored Co-operative Societies for purchase and sale of jute were started in undivided Bengal in 1925. In that year one society was registered. Ten more societies were registered in 1926 and five more in 1929. They were called Central Co-operative Sale and Supply Societies. The Bengal Wholesale Co-operative Society was started in Calcutta in 1926 to serve as a clearing centre for the other societies. By 1929, the total quantity of jute purchased by the Society was 3.74 lakh bales and the Society made a profit of Rs. 67,000.[1] With the onset of the Trade Depression in September, 1929, they began to lose and by September, 1930, the loss amounted to Rs. 20 lakhs. Consequently, all the societies were closed down. The year 1925 in which the societies were started was the most prosperous year for the jute trade and, therefore, they made a profit, but when the turn of loss came they had to go. They also made certain initial mistakes ; for instance, they began with Central Societies without having feeder societies in the villages. They purchased jute outright from anybody and thus stood the risks of an ordinary trader. Their management was also defective as the managers had little experience of the jute trade. In fact except the name there was nothing co-operative in the societies.

308. After that, for a long time, there was not much talk of co-operative marketing. The Fawcus Committee of 1939 recommended the establishment of Co-operative Institutions at primary markets but no action was taken on this recommendation till Independence. In 1949, when India devalued her currency and Pakistan did not follow suit, there was a stalmate in the jute market. The Government of Pakistan set up the Jute Board to deal with the situation and bring about improvement in the jute market. Government, through the Jute Board, had to step in to save the jute growers and the trade as a whole. The Jute Board launched its first ' Price Support Scheme ' in 1949-50 and fixed minimum prices for various grades of jute in kutcha standard. In that year, some Co-operative Societies became agents of the Jute Board ; they purchased jute from the rural areas and sold it to the Jute Board at some profit. In 1950-51, the Jute Board again launched a support schem and in that year also several Co-operative Societies became agents of the Jute Board. They were given financial support by the National Bank of Pakistan on the guarantee of the Provincial and Central Governments. Their entire purchases during the year were disposed of through the Jute Board. From 1951 to 1956 Co-operative Jute Societies worked with Government help and made a mark in the jute market.

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[1] B. B. Mukherjee, Agricultural Marketing in India, p. 221.

309. The Co-operative Societies were also entrusted with lifting of jute in the five-mile border belt and they collected a substantial quanitity there. After 3 years of sustained effort in 1955-56 the apex body of the Jute Societies, *viz.*, the East Pakistan Provincial Co-operative Jute Marketing Society established itself as one of the main exporters of jute from Pakistan. Its export figure went up to 1,60,000 bales and it became the seventh biggest exporter during 1956, with potentialities to increase its exports further. Its export mark " Co-op " was also firmly established all over the world. After initial difficulties and handicaps, when the Jute Marketing Society was on its way to further success there was a setback in 1956 due to internal dissensions and mismanagement in the Society.

310. The present position of the Society is that it is totally inactive and not functioning in the jute market. The societies owe an amount of Rs. 68 lakhs out of the advances made to them. This amount could not be repaid mainly due to (*a*) heavy overhead charges, (*b*) loss on border purchases, (*c*) heavy interest on capital, (*d*) loss from market fluctuations and (*e*) bad planning and bad handling of business after 1956.

311. In theory marketing of agricultural commodities on co-operative basis is ideal but in practice it is very difficult to work. Co-operative marketing requires, (*i*) faith in co-operative ideals, (*ii*) sustained effort to achieve those ideals, and (*iii*) loyalty of the members on a voluntary basis. These are essential prerequisites to achieve any results on co-operative lines. It is also necessary that any scheme of co-operative agricultural marketing must be allowed to function for at least 10 to 15 years for results to be visible.

312. The jute market being highly speculative a Co-operative Society dealing in jute must be prepared to face losses if the market goes against it. The members of the society should be prepared to shoulder that risk and the Government, if it gives financial help, should also be prepared for it. At the initial stage there is more chance of loss than gain.

313. The crux of the jute problem is the problem of its disposal. A co-operative jute marketing society dealing with small members meets with difficulty chiefly in disposing of their crop efficiently and profitably. If the disposal is hampered in a fluctuating market where time is of the essence, there is bound to be loss. The present Co-operative Act and Rules act as a handicap for quick disposal of the stock of a jute society. In the present jute marketing system it is risky for Co-operative societies to take up jute trade unless they can act with the same amount of flexibility as is available to a private trader.

314. More jute societies may be started but they must be voluntary organisations, organised by the growers themselves. Nothing should be imposed from the top. Government should, however, encourage their formation and should come to their help if they get into difficulties due to adverse market conditions and for no fault of their own.

315. Co-operative organisations can, however, go in for a jute mill if they really want to help the jute growers who are their members. There is need for more jute mills in East Pakistan and the jute growers, who are small people, will be able to market their jute in a co-operative way more efficiently by supplying it to the mill than by selling it to others. In this mill, if necessary, Government may take shares and associate itself in the Board of Management for efficient running of the mill. To start with, a 250-loom mill may be started in Northern area mainly with the object of meeting the bag requirement of the Sugar Mills in that area.

Freight Rates for Baled Jute from Important Markets to Narayanganj, Chittagong and Chalna by Railway and I. W . T.

District	From	By Railway— Pucca bale 5 mds. (11 c.ft.) To Narayanganj	By Railway— Pucca bale 5 mds. (11 c.ft.) To Chittagong	By Railway— Pucca bale 5 mds. (11 c.ft.) To Chalna	By I.W.T.— Pucca bale 5 mds. (10-1/2 c.ft.) To Chittagong	By I.W.T.— Pucca bale 5 mds. (10-1/2 c.ft.) To Chalna
		Rs. As. P.	Rs. As. P.	Rs. As. P.	Rs. As. P.	Rs. As. P.
Mymensingh	.. Sarishabari ..	..	4 5 3	6 2 6	6 7 10	6 7 10
	Bausi ..	..	4 5 3		..	..
	*Nikli ..	0 15 11	3 5 3	..	7 4 10	7 4 10
	Gouripur ..	1 10 3	3 13 11	..	..	..
Dacca	.. Narayanganj ..	..	3 10 0	..	5 14 0	5 14 0
	Narsingdi ..	..	3 2 4	..	7 4 10	7 4 10
Tippera	.. Chandpur ..	..	2 9 9	..	5 14 0	5 14 0
	Ashuganj ..	2 0 2	2 13 2	..	7 4 10	7 4 10
Rangpur	.. Saidpur ..	..	5 12 4	6 9 4	..	..
	Rangpur ..	4 5 8	5 7 8	..	..	..
	Gaibandha ..	3 5 9	5 3 0	5 10 10	..	..
	Bonapara ..	..	5 1 3	..	..	..
Dinajpur	.. Dinajpur ..	4 5 8	5 10 8	6 2 11	..	..
Bogra	.. Joypurhat ..	..	5 12 10	..	..	..
Rajshahi	.. Trimohani ..	..	5 2 6	..	..	..
	Santahar ..	..	5 7 8	..	..	..
	Raninagar ..	..	5 11 1	..	..	..
Pabna	.. Sirajganj ..	..	7 3 7	6 1 9	..	..
Khulna	.. Khulna ..	..	..	..	..	1 15 7
	Daulatpur ..	..	..	..	6 5 7	2 3 7
Faridpur	.. Charmuguria ..	..	..	..	5 14 0	5 2 11
	Gualondo ..	4 13 4	7 5 10	5 1 9	..	..

* Railway rates as shown are from Kishoreganj and I.W.T. rates are from Nikli Dampara.

Note.—Both the Railway and I.W.T. rates are subject to refugee tax. Jute for local delievry at Chittagong are subject to Chittagong Ghat charge of annas 2 per maund.

Source : (*i*) Railway rates from Eastern Bengal Railway Subsidiary Goods Tariff No. I (inforce from October, 1958).

(*ii*) I.W.T. rates supplied by the Joint Steamer Commercial Deptt. of the Joint Steamer Companies.

Freight Rates for Baled Jute from Important Markets to Narayanganj, Chittagong and Chalna by Railway and I.W.T.

District	From	By Railway— Kutcha bale 4 mds. (16 c.ft.) To Narayanganj	By Railway— Kutcha bale 4 mds. (16 c.ft.) To Chittagong	By Railway— Kutcha bale 4 mds. (16 c.ft.) To Chalna	By I.W.T.— Kutcha bale 4 mds. (16 c.ft.) To Chittagong	By I.W.T.— Kutcha bale 4 mds. (16 c.ft.) To Chalna
		Rs. As. P.	Rs. As. P.	Rs. As. P.	Rs. As. P.	Rs. As. P.
Mymensingh	Sarishabari	..	3 11 0	..	5 5 4	5 5 4
	Bausi	..	3 11 0	..	..	..
	*Nikli	0 13 6	2 13 6	..	6 0 3	6 0 3
	Gouripur	1 6 4	3 4 10	..	..	..
Dacca	Narayanganj	..	3 1 6	..	4 13 5	4 13 5
	Narsingdi	..	2 10 10	..	6 0 3	6 0 3
Tippera	Chandpur	..	2 3 6	..	4 13 5	4 13 5
	Ashuganj	1 11 6	2 6 6	..	6 0 3	6 0 3
Rangpur	Saidpur	..	4 14 10	5 14 0	..	..
	Rangpur	3 11 4	4 10 10	..	..	..
	Gaibandha	2 13 10	4 6 10	5 1 6	..	..
	Bonapara	..	4 5 4	..	..	..
Dinajpur	Dinajpur	3 11 4	4 13 4	5 8 6	..	..
Bogra	Joypurhat	..	4 15 2	..	..	..
Rajshahi	Trimohani	..	4 6 4	..	..	..
	Santahar	..	4 10 10	..	..	..
	Raninagar	..	4 13 8			
Pabna	Sirajganj	..	6 2 8	4 9 10	..	..
Faridpur	Charmuguria	..	..	..	5 3 8	2 0 3
	Gualondo	4 1 11	6 4 5	4 9 10	4 13 5	4 4 5

* Railway rates as shown are from Kishoreganj and I.W.T. rates are from Nikli Dampara.

Source : (*i*) Railway rates from Eastern Bengal Railway Subsidiary Goods Tariff No. I (inforce from October 1958).

(*ii*) I.W.T. rates supplied by the Joint Steamer Commercial Deptt. of the Joint Steamer Companies.

CHAPTER VIII

MARKETING OF JUTE (EXPORT)

Structure of the Export Market

316. A large number of countries buy Pakistan's jute . The list for 1959-60 comprised of the following (in the order of volume of their imports): United Kingdom, India, Belgium, France, Germany, U.S.A., Italy, Japan, South Africa, U.S.S.R. Spain, Poland, China, Netherlands, Portugal, Philippines, Canada, Burma, Czechoslovakia, Eire, Yogoslavia, Australia, Sweden, Greece, Austria, East Africa, Argentina, U.A.R. West Africa, Morocco, Madagascar, Denmark, Viet Nam, West Indies, Uruguay, Iraq, Mexico, Tangier Peru, Newzealand, Finland, Mauritius, East Germany, Norway, Ethiopia, Rumania, Southern Rhodesia, Switzerland and Lebanon. The United Kingdom is the biggest buyer of our jute followed generally by India (though in 1958-59 India coccupied a much lower position as it attained near-self-sufficiency in that year and imported only 1.75 lakh bales). Belgium, France, Germany and United States are other big buyers of Pakistan jute.

317. The important Associations of jute importers, spinners and manufacturers abroad are:

(1) The London Jute Association, London;

(2) The Dundee Jute Spinners and Manufactuers Association Dundee;

(3) The Jute Importers Association, Dundee;

(4) The Association of European Jute Industries, Paris;

(5) The Hamburg Jute Association, Hamburg;

(6) The Burlap and Jute Association, New York;

(7) Jutibel, Antwerp ; and

(8) The Indian Jute Mills Association, Calcutta.

The most important of these Associations as far as Pakistan jute is concerned, is the London Jute Association which plays a significant role in the jute trade as its members handle more than 60 % of the jute exported. They pruchase sometimes as agents but mostly as principals on their own account and sell later to spinners and manufacturers both in the U.K. and on the Continent. There is very little direct contact between the overseas spinners and manufacturers and Pakistani exporters. The Pakistan Jute Association has no office in London , which as we have discussed elsewhare, is a great weakness in the structure of our jute export market.

318. In Pakistan there are the shippers (*i.e.* the exporters) and there are pucca balers, kutcha balers, brokers, aratdars and dalals who have their own parts in supplying jute to the shippers. There are also foreign brokers, with their offices mostly at Nayaranganj, who help the shippers in contacting the buyers abroad.

319. Though the number of shippers of jute is quite large—there were 109 firms registered as exporters in 1959-60, of whom 75 effected exports—most of the shippers are quite small. The big shippers, having a very large share of the export trade as they do, exercise a preponderating influence. In 1959-60 the proportion of the exports of the first 16 shippers to the total exports overseas was as shown below:

Shippers' position	Exports in bales	Percentage of exports
1st and 2nd	11,75,276	28·70%
From 1st to 3rd	14,30,099	34·92%
From 1st to 7th	22,25,568	54·34%
From 1st to 11th	28,19,149	68·83%
From 1st to 16th	33,03,394	80·66%
All shippers (total 75 including a non-member)	40,95,618	100·00%

320. There are three kinds of shippers on the basis of nationality, *viz.* Pakistani, Indian and European. Their respective numbers and shares in the export trade in 1959-60 were 38, 31 and 5 and 36%, 45%, and 19%.

321. The position of shippers is not stable as every year some new shippers enter the trade and some old shippers dicontinue business, mainly due to losses suffered on account of speculation. In 1955-56 10 entered and 17 left, in 1956-57 8 entered and 16 left and in 1958-59 19 entered and 16 left. Until stability is introduced in the trade by reducing fluctuations to a normal range, this unsatisfactory feature of the export trade will continue.

322. The bigger shippers have branches or outstation purchase agencies at pucca and kutcha baling centres and even in a few import and primary markets. Some shippers have their own pucca presses and some get presses on annual lease, but the majority of shippers are balers who get their jute baled at press houses owned by others.

Purchase Policy of Shippers

323. The shippers generally purchase two-third of their jute during the period July to December, as indicated in the table below:

Period	Purchases in 1957-58				Purchases in 1958-59			
	Respondents				Respondents			
	Jute Dte.		P.J.A.		Jute Dte.		P.J.A.	
	Bales (in thousands)	%	Bales (in thousands)	%	Bales (in thousands)	%	Bales (in thousands)	%
July-September ..	787	17	1,370	30	976	23	1,320	30
October-December ..	2,309	50	1,830	40	1,879	44	1,760	40
January-March ..	966	21	920	20	1,024	23	880	20
April-June ..	538	12	450	10	421	10	440	10
Total ..	4,600	100	4,570	100	4,300	100	4,400	100

324. The volume of purchases by shippers during the 4 quarters conforms more or less to the volume of arrivals and the total quantity of import in the market is usually purchased. The bulk of the purchases are made against orders received or in the case of pucca press owners to maintain the turnover, but occasionally shippers and balers take a view and buy jute in anticipation of sales or sell ahead anticipating lower prices. It is here that speculation comes in. Evidence received by us indicates that about 1/4 of the purchases are of speculative nature.

Procedure of Transacting Business

325. Usually an exporter makes an offer for sale of jute of a specified grade at a particular price for delivery within the next three months. Sometimes he receives a bid. The offer or bid is normally closed within 48 hours but sometimes is kept open for a longer period. The offer or acceptance of bid has to be at a price not lower than the price quoted for that day by the Pakistan Jute Association, which indicates the E.P.C. price . The contract is registered with the State Bank of Pakistan which checks if the contracted price is in order. Thereafter the normal procedure of an export transaction follows.

326. The consignment has to be shipped within the period mentioned in the contract or within the grace period of 7 days usually allowed. In unavoidable circumstances free extensions are allowed to the sellers on production of unavoidable delay certificates from the P.J.A. Free extension is also allowed with mutual consent of buyers and sellers. For periods not covered by free extension the L.J.A. contract provides for penalty at the following rates :—

No penalty if shipment made within 7 days.

1%	„	„	„	15 „
1-1/2 %	„	„	„	22 „
2%	„	„	„	One month.
2%	„	„	„	2 months.

All extensions with penalty even for less than one month and extensions beyond one month with or without penalty require prior approval of the State Bank.

327. Disputes regarding quality and condition are referred, according to the contracts, to arbitration by the London Jute Association, Dundee Jute Importers' Association, Hamburg Jute Association, etc. for awards, which are binding on both parties. About 80% of the jute exported to Overseas countries is sold on the L.J.A. contract or the Dundee Jute Importers' Association contract. Even when business is done with other countries (like South Africa and Japan) the basic terms of the contract are those of the L.J.A. contract with the difference that private arbitration is substituted for arbitration by the London Jute Association. The London Jute Association would not conduct arbitration unless the contract is with or through one of its members. The P.J.A. overseas contract has been drawn up recently by the P.J.A. on the lines of the L.J.A. contract and is expected to become popular and to replace gradually to a great extent the other contracts.

Procedure of Purchase by Shippers

328. The exporters in Pakistan sometimes make forward purchases in the internal market from pucca balers or kutcha balers or other shippers. These purchases are made on the terms contained in the P.J.A. contract. Apart from forward purchases of baled jute, such purchases and sales are also made of loose jute against advances paid by the buyers. For transactions of loose jute no prescribed contract form is used. By far the major portion of the exporters' purchases are made in loose form at Narayanganj and in up-country markets through their out-station agencies.

Purchases from Pucca Balers.

329. The pucca balers generally effect both ready and forward sales to exporters on the P.J.A. pucca bale contract and to the mills on the P.J.M.A. contract. When a pucca baler sells to a party who is buying for delivery overseas the seller gives a "home guarantee" regarding the quality and condition of the jute delivered and has to abide in this regard, by the terms of the exporter's L.J.A. contract with the importer.

Purchases from Kutcha Balers.

330. Kutcha balers despatch their stocks to the pricipal centres for sale direct or through aratdars or brokers. The aratdars usually get a commission of -/4/- per maund and the brockers of -/8/- per maund. Forward sales by kutcha balers are generally made on the P.J.A. Kutcha bale contract in which time and place of delivery, quantity, quality and price are sepcified; disputes are referred to the Pakistan Jute Association for arbitration.

Pakistan Jute Association

331. Before 1950 there was no central organisation of the jute traders in this country. There were different organisations which worked independently of each other, to the detriment of the general interest of the traders. To remove this drawback the shippers formed themselves in 1950 into an association called the Pakistan Jute Association. Gradually the Association came to represent also other sections of the jute trade and since 1959, with the introduction of the Government's scheme of re-organisation of trade associations and chambers of commerce and industry, the Pakistan Jute Association, after re-organization, has become, and is recognised as, the sole representative organisation of the jute trade. The organisation aims at improving both the internal and the export trade by co-ordinating the activities of the individual trade units and by pursuing a concerted policy in the matter of local and foreign business. The Association circulates daily price quotations for immediate and forward deliveries to its members and others interested. It collects valuable data regarding the export trade and publishes detailed figures periodically regarding the total exports and the exports of individual shippers. It has defined trade principles and prescribed methods and forms for internal transactions. It appoints arbitrators to settle disputes between shippers and balers. It also grants unavoidable delay certificates to exporters. The shippers' marks are also, under the law, registered with the Pakistan Jute Association before they can be used for export. By all these steps P.J.A. has systematised the internal as well as the export trade to a great extent.

332. As a representative trade body which has considerable experience and knowledge the views of the Pakistan Jute Association on governmental policies and other matters affecting the jute trade are treated with respect. For the purpose of E.P.C. registration the daily price reports published by the P.J.A. serve as a valuable guide. Unfortunately, although the prices are collected from 20 leading shippers they are not considered to be 100% reliable. This work should in future be done by the Jute Authority who should collect information from various sources.

The Jute Authority should also see that the Association (P.J.A.) always works with such rectitude and uprightness that there is never any suspicion that it is not completely fair or is dominated by any influential vested interests.

333. One great handicap the P.J.A. is suffering from is that it has no branch office abroad. This stands in the way of its becoming as effective an organisation as it should be. Specifically it prevents exports being made on the P.J.A. contract and compels exporters to use the L.J.A. and other contracts. To begin with, an office in London is an urgent necessity and we recommend that the P.J.A. should take steps, and Government give all help, for the opening of this office.

334. As the U.K. has become the biggest buyer of Pakistan's jute and the Continental buyers also buy a great deal through London merchants, the London Jute Association and the Dundee Jute Importers Association have come to occupy an influential—perhaps too influential position in respect of Pakistan's jute export trade. There are a few matters in which the operations of these Associations and their constituents have not been in the interests of the Pakistani exporters or had their approval.

Arbitration

335. The L.J.A. and D.J.I.A. contracts specify arbitration by those Associations. In respect of other commodities it is not unusual for arbitration to be done in the seller's country or by an organisation located in the seller's country. Inspection and arbitration in respect of jute-goods are also done in the seller's country. In the case of Pakistan's jute we find that all arbitrations are done outside Pakistan and by Associations belonging to foreign countries. These arbitrations are also

not always such as to inspire confidence. The inspection is done by visual and manual appraisal and not by any scientific test. It is done by persons who belong to an organisation of the buyers and who have been out of touch with conditions in Pakistan for years. One would have expected that there would be some standard samples recently taken out from the actual production which could be referred to in these inspections but there are not. The exporter is bound hand and foot to the judgment of a few individuals who do not inspire the same sense of impartiallity as, for instance, judges of courts of law. As a matter of fact, the unfairness of these inspections is conclusively proved by the fact that in the course of years the top grades of Pakistan's jute have just disappeared. They have not disappeared actually because of non-production ; they have disappeared in the eyes of the Inspectors of the London Jute Association because they judge even the best stuff as something inferior to what it actually is. They want continually something better for each grade of jute until it is not that grade of jute at all but actually a higher grade. Over the last 10 years or so the London Jute Association has raised its standard by at least one grade; what used to be accepted as Export Firsts is now passed only as Export Lightnings. We have discussed the question of standardisation of grades in chapter IX and would only mention here that it is necessary and desirable that grades should be both defined and fixed. It is also desirable that arbitration should be held in Pakistan—the seller country (as in the case of jute-goods), and it should be the aim to bring that about in course of time.

336. Another point of dissatisfaction is the anomalous and uncertain position of the London merchants as buyers. They have frequently been described as "London agents" and as they have been getting a commission (2%) from the Pakistan exporters, they may be presumed to be agents of the latter. That is, however, generally not the position, and the London merchants have themselves denied this relationship on several occasions. The fact is that they buy as principals, either for supply to consumers against orders in hand or in anticipation of sale later at a higher price. However, considering that a Pakistani shipper is held responsible for any quality claim that may arise on the ultimate sale of the jute the London merchants in such cases appear to assume also the role of agents for their own benefit.

337. As these London merchants are not agents of the Pakistani exporters there is apparently no justification for their getting a commission from the latter. It is true that the E.P.C. price for sale without the commission is 2% lower than the price for sale with the commission and no loss of foreign exchange to Pakistan is, therefore, involved in this commission. But in any case this payment of commission by the seller to a buyer who is a principal is wrong and unnatural and should be done away with in the interest of striaghtforwardness of the trade. It should be payable only where it is earned by a buyer who is in fact the seller's agent.

338. We have recommended above that the Pakistan Jute Association should open an office in London. We are also of the view that all Pakistani exporters who want to open offices aborad should be permitted to do so and exchange should be made available to them for this purpose. We presume, of course, that only those Pakistani exporters will apply whose volume of business justifies an office abroad. One service which the London merchants give to the Continental buyers is to extend credit facilities to them. Our own big shippers should also be able to arrange to accord similar facilities.

339. The P.J.A. overseas contract has been drawn up and published. The exports of cotton from Pakistan and of cotton and some other commodities from some other countries are allowed only on certain approved contracts. In the case of jute we are of the view that though transactions on contracts other than the P.J.A. contract may not be banned (at least, for the present) all efforts shouldbe made

to popularise the P.J.A. contract. When, after the opening of its office in London, the P.J.A. makes arrangements for inspection abroad there should not be any practical difficulty in the adoption of the P.J.A. contract for most of the export sales.

Difficulties and Impediments in Jute Export Trade

340. The main difficulties in the export of jute are discussed below:—

(1) *Difficulties in respect of licensing and registration :*

At present the exporter of jute has to obtain two licences; one; called the registration certificate, from the Controller of Imports and Exports through the Jute Board, and the other, called the shipper's licence, from the Director of Jute, Government of East Pakistan. This is an unsatisfactory position and creates unnecessary doubts among the foreign buyers about the competence of exporters. As we have recommended elsewhere, there should be only one licence for this purpose and only one authority, the Jute Authority, to issue it.

(2) *Checks of various kinds :*

There are certain necessary checks on the export consignment of jute. We have given our views on Export Price Check in Chapter XIII. It has been reported to us that checking by the Customs is often done by inexperienced hands and sometimes harassment is caused to the traders. While these checks have to be continued it is obvious that they should be administered efficiently. The Customs staff should be fully trained for their work of inspection. The formalities of the export trade should be as few as practicable and there should be as few authorities to be approached as possible. This is one of the questions that should be examined by the Jute Authority with a view to simplification.

(3) *Inadequate Transport and Shipping Facilities :*

There are no regular direct sailings to Australia and some other countries. These should be arranged. Sometimes difficulties also arise in the movement of jute to the ports. The work of developing internal transport by land and water has already been taken up by the Government. East Pakistan being a reverine and low-lying country the problems involved are many, but it is expected that by the end of the Second Five Year Plan the transport situation will have considerably improved. Attention is also being paid to the development of mercantile marine. A Pakistan shipping line has already obtained membership of the U.K. Conference Line and Pakistani ships are plying on that route. Another steamship company of Pakistan is expected to sail its first cargo vessel on the South and East African Conference Line by the end of this year. Out of the £ 10 million U.K. loan, a sum of £ 2 million has been allotted for purchase of 10 cargo vessels. Repair services also have commendably improved. Sustained efforts will, however, be needed to develop and maintain our mercantile marine.

High Shipping Freight Rates

341. There has been a constant complaint from shippers and others that since Independence the shipping freight rates for jute from Pakistan have been raised by the Conference Lines out of all proportion and without any relation to the price of jute.

The following table will indicate this :

Overseas Freight Rate for Raw Jute (to U.K. & Continent) and Price of Raw Jute (f.o.b Narayanganj).

	Freight in Shillings per ton		Average price of Export Firsts	
			Rs. per bale	Season
	Sh.	d.		
From : July, 1948	92	0	203 1	1948-49
			155 9	1949-50
			157 2	1950-51
March, 1951	125	0	185 10	1951-52
September, 1952	144	0	87 7	1952-53
			119 0	1953-54
February, 1955	158	0	110 0	1954-55
			124 0	1955-56
April, 1956	174	6	168 6	1956-57
April, 1957	192	0	154 0	1957-58
			149 0	1958-59
			192 1	1959-60

Source : Jute Directorate.

The freight to U. K. has been raised from 92 shillings per ton in 1948 to 192 shillings in 1957. A ton is taken to be of 50 cubic feet. As a ton of jute takes slightly more than 60 cubic feet the actual freight is not even 192 shillings per ton but about 20% more. A rebate of 10% is allowed on condition that the exporter does not go outside the Conference Lines for any other shipment. This rebate is not paid till the expiry of 4 to 6 months, thus a large portion of the shipper's capital is locked up; while in the case of tea and aslo in the case of exports from the U.K. to Pakistan the rebate is paid quickly. The table also shows that the increase in the freight rates has been quite out of keeping with the f.o.b. price of jute. In 1958-59 the f.o.b. price was Rs. 149 per bale as against Rs. 203-1 per bale in 1948-49. But the freight paid (for U.K.) was 192 shillings per ton against 92 shillings per ton in 1948-49. While there is justification for some rise, justification is not discernible for the extent of the actual rise. Tramp shipping, which also works at a profit, is available at very much lower rates. The Conference rates do not also appear to be wholly rational, *e.g.*, the freight to Japan (almost the same distance as Europe) is 85 shillings per ton while it is 192 shillings to Europe. As the Conference Lines work under a close alliance it is difficult for any Government or trade organisation to bring about a reduction in their freight rates, but efforts should continue to persuade and press the Conference Lines to reduce their rates by at least 40 shillings per ton for the present.

Problems of the Small Shippers.

342. It is necessary for obvious reasons, to bring in more Pakistanis into the jute export trade. This trade is, however, highly technical and requires sufficient finance, experience and time. Nobody can become a jute exporter overnight. He has to build up his good-will in the overseas markets with sustained efforts. But along with the efiorts of the individual he should be accorded whatever help is practicable so as to give him a good start. One kind of help he requires is financial. The banks should be persuaded to be a little liberal with new

Pakistani shippers. He also needs technical training and advice. Another kind of help the new shipper requires is selling arrangements abroad. He requires introduction to overseas buyers and a good chit that he is a reliable person to trade with. For rendering such help we feel that a Small Shippers Corporation could be helpful. The shape, function and other particulars of such Corporation may be worked out by the proposed Jute Authority.

Malpractices in the Export Trade

343. (1) *Excess moisture in pucca bales.*—Unscrupulous dealers sometimes mix water with jute to increase its weight, particularly in times when jute prices are high and supply insufficient. Excessive water damages the heart of the fibre and gives rise to a heavy claim. This malpractice has to be put down with a strong hand.

(2) *Admixture of jute of a lower grade.*—This also incurs claims, and, therefore, does not ultimately prove to be profitable to the shipper, apart from involving loss of foreign exchange for the country.

(3) *Bogus sales to agents.*—Sometimes bogus sales are registered by shippers, the buyers shown being their agents abroad. Thus assured of supplies they later sell to the ultimate buyers when it suits their purpose. Such sales are more common in the case of exports to India. The minimum export prices also make this possible by assuring the shippers that prices cannot come down below their level.

(4) *Unofficial rebates* allowed by certain shipping lines are not repatriated to this country and, therefore, a loss of foreign exchange as also of income tax follows. The extent of this malpractice is, however, not very large.

(5) *Foreign exchange fraud* is sometimes designed by the exporter in collusion with the foreign buyer who falsely puts up a claim against the exporter for low quality or bad condition of the jute exported. The deduction from the original sale price on account of such false claim is then shared by the exporter and the importer payment of the former's share being naturally made in the latters' or other foreign countries. This can only happen in the case of amicable settlements of claims, which are made on the plea that recourse to arbitration proceedings would probably result in a much heavier remittance. Since this is an internationally recognised method of settling claims, it is difficult to ban it altogether. Claims of this nature should, however, be carefully examined before remittance is allowed. The Jute Authority should study the performance of each shipper, with special reference to the nature and number of claims paid, and issue warnings to shippers in cases where undersirable tendencies are noticed.

(6) *Delay in shipments.*—Shipment is sometimes delayed and instead of seeking an extension the exporter admits late shipment penalty for the purpose explained in (5) above.

(7) *Total default.*—Such default is sometimes made deliberately in collusion with the buyer in order to remit funds in the form of claim.

(8) *Cancellation of sales made at higher rates.*—Contracts made at higher rates may not be utilised (particularly in respect of exports to India) on the ground that buyers have not been able to obtain import licences. The contracts are accordingly cancelled but no price difference is claimed as the failure of the buyers to import is ascribed to factors beyond their control. This practice is resorted to especially when the market goes down. After some time fresh contracts are made at lower prices.

(9) *Amicable settlements.*—Sometimes this is used as a means of transferring money abroad.

(10) Some exporters sell at below the E. P. C. price with a view to push their sales. The sale is registered at the E.P.C. price but a refund is made to the buyer out of the balances held abroad.

344. The most important malpractices of the export trade are (1) bogus sales and (2) under-invoicing of consignments. Bogus sales have been dicussed above. Under-invoicing may be in respect quality or price. A higher quality of jute may be exported while the contract is registered for a lower grade or the sale may be registered at a price lower than the secretly contracted price. In both cases the collusion of the other party is essential. The difference between the real price obtained and that shown in the contract is paid abroad and thereby the exporter concerned builds up a reserve in a foreign bank out of the concealed earnings and Pakistan loses foreign exchange to that extent.

345. The private marks of exporters provide an opportunity for under-invoicing because some of the marks are premium marks and either they are not declared as such or the full premium obtained is not shown. Under the instructions of the Jute Board all shippers have declared their premium marks and the premia that these marks normally fetch, but this is not a complete check against under-invoicing through premium marks. Although we are of the view that premium marks may continue to be allowed, as they generally represent jute which is specially treated to suit the requirements of individual buyers, we would recommend that proper scrutiny should always be made to see that the full premium is realised in foreign exchange. There should also be a limit to the extent by which the premium marks may be better than the ordinary grade. Similarly for non-premium marks there should be a limit of say 20%. In the past, we understand, some prosecutions fell through because the jute exported, though well above the grade of which it purported to be, was not good enough to fall into the next higher grade.

Organised Trading

346. It is believed that a good deal of the prevailing malpractices can be removed by the establishment of a suitable marketing Organisation outside the pale of the existing business community. This sort of organisation may take any of the following forms :

(1) Co-operative Marketing Societies.

(2) Regulated Markets.

(3) A Centralised Marketing Organisation of the Government.

(4) A Semi-Government Organisation like the J. M. C.

We have already discussed about co-operative marketing and Regulated Market in chapter VII. Here we discuss the other two kinds.

Centralised Marketing Organisation

347. A Centralised Marketing Organisation can be set up either by a private body or by the Government. Whatever the form the objective is the same— to control and regulate the sale of the entire crop on a monopolistic basis with statutory backing. The proposal generally made in respect of jute this is a single organisation be set up with monopoly and sufficient capital to buy the crop from the growers. It should have branches in the rural areas with adequate warehousing facilities where growers may bring their jute for sale. The Organisation

may fix basic prices, 60 to 70% of which may be paid to the growers immediately on delivery. After sale, necessary expenses may be deducted from the sale proceeds and the balance distributed among the growers according to the quality and quantity of the jute supplied by them. The financial risk of the organisation should rest with the Government.

348. The idea is nothing new. It has been tried in several countries in the past—in some with success *e.g.*, in Canada for wheat, and in some with failure, *e.g.*, in Brazil for coffee. At the present time hthe export trade of Canadian wheat is managed by the Canadian Wheat Board and the export trade of rice in Burma is done by the State Agricultural Marketing Board of the Government of the Union of Burma. A similar scheme in the marketing of jute was proposed by Mr. A. P. MacDougal before the Indian Central Banking Enquiry Committee in 1930. The Finlow Committee considered this but did not make any recommendation. The Fawcus Committee also considered it but rejected the idea for the following reasons :

(1) It may not be readily acceptable tothe growers. They may do with 60 to 70% of the price in the beginning but cannot wait till the balance is sold. So the Corporation will either be forced to sell earlier or must have better holding power which is not likely.

(2) The Corporation cannot hold the produce for any length of time as accumulation of stocks will create fresh troubles.

(3) It cannot buy in small quantities throughout the year because :

(*a*) administrative and organisational difficulties in that will be immense and

(*b*) maintaenance of accounts in the names of millions of farmers will be an impossible task.

(4) As a monopolist it will have to maintain thousands of purchases centres for which competent and reliable officers will not be available.

(5) The problems of assortment and valuation will in particular present difficulties and " the source of abuse and corruption will be enormous ".[1]

349. These reasons still hold good. We may add that while a private monopolist may fear public opinion or the Government, a State monopolist, by virtue of it position, would not be prevented from being whimscical, if not oppressive. Again, in the absence of competition there will be no guide to fix the price at which the jute should be bought from the growers.

350. There are other risks in State Trading. Jute being an annual crop, the entire quantity has to be sold within a year whatever the market condition. Hence the financial risk (involving crores of rupees) is very great, almost prohibitive. The foreign buyers may shape their purchase policy in such a way that they may not come to buy at a time when our anxiety to sell is the highest.

351. Apart from the reasons given above, there is a fundamental question of principle. In a country like Pakistan State Trading appears rather outlandish as it is not compatible with the principle of free enterprise. We have heard many views on this question. While there are some strong views in favour of State Trading, the general opinion is that the trade should be left as free as possible. The following arguments have been placed before us by individuals and organisations who consider State trading neither fessible nor desirable.

[1] *Vide* Fawcus committee report 1939, P. 53.

(*i*) It would be difficult for a Government agency to conduct the trade on business lines due to the lack of necessary skill, experience and business acumen. The jute market is peculiarly volatile and unpredictable. The possibilities of misjudgment are, therefore, great. The past experience of the Jute Board in price support operations is hardly encouraging.

(*ii*) State Trading can result in large losses which the Government can ill afford to bear in view of its pressing commitments in developmental and other spheres ;

(*iii*) Administrative talent is scarce in our country and it would be wasteful to utilise the services of trained administrators in trading activities which can be much better performed by private agencies ;

(*iv*) Organisations such as the East Pakistan Jute Marketing Corporation can serve the purpose of having a steadying effect on the market and helping to ensure fair price to growers.

In view of the above considerations, with which we generally agree, we think that any idea of State Trading at this stage should be anbadoned.

Jute Marketing Corporation

352. Though we do not recommend the establishment of a central monopolistic organisation to deal with the entire quantity of jute we are strongly of the opinion that a semi-Government organisation, like the existing Jute Marketing Corporation, trading in jute will go a long way to help the growers and consumers alike.

353. The present Corporation was set up under the East Pakistan Jute Marketing Corporation Act XII of 1957. It is a body corporate with its Head office at Narayanganj. The functions of the Corporation are :

(*i*) To carry on jute trade with a view to stabilise prices of raw jute for ensuring a fair price to the growers ;

(*ii*) to assist the growth and development of Co-operative Societies among the jute growers throughout the Province by financial help ;

(*iii*) to establish regulated markets with the aid of the Provincial Government, wherever possible ;

(*iv*) to establish standard grades by setting up model standards of its own ; and

(*v*) to purchase jute grown in border belt when directed by the Provincial Government.

354. The authorised share capital of the Corporation is Rs. 8 crores divided into 80 lakh fully paid up shares of Rs. 10 each. Fifty-one percent of these shares are issuable to the Provincial Government and the balance to the public. The Corporation started functioning from June, 1957 with a capital of Rs. 2 crores paid by the Central Government towards the value of their shares. No shares have been floated yet for sale to the public.

355. The performance of the Corporation since its inception may be briefly stated as under :

(*i*) In the first year of its operation (1957-58), the Corporation started functioning with a monopoly of purchase in the border belt. It opened 30 purchasing centres in or near the border and collected 10 lakhs maunds of jute approximately. But due to heavy initial expenditure and fall of market in the latter half of the season, the Corporation sustained a loss of Rs. 6,38,000.

(*ii*) In the 2nd year (1958-59), the Corporation lost its monopoly of purchase in the border belt. It had also to pass through various vicissitudes. The Board of Directors had also to be changed in the middle of the season and in its place two Committees were appointed—one for purchase and the other for sale. During the first half of the season there were 42 purchasing centres operating. Most of them were closed down during the second half. The Corporation, however, managed to lift a little over 11 lakh maunds of jute that year. But most of the stocks were disposed of rather hastily towards the end of the season and the Corporation suffered a loss of Rs. 19,99,000 in the second year.

(*iii*) In the 3rd year (1959-60) of its operation, the Corporation had again a change in its management. The committees were succeeded by the present Board of Directors in the middle of August, 1959. This new Board has overhauled the working machinery. There were 24 buying centres in 1959-60, in addition to 3 Press Houses. The total purchase of jute amounted to 8,07,000 maunds approximately. The business done yielded a profit of Rs. 1,20,000 under the accounts provisionally prepared. This was against a total loss of about Rs. 26 lakh that had accumulated before. The Corporation took a big step forward and opened a growers' centre in the district of Rangpur where the growers who sold their jute were given a bonsu of Rs. 2 to Rs. 3 per maund out of the profit earned there. This was done to create confidence in them that the Corporation stands for their good.

(*iv*) The current season (1960-61) is the 4th year of the Corporations, operation. The Corporation at present has 4 *pucca* baling Press Houses and 22 buying centres working in different places of the Province. Included in the buying centres are five growers' centres where direct purchases are being made from the growers, on which they will be paid bonsu later in the season. The Co-operative Department is collaborating with the Corporation. This season the Corporation has lifted about 3-1/2 lakh maunds of jute so far.

Sales by the Jute Marketing Corporation Internal and External

Year	Sales in bales	
	Forcign	Local
1957-58	47,600	95,300
1958-59	66,100	1,89,700
1959-60	88,100	1,06,800
1960-61*	19,760	15,466

*Upto October 8, 1960.

Source: Jute Marketing Corporation.

356. Jute is a risky business. The Jute Marketing Corporation has had its teething troubles but has got over them now. The JMC mark has received appreciation in foreign markets both in the UK/Continent and the U.S.A. and is now quite well established.

357. So far the Jute Marketing Corporation has worked not as a profit-seeking organisation but to give some indirect support to the market when prices tend to fall. A business organisation cannot, however, run like that. It must be conducted on business principles. While it should not be given a monoploy, the Corporation should be provided with resources enough to deal with 20 lakh bales of jute, *i.e.*, about 30% of the total output. This, along with the purchases of local balers, will have a healthy stabilising influence on the market. Since last year the J.M.C. has been trying to do business from the growers' to the export level. We think it would be advisable for this organisation to specialise in export trade and help the co-operatives by buying through them. Given proper guidance the Jute Marketing Corporation should have a bright future.

CHAPTER IX

GRADING OF JUTE

System of grading

358. The grading of jute is obviously to be done on the basis of its quality, which is judged by its spinnability and its subsequent behaviour in the manufacturing process of the various types of goods, both common construction and specialities. In the determination of the spinning properties the following characteristics of the fibre are taken into account :

(*i*) Length, strength, colour, lustre and weight,

(*ii*) Such general qualities as softness, smoothness, distinctness and uniformity of the fibre,

(*iii*) Proportion of cuttings, hard-centered fibre and harsh crop-ends, and

(*iv*) Proportion of faults, such as roots, barks, sticks, specks. knots, runners and water-marks.

These characteristics generally vary according to the variety of jute (white or tossa) and the areas where it is grown. As white jute is mainly grown in low-lying areas which are inundated by flood water the proportion of cuttings from it is higher than that from tossa jute which is mainly grown on high lands. Changes in the level of flood water or intermittent recessions of flood result in hard-centered fibre in white jute.

359. Soil composition, rainfall and weather conditions. and the quantity and quality of retting water vary widely in the different jute growing districts. While soil and climate affect the growth of the plant and hence determine length, strength, weight and uniformity of the fibre, the retting process determines its colour, lustre and strength and the proportion of root, barks, etc. Jute steeped in clear and moderately flowing water will have a good colour and lustre ; if it is steeped and washed in muddy or stagnant water, the colour will be dull, shamla or dark. On the basis of the above considerations, jute is classified as Jat, District and Northern. Jute grown in the districts of Dacca, Mymensingh and Tippera is known as Jat jute and the same produced in the districts of Pabna, Faridpur, Kushtia, Jessore, Khulna, Barisal, Sylhet, Chittagong and Noakhali is known as District jute. The jute produced in the districts of Rangpur, Dinajpur, Bogra and Rajshahi is known as Northern jute. Quality, however, does not always strictly correspond to the areas of production. Sometimes, Jat type of jute can be found in parts of District areas or Northern areas and *vice versa*, But the bulk of the jute produced corresponds in quality to the area-wise classification.

Jat jute is of the finest quality and is followed closely by the district jute. The Northern jute comes last and is of relatively inferior quality. In the Jat areas, soil and climate are most congenial to the growth of jute, and clear, soft, flowing retting water is available in abundance. The Jat jute is firm and well defined. It has even strands, good lustre, healthy colour and very good length. It is less hairy, has soft and smaller roots. and has excellent spinning properties. Tossa jute grown in the Jat areas has clean, straight fibre, with golden brown colour and fine lustre.

In the District areas soil is less congenial ; here some of the tracts are dry and have a dearth of retting water or have the muddy water of the Ganges. District jute is not uniform in its texture and strands, while its colour varies from light cream to dull grey. Its length is shorter than that of Jat jute. It is heavier and more rooty. Tossa jute grown in Faridpur has a brownish red or golden yellow colour and a harsh feel, while that grown in Khulna and Jessore is softer, more hairy, comparatively weak and its reddish colour also is not prominent.

Northern areas are mostly high and comparatively dry. There is acute shortage of retting water in many places and retting is done mainly in the stagnant water of tanks. Consequently, the fibre becomes less strong. dull coloured, fluffy, hairy and barky. It is generally of medium length and in some places it becomes very rooty. The Northern tossa is not as red as Jat tossa. It is relatively weak and is also less lustrous and soft.

360. The jute produced in the District areas varies widely in quality and the trade has divided these areas into three homogeneous blocks *viz.*:

(*a*) Hard District	...	Faridpur.
(a) District ...	...	Pabna, Noakhali, Sylhet, Chittagong, Chittagong Hill Tracts.
(*c*) Soft District	...	Kushtia, Jessore, Khulna, Bakerganj.

361. In grading jute the traders keep in view not only the district where jute is produced but also the assembling centres. For instance, white jute assembled in Narayanpur market in Narayanganj Subdivision of Dcacca District, Chandura market in Brahmanbaria Subdivision of Comilla District and Chairmuguria in Madaripur Subdivision of Faridpur District and tossa jute assembled in Khankhanapur market in Goalundo Subdivision of Faripdpur District has each got a special name. While placing orders, sometimes foreign buyrers also specify districts of production or even assembling centres. Thus the area where the jute comes from or is assembled is very important in the grading of jute.

Kutcha Assortment

362. There are two types of grading or assortment of jute *viz.* (a) kutcha assortment and (b) pucca assortment. Kutcha assortments are rough and ready and made mostly for faicilitating storage, movement and marketing of jute in the internal market.

In making kutcha assortment jute is classified first according to variety (white or tossa) and then according to the areas of production (Jat, District or Northern). But even within the same area the quality varies from field to fieild. Hence, jute of each variety and area is again classified into several grades *viz.*, Top, Middle, Bottom, B-Bottom, C-Bottom, X-Bottom, Habijabi and Rejections. The standards for these grades were set originally by IJMA and from 1st September 1952 by the Pakistan Jute Association, as shown in Table II on page 187. In defining the kutcha assortments, the requirements of pucca assortments are kept in view.

Pucca Assortment

363. Pucca Assortments are made directly from loose unassorted jute or from kutcha assortments and the rooty portions which are chopped off are known as cuttings. The fibre portion (long jute) and cuttings are classified separately in pucca assortments.

364. Pucca assortments are of three kinds and are termed (i) public marks or general marks, (ii) private marks and (iii) short groups.

365. Public or general marks are marks which are recognised by the jute traders and manufacturers in foreign countries. In the early stage of export trade, jute used to be graded in accordance with the particular requirements of individual foreign buyers and there was no common standard as such. Later on exporters mutually agreed that there should be some common marks conforming to some definite standard of quality so as to facilitate trade. Thus public marks were set and the first book showing such marks was published by the Calcutta Baled Jute Association in 1893. Since then there have been many refinements and changes of definitions.

366. Private marks are set by individual exporters to meet the needs of individual spinners. These are in fact sub-classifications of the 28 public marks (set below). There are about 2,000 private marks, each guaranteeing quality jute to respective buyers. Each exporter supplies his catalogue of marks to his overseas agents; and buyers can select marks of their own choice out of it. Through experience foreign buyers have learnt to trust these private marks, and herein lies their significance. But this multiplicity of private marks against each public mark has brought in some confusion in the internal market as discussed later.

367. Short groups are marks selected by the London Jute Association. When the standard marks were first introduced by the Calcutta Baled Jute Association, the LJA classified them under separate heads according to the guarantee of quality that they carried. Later the LJA selected a number of private marks from each quality which proved to be regular in assortment and packing during two successive seasons. These selections were called "actuals", meaning that they were representative of what the actual standard should be. This group of marks is revised every year and a large percentage of sales to overseas countries is based on the marks included in this LJA group. Jute shipped under LJA contract is guaranteed to be of the average quality of the mark specified and shipped at the corresponding period of the two preceeding seasons.

368. The various grades set by the LJA have also been adopted by the PJA which has so defined the kutcha assortments as to roughly correspond to the pucca assortments, as shown below :

WHITE JUTE

Kutcha assortment		*Pucca assortment*
Top	... should cut	Dundee Firsts, with a throwout of Dundee Lightnings.
Middle ...	... „ „	Dundee Lightnings, with a throw-out of Dundee hearts.
Bottom ...	... „ „	Dundee Hearts & Mills Firsts.
'B' Bottom ...	... „ „	Export First (Mill Lightnings).
'C' Bottom ...	... „ „	Export Lightnings (Mill Hearts)
'X' Bottom ...	... „ „	Export Hearts.

Tossa jute is divided into Jat and District and kutcha jute of this variety could for the following equivalent pucca standards :

TOSSA JUTE

	Pucca assortment	
Kutcha assortment	*Jat*	*District*
Top	Dacca Tossa 2/3	... Crack Tossa 2/3.
Middle ...	... Dacca Tossa 4	... Crack Tossa 4.
Bottom ...	... Dacca Tossa 5	... Dundee Tossa 2/3.
B-Bottom	... Dacca Tossa 6	... Dundee Tossa 4.
C-Bottom	... Outport Tossa 2/3	... Outport Tossa 2/3.
X-Bottom	... Outport Tossa 4	... Outport Tossa 4.

369. The above statement for white jute does not seem to take into account the difference between the same grade of Jat, District or Nortehern. Jat B-Bottom is taken to be equivalent to District B-Bottom or Northern B-Bottom while in fact the equivalent grade will be District Bottom or Nothern Bottom. In the classification to tossa jute Northern is not mentioned at all, and no distinction is made between hard and soft District jute. In the case of tossa jute PJA has shown Jat Bottom as corresponding to Dacca Tossa 5, whereas evidence received from the Jute a Directorate and one member of PJMA indicates that it should correspond to Dacca Tossa 4, the next higher grade. On the basis of the latter evidence the grade equivalents are shown below in Table I.

TABLE I

Pucca Assortments with Corresponding Kutcha Assortments.

Pucca Assortment	*Kutcha Assortment*
LJA (PJA) Stnandard	... PJA Standard.
White Jute (Long)	*White Jute*
Dundee Firsts Dundee Lightnings	} Jat Top.
Dundee Hearts Mill Reds	...} Jat Middle, Northern Top, Best District Top.
Mill Firsts ...	... Jat Bottom, Low District Mid, Good Northern Mid.
Export Firsts ...	... Jat B-Bottom, District Bottom, Northern Bottom.
Mill Lightning ...	... Low B-Bottom or Good C-Bottom of Jat, B-Bottom of District or Northern.
Export Lightning ...	... C-Bottom of Jat, District or Northern.
Mill Hearts ...	... Good X-Bottom.
Exports Hearts ...	... X-Bottom.
Tossa (Long Jute)	*Tossa Jute*
Dacca Tossa 2/3	Jat Middle
Dacca Tossa 4	Jat Bottom.
Crack Tossa 2/3	Middle of Hard District (Faridpur).
Crack Daisee 2/3	Northern Top
Grade Daisee 2/3	Northern Mid.
Dacca Tossa 5	Jat B-Bottom.
Crack Tossa 4	Bottom of Hard District.
Dundee Tossa 2/3	Bottoms of Soft District, Good B-Bottom of Hard District.
Dundee Tossa 4	Low B-Bottom or Good C-Bottom of Hard District, B-Bottom of Soft District.

Tossa (Long Jute)	*Tossa Jute*
Dacca Tossa 6	Jat C-Bottom.
Outport Tossa 2/3	C-Bottom of Hard District, Soft District or Northern.
Outport Tossa 4	X-Bottom of Jat, District or Northern.

370. In addition to the pucca assortments of long jute, there are separate assortments of cuttings also as shown below.

White jute cuttings	*Tossa jute cuttings*
Superior Narayanganj Cuttings	Tossa Cuttings.
Selected Narayanganj Cuttings	District Tossa Cuttings.
Narayanganj Cuttings.	
Mixed Cuttings.	

Again, the short crops are classified into Habijabi, Straight Morahed Rejection and Cut Ropes. The fibre available from the third or fourth " weedings " is assorted into seven grades, *viz.*, Weeding First, Selected Weeding, Cut-Mid Weeding, Cu-Low Weeding, Cut Special Weeding, Mixed Weeding and Low Weeding. Daisee Tossa comprising Crack Daisee and Grade Daisee is a sub-variety of tossa and has soft roots, and does not require separation of the rooty portion in pucca assortment.

Standardisation of Assortments and Changes

371. In the early twentieth century there were six recognised classes of jute as follows[1]:—

I. Hessian-warp ;
II. Hessian-weft ;
III. Sacking-warp ;
IV. Sacking-weft ;
V. Rejections ;
VI. Cuttings.

I. *Hessian-warp* is a strong, long, healthy and fine jute of good gloss and silvery white colour, without any defects such as barky, mossy, sticky or specky. It is used for spinning thread, which is suitable as warp for weaving hessian cloth or other finer fabrics.

II. *Hessian-weft* is inferior to Hessian-warp in length and gloss, but similar to it in other respects. This jute is used for weft in the hessian cloth referred to above.

III. *Sacking-warp* is strong, long and healthy jute, irrespective of any particular colour. It is coarser than I and II. The thread spun out of this jute is used as warp for weaving sacks.

IV. *Sacking-weft* is a dull-coloured short* or weak jute used for weft in sacks.

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[1] N.C. Choudhury, Jute and Substitutes (Calcutta : W. Newman & Co. Ltd., 1933), p. 119 *et seq.*

*The fibre which is below 6 ft. in length, after deducting the cuttigs, is called " short " jute, the usual length of long jute being from 7 to 12 ft. In a normal year, two-thirds of jute is long and one-third short.

V. *Rejections* are the worst stuff. They are either damaged, barky or knotty, and are used in spinning thread for sacking weft. Barky jute is used in spinning after it is soacked with oil and water and passed through softners.

VI. *Cuttings* are the barky or hard portions of jute cut off from the bottom or the top. Cuttings are used either in spinning sacks as weft, after being softened with oil and water as referred to above, or in paper making.

372. Various grades of jute prevalent at that time, *e.g.* 1, 2, 3, 4 and R's. were defined in terms of percentages of Hessian warp, Hessian weft etc. contained in the jute. However, in course of time various changes occurred and confusing marks such as red 2's, green 2's, X 3's, X 4's etc. were introduced.

373. Since early thirties the standards and marks under which all trading in loose jute was done were fixed by a Joint Committee of the representatives of the I.J.M.A. and Calcutta Jute Dealers Association (CJDA). Before the commencement of the jute year a meeting of the Joint Committee had to be held in order to review the working of the previous season's standards. The main 'point of discussion used to be the extent to which the standards already fixed had been adhered to and whether any change eas called for. But in spite of these efforts the standards changed on account of the purchasing policy of the mills.

374. In 1935-36, the standards of loose jute were based on a ' warp yarn' guarantee for each mark packed. These were as follows[1] :—

White jute

2. 33% Hessian warp.
   50% Sacking warp.
   20% Weft and cuttings.

3. 70% Sacking warp.
   30% Weft and cuttings.

4. 40% Sacking warp
   60% Weft and cuttings.

R. No guarantee ' Hunka ' or stick jute to be packed and sold separately.

In 1936-37, the Joint Committee decided to maintain the same standard ; but during the season there were a number of departures. Some mills wanted ' R ' to to be free from habijabi. The balers cleaned up their bottom quality and instituted a lower grade ' HJ ' under which jute not fit for inclusion in ' Rejections ' was packed. A further change was introduced later in the season, because mills refused to take hunka and stick packed under HJ and a new mark XH7 or 'S' was introduced in order to cover the lowest grade. The situation was reviewed by the Joint Committee in 1937-38 and it was decided to discontinue specifying standards by percentage of warp guarantee in the upper mark and to introduce instead a guarantee of fibre with specified percentage of cuttings. It was further decided that ' R ' mark should be standardised and tangled jute, stick jute and hunka were to be excluded from it and packed separately as ' TJ ' or ' S ' respectively . The grades then became 3, 4, R, TJ and S. During the season, however, the standards were further raised and as a result 3 had disappeared and 4 was seldom quoted. Consequently for general mill purposes, the European packed ' Rejections ' became the first or top grade. This position was again reviewed in June, 1938 and new standards called Top, Middle

1. I.C.J.C.—Report on the Marketing and Transport of Jute (First Report, 1940—p. 179 *et seq.*

and Bottom were instituted with effect from August 15, 1938 [1] s pcifying the percentage of cuttings and other characteristics of the fibre for each grade (*vide* table II column 1). There were then only 4 garades in kutcha assortment *viz.*, Top, Middle, Bottom and X-Bottom, which were considered more or less adequate by the Indian jute mills for the purchase of raw jute.

375. After Independence these definitions were followed in Pakistan and were endorsed by the PJA in 1950. On the 1st September, 1952, PJA introduced a new set of grades with new definitions so as to meet the requirements of the changing pattern of jute export trade. Subsequently these definitions were changed twice by the PJA, once in the middle of 1955, and again on 23rd April, 1957. PJMA, which was established in 1955, also adopted the PJA definitions for their purpose. These definitions are sown in Table II.

376. As mentioned earlier, the LJA standard for pucca assortment has been adopted by the PJA. The Government of Pakistan also recognised the LJA standard and promulgated the Raw Jute Exports (Registered Marks) Order of 1954, in which general marks for exports were specified. Each Individual jute exporter has his private export marks which must correspond also to general marks and are registered with PJA.

377. There are thus two sets of inter-related standard grades namely (*a*) kutcha assortments and (*b*) pucca assortments. But as is obvious from Table II, these standards have been upgraded several times since 1947. In particular, the standards have been made stricter with respect to the proportion of cuttings allowed in each grade. The PJA standard at present corresponds to the IJMA and the LJA standard as follows :—

PJA standard	*IJMA standard*	*LJA standard*
Bottom	Top	Mill First.
B-Bottom	Middle	Export First.
C-Bottom	Bottom	Export Lightnings.
X-Bottom	X-Bottom	Export Hearts,

378. " Formerly Top grade of Indian Jute Mills Association standard of Jat jute used to be packed as Dundee Firsts and ' Mid ' as Dundee Lightnings in the pucca assortment which are the highest grades for white jute in pucca assortment as per London Jute Association standard. Under the revised Pakistan Jute Association assortment ' Top ' is non-existent, Middle aslo has become almost rare. The export of the superior grades of Dundee Firsts, Lightnings and Hearts during the last few years has diminished considerably. The highest quality jute now appears to be assorted as ' Bottom ' and it is still linked up with Mill Firsts (in pucca assortment) 3 grades below the former standard[2].

379. Before Partition, ' Top ' and ' Middle ' used to constitute under normal conditions about 10 and 20 per cent. respectively of the total production of jute in Bengal and these were obtained from the areas which are now in East Pakistan. But these two grades are virtually non-existent now. On the other hand two new

[1] I.C.J.C.—Report on the Marketing and Transport of Jute (First Report), 1940—p. 182.
[2] Md. T. Hussain, Grading of Jute Before and After Independence published by the Director of Agricultural Marketing, East Pakistan.

TABLE II

Definition of various grades of raw jute (kutcha assortment) before and after Independence

N.B.—W* T* = Percentage of cutting not to exceed in white and tossa jute rsspectively.

Grades	IJMA Specification Followed upto August, 1952		PJA Specification							
			In force since 1-9-1952		In force since Mid. 1955			In force since 23-4-1957		
	W*	T*		W*	T*		W*	T*		W*	T*
Top	Sound fibre, good colour of the district.	25%	15%	Very strong fibre of excellent colour and lustre, good length, free from all blemish.	15%	10%	Same as before	..	..	Same as before	..	..
Middle	Sound fibre, average medium colour of the district.	35	25	Strong sound fibre, fair length, good colour of the district, free from shamla good lustre, free from speck, runners and harsh corp ends.	25	20	Same as before excepting that *average* colour of the district is allowed.	25	15	Same as on 1-9-52	15	10
Bottom	Straight morahed fibre' warranted not to contain more than 70 per cent sacking weft.	..	..	Sound fibre, fair length, average colour of district, free from weak fibre.	30	25	Sound fibre of medium strength of any colour not suitable for inclusion in the higher marks and free from hard centred jute.	30	20	Sound fibre fair length, average colour of the district free from grey and dark grey and free from weak fibre, speck and runners.	20	15

TABLE II.—*contd.*

Grades	IJMA Specification Followed upto August 1952	PJA Specification							
		In force since 1-9-1252		In force since Mid. 1955			In fosce since 23-4-1957		
B-Bottom	.. ...	Sound fibre of medium strength of any colour not suitable for inclusion in the higher marks and free from hard centred jute.	40 30	Same as before	30	20	Sound fibre of any colour free from hard centred jute and runne rs.	30	20
C-Bottom	.. ..	..		Fibre of medium strength and of any colour, free from runners and heavy crop ends.	35	25	Same as before.	...	...
X-Bottom	Tangled and ravelled jute of whatever description free from stick and Hunka.	All weak hard centred jute of any length, free from tangled and ravelled jute and stick or hunka.	.. ..	Same as before	40	30	Same as before excepting that only *fair* length is allowed.	..	..
Habi-Jabi Rejection.	..	Tangled and ravelled jute of any description free from dust and cuttings.	.. ..	Same as before	...	...	Tangled or ravelled jute of any description, free from hunka and sticks.	..	..

grades namely B-Bottom and C-Bottom, were introduced in 1952 and 1955 respectively, which corresponded to Middle and Bottom of IJMA standard. The main causes of raising of standards are indicated below :—

(*i*) Pakistan jute is normally of better quality than Indian jute. Before Independence a large portion of the jute produced in Pakistan areas was consumed by Indian mills and a good deal of the jute produced in the Indian areas went to the export market. This position changed after Independence. The Indian standards were followed up to 1952. As a result jute offered by Pakistan against a particular grade was found better than that was offered before Independence. Consequently, upgrading of jute began automatically with the development of direct trade with overseas countries.

(*ii*) A few years after Independence competition set in among the exporters. Each exporter tries to sell more jute by raising his grade.

(*iii*) When price tends to fall, better quality is offered to retain the old customers. Once the standard is raised, it is difficult to go back.

(*iv*) In the overseas jute market the buyers, through their several organisations, have maintained better bargaining power and sellers who have not been similarly organised have often practically been forced to sell at dictated terms. The standards of grades have, therefore, been continuously raised to meet the wishes of the foreign buyers who have better bargaining power.

(*v*) When better quality is wanted at the same price, the shippers (particularly the small shippers) sometimes feel they cannot help giving it. As arbitration is done abroad many new shippers, for fear of an unfavourable award, supply better quality jute than what would normally be understood by the contract.

(*vi*) Some overseas buyers have their agents in East Pakistan who frequently check the godowns and when the market is weak, they try to raise the standard.

(*vii*) The buyers set their standards in the beginning of the season when quality is good and as quality deteriorates with the advance of the season, they adjust their standards to take care of the fall of in quality. When the next season begins, they start with the standards left by them in the previous season. This means that every year at the beginning they start with some sort of improved standard.

Assortment in Practice in the Export Market

380. As stated above, the standard of assortment has been set and revised several times in the course of the last decade. These standards have, however, been seldom followed in practice on account of the following reasons :—

(1) The specifications shown against each standard (*vide* Table II, page 187) do not bring out all the relevant characteristics of the fibre.

(2) The definition of each standard is only qualitative. If a quantitative definition can be worked out, its application to a crop of the size of jute is difficult because—(*a*) the characteristics of the fibre are tested by visual inspection and touch, (*b*) the presence of defects, such as barks, specks, knots, hard-centred fibres and proportion of cuttings lacks uniformity even within the same category, and (*c*) sometimes the fibre may be good with respect to certain characteristics but bad with respect to others, for example, some fibre may have good colour and length but may have less lustre or may be hard-centred or may have greater proportion of cuttings. Obviously, in such a test a large margin of human error is involved. Moreover, in the beginning of the season the colour and lustre may be good but they generally fade later as the natural moisture

evaporates. So, the grade of a particular bundle of jute may deteriorate and may even be the next lower grade towards the end of the season. All these factors have a bearing on the determination of grade. The volume of jute handled is so much and the transactions so many that however carefully and comprehensively the grades may be defined, it would be difficult to appraise jute as a normal practice in any other means than visual and manual. This gives the assorter a wide latitude in determining the grade.

381. In the overseas markets also the same is the case. Although there is the London Jute Association standard, with definite specifications for each grade, it corresponds to a range of qualities rather than a particular set of qualities. Thus Export Firsts may contain jute fibre which would just be accepted as that and also fibre which would just be rejected as the next higher grade (Mill Firsts).

382. Against each standard grade there are a number of private marks, which are variations within the grade-range and so are mostly different from one another—one mark may be almost one grade higher than the other. Private marks are also different because of the difference in individual choice and estimate. With the large amount of human error involved in assortment, the final say as to whether a particular assortment under a mark is correct or not lies with the foreign buyer. So, the exporter packs under his private mark that quality of jute which he feels will satisfy his customer. If there is no claim, the assortment is taken to be all right ; if not, the standard of assortment is made higher in accordance with the amount of claim. Thus, exporters comply with the claims of foreign buyers whether they are justified or not. The standard of grading that is followed in practice is something in the mind of the buyer for which there is no written equivalent. The various grades which exist on paper are only indicative of the notional standard and do not give a complete picture.

383. This system of transaction based on private marks suits the foreign buyers who are in an advantageous position as regards arbitration as no reference to any agreed standard is required for it. They have told us that they do not favour any drastic change in the system. But the non-existence of a fixed, agreed standard seems so potently unreasonable and undesirable to us that we cannot endorse its continuance.

384. The absence of an effective specific standard of grading in the export market has serious repercussions also in the internal market. Each exporter has his own marks which tally only loosely with the general or public marks. As a result, a large number of standards of assortment prevail in the market, creating confusion among traders at the lower level, *i.e.*, kutcha balers, faria's and beparis. Further when a shipper or baler with a forward contract in hand finds that the internal price is going down, he makes his grade stricter and puts up or threatens to put up a claim against his supplier for low quality. The small traders (the suppliers) consequently suffer loss and try to compensate it by under-valuing grades at the time of their purchase.

385. There also exists what is called a Mill Standard which is almost one grade lower than the PJA standard, although the PJMA contract form defines the standard of assortment in the same manner as the PJA form. The confusion that follows is obvious. We have received many complaints from beparis with long experience that in the past most of their estimates of quality and grades were found to be correct but now they are not because the standard has been raised. The ultimate result is that the grower, who knows very little about the subtleties of the market, has to part with his jute at a price lower than what is warranted.

Standardisation of Grading

386. In the context of these facts, the need for standardisation of grading cannot be over-emphasized. Standardisation of grading involves, on the one hand, laying down of specifications for each assortment and, on the other, enforcing those specifications through inspection and arbitration. The existing definitions of standard pucca and kutcha assortments are in very general terms. They have to be made more specific and the private marks, on the basis of which all business is transacted in the internal and export market, also need to be defined. The entire question needs to be carefully studied.

387. A delegation of the Commission met representatives of the London Jute Association in London on the 1st March, 1960. There was a long dicussion on the question of fixing standards. It was decided that a sub-committee should be formed consisting of representatives of LJA, DJIA, AEJI [1] PJA and the jute industry in Pakistan and overseas to study the feasibility of fixing standards and of their enforcement. It has been reported to us that LJA has submitted its definitions of 28 export grades and these are now under the consideration of the Government of Pakistan and the PJA. We recommend that after finanlisation of these definitions, samples of each grade should be drawn and kept in Pakistan as well as in London and arbitration should be done on the basis of these samples.

388. We recommend the establishment of an office of PJA in London and later in Paris, Hamburg and other centres with a view to channelising more trade through it direct to the spinners. When a substantial portion of the trade is channelised through PJA the present leaning of the export trade on foreign Associations and agents will be reduced considerably and the relations with the spinners will be more direct. Such a situation will enable the Pakistan Jute Association to enforce correct, fixed standards through its arbitration, to the benefit of exporters as well as spinners.

389. In the internal market also the Pakistan Jute Association will enforce the agreed specifications of pucca assortments and revise specifications of kutcha assortments accordingly. In the kutcha grades Bottom of Jat is superior to Bottom of District and both of them are superior to Bottom of Northern. According to many witnesses, it would have been better if Bottom (and other grades) could be the same in all parts of the province. We have examined the proposal and are inclined to endorse it. Because of the marked difference in the fibre produced in different parts of Province, *viz.*, Jat, District and Northern and also because of the fact that assortment is by visual inspection and touch and on a comparative basis, in areas where relatively good quality jute is available, a particular grade tends to be higher as compared to that in another area where medium quality jute constitutes the bulk of the available supplies. This variation of grade from area to area, contributing to multiplicity of standards, is unsatisfactory. We should aim at having the same, uniform standard for the whole province.

390. In order to enforce the standards of kutcha assortment the Pakistan Jute Association should draw samples of each kutcha grade for Jat, District and Northern areas separately. These samples will provide the basis for inspection and arbitration in the case of baled jute transactions. The Pakistan Jute Association should arrange for inspection and arbitration in all important baling centres of the Province. It should also make arrangements for training in jute assortment of Government officials concerned with the jute trade (such as officials of the Customs Department) and other people engaged in or intended to be engaged in jute business.

DJIA.—The Jute Importers Association Ltd., Dundee. AEJI.—Association of European Jute Industries, Paris.

391. The enforcement of standard grades in loose jute transactions present a baffling problem because a consignment of loose jute contains a number of grades and the balers ascertain the proportion of these different grades by examining a few bundles drawn out at random. This rough assessment is naturally not always correct and in most cases the baler tries to under-estimate the proportion of the higher grades in order that the error in estimation, if any, may not result in a big loss for him. Consequently, the price generally tends to be lower than what it would be if the assessment were correct. Another system of transaction, *i.e.*, 'purchase on assortment', is also prevalent at some places although on a much smaller scale than the 'lot price' system. Under this system, when a consignment is brought to the baler, a set of prices for different grades are agreed upon. The consignment is then assorted and the proportions of different grades are ascertained. The payment is made accordingly. This system gives the seller a fair deal. But it takes time while beparis with small means want quick payment to maintain their turnover. This disadvantage can perhaps be got over if the beparis are paid 75% of the roughly estimated value of the consignment immediately on delivery and the balance after the jute is assorted and the value is settled. Another difficulty in this system is that the consignments of each bepari have to be kept separate until they are assorted. This involves uneconomic use of the space for storage and hence somewhat greater cost. Moreover, as beparis are numerous and the consignments brought in are generally small, it becomes physically very difficult to handle and store them separately. Aware of all these difficulties, we are still in favour of purchase by balers on assortment basis and recommend that gradually it should be made compulsory and the necessary facilities for it should be provided.

392. Another recommendation we make is that the present nomenclature for various kutcha grades should be changed as it is irrational and misleading. All the the good jute of Pakistan is being called Bottom even though it is the best jute in the world. 'Bottom' of Pakistan jute is equivalent to 'Top' of Indian jute. So if the Indian standard is adopted for kutcha grades, it would not only remove the irrationality mentioned above but also contribute to uniformity and clarity. We recommend that the nomenclature for kutcha grades should be changed as follows:

Existing nomenclature.				Recommended nomenclautre.
Top Middle	...	...	...	Super-top
Bottom	...	...	...	Top
B-Bottom	...	...	...	Middle
C-Bottom	...	...	...	Bottom
X-Bottom	...	...	...	X-Bottom
Habijabi	...	...	...	Habijabi
Rejection	...	...	...	Rejection

393. The quality of jute is often impaired by excess moisture content in it. As a soft fibre jute has the property to hold moisture and without some normal amount of moisture content its fibre loses lustre and softness. In the trade a maximum of 12% moisture content for new jute despatched during the period July to October and of 10% during the rest of the season are normally allowed. But this property of jute is sometimes misused by putting in extra moisture by sprinkling, particularly during the dry months under rising market conditions. Excess moisture makes the fibre weak and the intrinsic quality of jute, its strength and durability.

is impaired thereby. Excess moisture also makes it impossible to maintain correct standard specifications if the fibre is pressed in a damp condition. In that case, the fibre may break or even become powder. The disappointment and loss to mills and foreign consumers can well be imagined. The loss is, of course, passed back to the supplier in the form of a heavy claim.

394. The East Bengal Jute Dealers Registration Rules, 1950, provide that any dealer who carries on jute business "shall not deal in moist jute". But what is moist jute has not been defined. The Rules also do not indicate how the moisture content is to be ascertained. The Jute Directorate has been taking action against big and small traders dealing in moist jute by prosecutions, warnings, suspensions and cancellations of licences. For more effective enforcement, the Act should clearly define what excess moisture is, keeping in view the percentage of moisture allowed in the trade as normal, *viz.*, 12% during July to October and 10% during the rest of the season. Provision should also be made for the use of moisture testing apparatus which should be made available to the field staff at each important baling centre. Senior officers concerned may be given wide adjudicating powers to decide moist jute cases on the spot.

395. In the export market also the problem of excess moisture exists, as indicated by evidence received by us from foreign consumers. The measures recommended above will, it is hoped, reduce the cases of excess moisture. We are of the view that there should also be an agreed procedure of testing the excess moisture and meeting the claims, if any, arising out of it.

CHAPTER X

JUTE MILL INDUSTRY IN PAKISTAN

Early History

396. In the 6-year Development Plan (July, 1951 to June, 1957) the Government of Pakistan fixed a target of 15,000 jute looms to be installed within a period of 10 years, of which 6,000 looms, at an estimated cost of Rs. 16·7 crores, were to be installed by June, 1957. The task of establishing the jute industry was entrusted to the Pakistan Industrial Development Corporation who took up the work and in collaboration with private parties set up various mills. The first mill of 1,000 looms, constructed by Messrs. Adamjee Jute Mills Ltd., who may be considered the pioneers of the jute mill industry in Pakistan, went into partial production on December, 21, 1951. Subsequently, more mills were established.

397. At present 14 mills are operating in Pakistan, of which as many as 12 were initiated by the P.I.D.C. The progress of the jute mill industry in Pakistan and the role of the P.I.D.C. in it upto the end of 1959 can be seen from the Table on page 143.

398. Out of the total investment of Rs. 20·30 crores in the 12 mills sponsored by the P.I.D.C. the Corporation's investment amounted to Rs. 8·15 crores *i.e.* 40%. Ten of these 12 mills are now managed by private parties. Two mills, namely, the 'Star' and the 'Platinum' are managed by the Incharge Group on behalf of the P.I.D.C. The two mills not sponsored by the P.I.D.C., namely, Bawa Jute Mills and Victory Jute Products, are entirely financed and managed by private enterprise. The former is only a spinning mill and its paid up capital is Rs. 12 lakhs. The latter has 240 looms (144 hessian and 96 sacking) and has a paid up capital of Rs. 50 lakhs.

399. The P.I.D.C. has also participated in the establishment or expansion of jute mills in the U.A.R., Iran, Lebanon and Turkey to the extent of Rs. 1·25 crores. In addition, these mills were provided with technical assistance and advice by the P.I.D.C.

List of P.I.D.C. Jute Projects completed in East Pakistan up to 31st December 1959

(Rupees in Million)

Name of Project	Loomage			Date of Completion	Paid up Capital/Capital Cost			Value of Production		Value of Export	
	Hessian	Sacking	Total		Total	P.I.D.C. Investment	Private Investment	1958	1959	1958	1959
damjee Jute Mills Ltd., Narayanganj.	1,700 (57%)	1,300 (43%)	3,000	September, 1955.	50·00	10·00 (20%)	40·00 (80%)	93·70	110·76	57·62	86·51
min Jute Mills Ltd., Chittagong.	350 (70%)	150 (30%)	500	July, 1954 ..	12·50	5·00 (40%)	7·50 (60%)	17·01	20·05	8·40	14·03
rescent Jute Mills Ltd., Daulatpur.	250 (50%)	250 (50%)	500	June, 1954 ..	17·50	4·67 (27%)	12·83 (73%)	15·72	20·13	10·77	14·19
hittagong Jute Mfg. Co. Ltd., Chittagong.	350 (70%)	150 (30%)	500	August, 1954	12·50	7·25 (58%)	5·25 (42%)	16·77	19·83	13·15	13·21
oples Jute Mills Ltd., Daulatpur.	525 (70%)	225 (30%)	750	December, 1954	20·00	5·00 (25%)	15·00 (75%)	16·72	26·19	10·09	18·90
tif Bawany Jute Mills Ltd., Demra.	350 (70%)	150 (30%)	500	March, 1956	17·50	4·00 (23%)	13·50 (77%)	15·66	18·77	8·54	12·64
aulatpur Jute Mills Ltd., Daulatpur.	175 (70%)	75 (30%)	250	October, 1955	7·50		7·50 (100%)	4·88	6·57	2·45	6·49
arim Jute Mills Ltd., Demra, Dacca.	125 (70%)	125 (30%)	250	March, 1957	7·50	3·00 (40%)	4·50 (60%)	8·15	9·81	0·76	5·97
acca Jute Mills Ltd., Dacca.	175 (70%)	75 (30%)	250	December, 1956	10·00	3·00 (30%)	7·00 (70%)	9·35	10·15	6·34	8·96

List of P.I.D.C. Jute Projects completed in East Pakistan up to 31st December 1959

(Rupees in Million)

Name of Project	Loomage			Date of Completion	Paid up Capital/Capital Cost			Value of Production		Value of Export	
	Hessian	Sacking	Total		Total	P.I.D.C. Investment	Private Investment	1958	1959	1958	1959
lishat Jute Mills Ltd., Tongi.	175 (70%)	75 (30%)	250	December, 1957	10·00	2·10 (21%)	7·90 (79%)	5·72	9·39	4·28	9·13
tar Jute Mills Ltd., Daulatpur.	200 (80%)	50 (20%)	250	September, 1958	10·00	7·50 (75%)	2·50 (25%)	1·03	7·19	0·30	6·67
latinum Jubilee Jute Mills, Daulatpur.	490 (65%)	260 (35%)	750	September, 1958	30·00	30·00 (100%)		1·15	18·72	0·62	14·45
	4,865 (63%)	2,885 (37%)	7,750		205.00	81.52 (40%)	123·48 (60%)	205·86	277·56	123·32	211·15

Source : FORWARD, PIDC JOURNAL, JUNE, 1960, p. 32.
Break up of loomage is obtained from the PJMA.

The Performance of the Industry

400. The Pakistan jute industry is now nine years old and within this short period it has been able to reach the position of not only meeting the entire internal demand but also earning considerable amounts of foreign exchange for the country. Last year (1959-60) it earned Rs. 23·29 crores in foreign exchange. The performance of the industry is shown below :—

Production and distribution of jute goods and equivalent raw jute consumption

Period	Looms operating	Total production (tons)	Internal consumption (tons) (*b*)	Export Quantity (tons)	Overseas Value (lakh rupees)	Raw Jute consumption in lakh bales
April—March :						
1951-52(*a*) ..		1,400	1,400	..	..	0·08
1952-53 ..		17,600	17,400	200	·28	0·39
1953-54 ..		50,100	40,600	9,550	96·28	2·81
1954-55 ..		61,200	46,200	15,000	23·187	3·43
July—June :						
1955-56 ..	4193	1,30,209	40,320	84,943	1015·97	7·34
1956-57 ..	5227	1,44,534	57,190	80,706	1091·91	8·09
1957-58 ..	5920	1,57,860	56,940	1,03,661	1303·08	9·41
1958-59 ..	6886	2,03,447	55,273	1,37,277	1595·13	12·09
1959-60 ..	7738	2,56,278	50,809	1,96,793	2329·90	15·35

Source : (*i*) PJMA since 1955-56.

(*ii*) Export figures for 1953-54 and 1954-55 are from CSO. Other figures relating to these two years have been obtained from the Provincial Statistical Board.

(*a*) From 1st December, 1951 to 31st March, 1952.

(*b*) Internal consumption upto 1954-55 is calculated by deducting export from total production.

The table shows that since the industry's inception in December, 1951 the production has increased from 1,400 tons in 1951-52 to 2,56,278 tons in 1959-60. The first sample shipment, of 200 tons of hessian, was sent to the U.S.A. in May, 1953. In the next year the exports rose to 9,550 tons; in 1959-60 they reached 1,96,793 tons. Internal consumption for the past 4 years has averaged about 55,000 tons. This development of the jute manufacturing industry has enabled the jute growers to sell increasing quantities of raw jute in the home market. In 1959-60 the mills in Pakistan consumed 15·35 lakh bales, *i.e.* more than 1/4th of the total jute crop of that year.

The jute industry provides direct employment to 50,000 workers, most of whom hail from the jute growing areas.

The Problems and Handicaps of the Pakistan Jute Industry

401. The Pakistan jute industry is no longer in its infancy but it has not yet fully grown up either. It has to maintain its growth however hard the struggle may be. Its problems relate to its ability to compete successfully with the well established jute industry of the world, particularly with the Indian industry. Its main problems are :

(1) High cost of production, and

(2) Low productive efficiency.

Our cost and efficiency have to be compared with those of India because she is the largest producer and exporter of jute goods in the world. India is also our nearest neighbour and has similar environmental conditions. Besides, she produces the same type of goods as we do and is our principal competitor in the world jute goods market. She is reported to have certain advantages over us in respect of manufacturing cost due to our heavy depreciation charges, excessive power cost and comparatively higher overhead expenses, interest and insurance charges.

High Cost of Manufacturing

402. The P.I.D.C. Fact Finding Committee of 1958 found that the manufacturing cost of the most efficient mill in Pakistan was Rs. 194·76 per ton higher than that of the average Indian mill, as detailed below :—

(Figures in Rupees)

Cost of production per ton	India	Pakistan	Excess over India
Depreciation	17·96	93·10	75·14
Wages	166·69	218·75	52·06
Power	15·48	48·04	32·56
Head office	..	..	..
Establishment	56·00	70·00	14·00
Insurance	3·00	12·00	9·00
Interest	4·60	16·60	12·00
Total	263·73	458·49	194·76

403. Depreciation charge of Pakistani mills is calculated at 10% of the written down value, which the industry considers reasonable on two shift working per day, but the total amount becomes higher than in India on account of the higher written down value of capital investment in the jute industry in Pakistan. The wage cost is shown higher not because higher wages are paid by Pakistan mills—they are actually lower—but because output per man per day is lower. The cost of power in Pakistan is annas -/2/- per unit as against 6 pies per unit in India. The Indian mills pay Rs. 15·4 per ton for power as against Rs. 48 per ton paid by Pakistani mills. Indian head office establishment cost is also very low—at present Rs. 56·00 per ton as against Rs. 70 per ton in Pakistan. The interest charge of Rs. 16·60 per ton in

Pakistan as against Rs. 4·60 per ton in India is reported to be due to higher capital cost and working capital which are required to be borrowed. Insurance charges in Pakistan are 4 times those in India because of the higher value of the machinery insured.

404. The above observations are based on the figures of cost of production supplied by the PJMA. These figures do not show the cost of hessian and sacking separately. They also do not include the cost of raw jute which accounts for more than 50% of the total cost of production and which is normally cheaper in Pakistan than in India. In the absence of the cost of the basic raw material and a break-up of the cost for hessian and sacking it is not possible to get a complete picture of the cost situation.

405. In 1956 the World Bank Mission made a study of the cost of production of jute goods in Pakistan and India. Their findings are given below :—

Average Cost of Production of Jute Goods in Pakistan[1]

(Rupees per ton, May, 1956)

	Hessian	Sacking
Price of raw jute at mill	730	670 (*a*)
+ 5% waste	765	705
Labour	300	115
Depreciation	150	90
Others	205	145
Total conversion cost	655	350
Total cost	1,420	1,055
Export price *ex*-mill (*b*)	1,480	1,105
Profit	60	50

(*a*) Includes 40% cuttings.

(*b*) Export price *ex*-mill ; Pakistan prices for local market are about 15% higher.

Cost of Production of Jute Goods in an Average Calcutta Mill.

(Rupees per ton, 1st quarter of 1956)

	Hessian	Sacking
Prices of raw jute at mill :		
75% Indian jute	700	640 (*a*)
25% Pakistan jute	880	775
(includes Rs. 40 freight and extra baling charges per ton and Rs. 112 (Pak.) Export duty per ton on all jute except cuttings),		
+ 5% waste	745	674

1. A representative of the industry stated that these figures were not supplied by the industry.

Raw Jute cost	782	707
Labour	330	125
Depreciation	50	30
Others	210	160
Total conversion cost	590	315
Total cost	1372	1022
Export Price *ex*-mill	1480	1105
Profit	108	83

(*a*) Includes 40% cuttings.

Source : Pakistan Planning Board (Preliminary Report prepared by the World Bank Mission), Karachi.

From the above table it would appear that the labour cost in Pakistan was lower by Rs. 30 and Rs. 10 per ton of hessian and sacking respectively. The total conversion cost was, of course, higher in Pakistan by Rs. 65 per ton in the case of hessian and Rs. 35 per ton in the case of sacking. The total cost of production of hessian and sacking was shown higher by Rs. 48 and Rs. 33 per ton respectively.

406. The relative advantages and disadvantages of the jute manufacturing industries of India and Pakistan are shown below :—

(1) Advantages of India over Pakistan

(*a*) Power charges in India are ¼ of the charges in Pakistan.

(*b*) Labour is more efficient in India than in Pakistan, resulting in better output per man per hour.

(*c*) With better results of research and technique they are able in India to lower the cost of batching.

(*d*) Depreciation cost in India is lower because the machinery there has already repaid its value and because Pakistan's capital outlay is several times higher than the value of the machinery of the Indian industry.

(*e*) The Indian industry gets almost all supplies of stores and accessories from local manufactures at cheap rates. The Pakistan industry has to pay import duties of 10% *plus* sales tax of 12½% (now) as against sales tax of 6¼% in India.

(2) Advantages of Pakistan over India

(*a*) Pakistan possesses the most modern machinery, with higher productive capacity per man.

(*b*) Pakistan has not to depend on any other country for raw jute. She has access to the best quality jute at lower prices.

(*c*) Pakistan's industry is protected by an export duty on raw jute (Rs. 20 per bale on long jute and Rs. 10 per bale on cuttings).

(*d*) Pakistan has got abundant supply of cheap labour which only needs to be trained.

(*e*) Pakistan's industry is not required to spend as much on modernisation as the Indian industry.

(*f*) Pakistan's industry sells about ¼ of its production in the internal market at higher prices as shown in para. 421 later.

(*g*) Pakistan's industry now enjoys the benefit of export bonus.

407. Considering the above facts we find it difficult to accept the view that the manufacturing cost of jute goods in Pakistan is Rs. 194·76 per ton higher than in India. With the export bonus scheme the advantages should more than cancel out the disadvantages. The industry earns bonus @ 20 % of the value of export, which at the present value of bonus vouchers means an addition of about 25% to the export price. It is, however, only a standard system of cost accounting and a proper scrutiny of various items of cost which can reveal the correct cost situation. It is necessary that Government should institute an enquiry to ascertain the cost structure and to suggest measures to bring down the manufacturing cost of the jute industry as far as possible. The industry should also follow a uniform system of cost accounting. This will also help the industry in getting an accurate idea of the cost and hence in effecting necessary economies.

Low Productive Efficiency

408. The productive efficiency of Pakistani mills, particularly in hessian, is much lower than that of the Indian mills. Pakistan's production in 1958-59 averaged 6·67 lbs. of hessian and 20·93 lbs. of sacking per loom per hour, as against 10½ lbs. of hessian and 26 lbs. of sacking per loom per hour obtained by the Indian jute mills[1]. It appears that the Pakistan industry has not yet been able to take full advantage of its most modern automatic machinery.

409. Low productive efficiency is reported to be largely due to shortage of skilled weavers and lack of experience in other classes of labour. It is only by proper training that the efficiency of weavers can be improved and it is high time that the industry gave due attention to this vital problem.

Mill Purchase of Raw Jute and Sale of Jute Goods

410. The mills buy the different grades of jute roughly in the following proportion[1].

Grade	Percentage
Bottom	·96
B. Bottom	22·36
C. Bottom	30·38
X. Bottom	14·36
Loose Jute	14·09
HJ. NC etc.	11·78
Export Firsts	1·66
Export Lightnings	·89
Export Hearts	2·27
Mill First	1·24
Outport Tossa	·01
	100·00

[1]Source : P.J.M.A.

The quantity of mesta consumed by the industry is not exactly known. It may be 6 to 8 per cent. of the quantity of jute consumed. In the past production of mesta was discouraged. The industry however, feels that mesta should be produced for use by the industry. It adds lustre to the fabric and reduces the batching cost as mesta is cheaper and a larger proportion of short fibre can be utilised. We recommend that a limited quantity of mesta should be produced every year, to meet the mills' requirements only. There is, however, no need for placing any restrictions on the production of mesta because there is little risk of its over-production. The areas in which mesta used to be grown extensively are now irrigated with a view to growing at least two crop a year. As cultivation of mesta prevents the cultivators from growing a rice crop, they will not produce an excessive quantity of mesta.

411. The proportion of the different grades of jute purchased, however, varies according to the fabrics produced by the mills. It will appear from the above table that, generally speaking, nearly 23 per cent. of the jute used by Pakistan mills is of higher quality, 55 per cent. of medium quality and 22 per cent. of inferiour quality, including 12 per cent. of cuttings.

Purchase of Raw Jute

412. The mills generally buy jute in kutcha and pucca bales but they also buy in loose form (except at Chittagong). They do not buy any jute direct from the growers.

Proportion of jute purchase	Respondents		
	P.J.M.A.	Jute Directorate	
In loose form	19%	20%	
In kutcha bales	55%	69%	100%
n pucca bales (including cuttings)	23%	11%	
Direct from growers	*Nil*	Negligible.	
At outstations	3%	8%	

Mills cannot purchase a very large quantity in loose form because, though cheap, loose jute needs assortment and some initial processing and much space. They also do not buy a very large quantity of long jute in pucca bales because pucca bales are not necessary and are costly. Every mill has its own purchase policy. On the whole 20 per cent (*i.e.* 3 to 4 lakh bales) of their jute is purchased in loose form. Mills' purchases are more or less in proportion to monthly production of jute goods. They however, purchase slightly larger quantities during the earlier months of the season.

413. Loose jute is purchased on ready delivery at mills' premises or at the outstations, either directly or through dalals. Outstation purchases are, however, very small, being only 3 per cent. of the total.

414. Kutcha and pucca bales are purchased either directly from the sellers or through brokers, either ready or on a forward delivery basis. In the case of ready purchases payment is made in cash or by cheque after delivery of jute at the mills' premises where it is inspected and weighed. In the case of forward purchases

75 per cent. to 80 per cent. of the value is paid on presentation of documents, including insurance cover arranged by sellers. The balance is paid after examining weight, moisture-content and quality to see if they are as stipulated in the contract. The assessment of quality and excess moisture is made usually in the presence of the seller's representative.

Weighment is normally done on the mill's scale, the correctness of which can be checked by the seller's representative. There is also provision for weighment by Licensed Measurers Department of the Pakistan Jute Association or the Chamber of Commerce in accordance with clause 9 of Mills' Kutcha Bale Contract. It however, reported that sellers sometimes fail to maintain the sanctity of contract and that the implementation of Arbitration Awards is difficult. It is, in our opinion, necessary to set up Commercial Courts at Narayanganj, Chittagong and Khulna to ensure prompt implementation of Arbitration Awards. Some powers for enforcing contracts and awards should also be vested in the Jute Authority.

Sale of Jute Goods

415. The present internal requirements of jute goods are about 60,000 tons a year, out of which Government and semi-Government organisations account for about 20,000 tons or one-third of the entire local consumption. The balance is sold to the trade.

416. There is no jute goods market in East Pakistan as there is in Calcutta. The buyers, both in the East and the West Wing, approach the mills either directly or through brokers, and contracts are made on mutually agreed prices. Some of the mills maintain warehouses in Karachi and, therefore, sales are made by them either for ready delivery in Karachi or c.i.f. Karachi, or f.o.b. Chittagong/Chalna.

There are very few shippers of jute goods in Pakistan and they make their purchases from the mills either through brokers or by direct contact. The quantity sold to them amounts to about 5 per cent. of the total exports. It would be highly desirable to have a proper jute goods market in East Pakistan with a fair number of jute goods shippers operating on the same lines as the exporters of raw jute.

417. Mills generally sell upto six months' production in advance depending upon the market conditions and the trend of demand in the foreign countries. Sales in the foreign markets are made through the agents of the mills or by direct negotiation with importers.

418. A handicap in our export trade is the unsatisfactory cable service, particularly to Africa and the Far East. This service needs to be improved. Calcutta is still the most important jute goods market and so necessary it is that the telephone service to Calcutta should be well maintained. Similarly telephone service to all important jute centres in East Pakistan should be improved and teleprinter service should be introduced.

Shipping Facilities

419. The shipping facilities were inadequate in the past but for the last two seasons the situation has improved as direct shipping connections and regular shipping services have been established between Pakistan and U.K./Continent and U.S.A. But shipping services to Australia and New Zealand and the Far and Near Eastern countries are not regular and adequate. The shipping problem can only be solved by developing our own mercantile marine.

420. Loading and unloading at mills at Khulna is often delayed on account of silting up of the river near the mill jetties. These local difficulties are not insurmountable and should be attended to by E. P. WAPDA and I.W.T.A. The mills

at Khulna also complain that even Pakistani lines (which have the monopoly of the coastal shipping) do not ensure regular service to Chalna. It is essential that shipping facilities should be available equally at Chittagong and Chalna.

Internal and Export Prices of Jute Goods

421. The export prices of jute goods manufactured in Pakistan rule near about those of the Indian jute goods. But the *ex*-mill prices of the goods for the home market in Pakistan have over the last 6 years been about 20 per cent. higher than the export prices. It is explained by the industry that this disparity is due mainly to high cost of production, sales tax of 10 per cent. (now 12½ per cent.) and excise duty of Rs. 70 per ton. But the price has been higher by 26 per cent. in the case of hessian and 17 per cent. in the case of sacking, over the last 6 years, even after excluding the sales tax and excise duty. This is shown in the table below :—

Internal and Export Prices of Jute Goods in East Pakistan.

Hessian 45 in. x 11 oz. per 100 yds.

Sacking B. Twills, 100 bags.

(Figures in Rupees.)

	Price of Hessian			Price of Sacking		
	Internal	FOB Port Basis	Internal price as % of Export price Col. 1 : 2	Internal	FOB Port Basis	Internal price as % of Export price Col. 4 : 5
	1	2	3	4	5	6
1953-54	62·85	33·88	185	106·44	72·38	147
1954-55	54·79	34·56	159	107·94	82·38	131
1955-56	51·04	43·63	117	122·31	110·94	110
1956-57	47·41	47·00	101	121·50	113·69	107
1957-58	53·73	45·33	119	121·50	107·55	113
1958-59	47·54	46·50	102	101·69	94·78	107
Average	52·89	41·82	126	113·56	96·95	117

N.B.—(a) Internal prices exclude sales tax and excise duty at Rs. 70 per ton. The latter works out to Rs. 2·15 on hessian per 100 yds. and Rs. 7 on sacking per 100 bags. The figures of prices represent the average of twelve monthly prices.

(b) FOB Port prices are based on Calcutta quotations.

Source : Jute Directorate.

The main reason for this disparity between the internal and export prices seems to be that the Pakistani mills have a protected home market in which they enjoy a monopoly. In two recent years, however, the disparity has been less than 10 per cent. (*vide* table above).

Measures to Improve the Production and Marketing of Jute Goods

422. (*a*) Almost all the Pakistan mills were equipped with 70 per cent hessian and 30 per cent sacking looms, with necessary warp and weft preparatory and spinning machinery, and all of them have been working on double shift. But in view of the better marketing position of sacking, the industry has been working on the basis of 50 per cent hessian and 50 per cent sacking looms, which has now almost become a normal feature. The imbalance created by this change is remedied by working part of the sacking weft and preparatory machinery in the 3rd shift. This does not seem to be a satisfactory arrangement. It is necessary to install additional sacking weft units and arrange to train sufficient weavers for working the looms on 3 shift basis.

(b) The most important thing to be done is to improve the efficiency of production by increasing the production per hour per loom and decreasing the number of men per loom. There is, no doubt, a great shortage of skilled weavers and other industrially minded workers, although the total supply of labour is enough. An inefficient weaver not only produces less per hour but often turns out production of inferior quality. It is, therefore, essential that training centres should be started at Chittagong, Dacca and Khulna for the purpose of turning out trained workers, particularly skilled weavers who play a very important part in the production of jute goods. Elaborate programmes for the training of such workers should be drawn up jointly by the PJMA and PIDC and vigorously followed by them. In the absence of skilled workers no mill can show excellent performance, however efficient the management may be.

(c) Adequate incentive has to be given to the industry to increase its production efficiency and this incentive must come through reasonable profits. It is not possible to maintain an industry for all time with artificial props. Profit has to come through reduced manufacturing cost and better management. The manufacturing cost can be reduced in the following ways :

(*i*) The duty and sales tax on the import of machinery, spare parts, accessories, batching oil and furnishings etc., operate to increase the cost of production. These items should be duty free and should pay no sales tax. Arrangements should be made to produce all possible items in Pakistan even with imported raw materials, if necessary.

(*ii*) The cost of power in East Pakistan -/2/- per unit, is no doubt very high and compares very unfavourably with the rates in India and also in West Pakistan. In our view, in calculating the rate structure for power the capital cost for power production should be written down by the amount of the foreign aid for it so as to reduce the cost per unit. Government should also take other steps to bring down the cost of power to the jute mills in Pakistan to the level obtaining in other countries including India.

423. The above measures are to be taken by the Government. But the primary responsibility for improving productivity rests on the mills and they should make concerted efforts in this connection. The PJMA should see that close co-operation is maintained amongst the member mills and labour load and wages are uniform throughout the industry.

424. At present the production of Pakistan mills is not sufficient to meet the demand for Pakistan manufactures and the mills are in a position to pick and choose the markets. In our view greater attention should be paid to those markets which are of permanent and expanding nature.

425. The Pakistan jute industry is enjoying considerable foreign exchange benefit through the present export bonus scheme. It also provides facilities to industrialists to go round foreign countries and study the aptitude, needs and requirements of foreign consumers. They can thereby also learn the advertising techniques of the foreign firms. We recommend that the bonus scheme be continued for 5 years (upto 1964-65) and thereafter the position should be reviewed. In the matter of bonus new mills should be given preferential treatment in view of their higher capital cost so that they are put on an even keel and on less unequal terms with the old established mills.

CHAPTER XI

TARGETS FOR JUTE GOODS

426. The jute manufacturing industry has assumed an important place among the large scale industries of Pakistan. Its contribution to national income and to employment is next only to the cotton textile industry. In foreign exchange earning it occupies the first place ;[1] more than half of the country's foreign exchange earning from manufactured goods now comes from the export of jute goods. Besides, it saves several crores of rupees in foreign exchange by supplying the domestic requirements.

427. The internal requirements of jute goods have been met by the industry almost since its inception. Statistics are, however, available from July, 1955, and the quantity consumed in the country during each of the 5 years 1955-56 to 1959-60 is detailed below.

Consumption of Jute Goods in Pakistan

(Tons.)

	Hessian	Sacking	Others	Total
1955-56	5,496	29,694	5,130	40,320
1956-57	7,847	45,738	3,605	57,190
1957-58	8,288	42,964	5,688	56,940
1958-59	5,296	42,293	7,684	55,273
1959-60	6,708	38,061	6,040	50,809

428. The internal demand for jute goods in 1955-56 was 40,320 tons. It rose to 57,190 tons in 1956-57 but gradually came down to 50,809 tons in 1959-60. This fall in internal consumption is due to the bonus scheme which stepped up export at the cost of internal supply. The demand has not actually fallen but has been met by larger use of second hand bags. The demand for 1960-61 is expected to be 60,000 tons. The Planning Commission estimates that in view of the higher targets for production of food-grains, sugar, cement and fertilisers under the Second Five Year Plan the internal demand for jute goods in 1964-65 will be about 90,000 tons. This will, however, depend on the achievement of those targets.

[1] In 1959-60 cotton textile exports occupied the first place, *vide* Chap. II.

429. The external demand for jute goods as indicated by world production of jute goods is increasing, as shown in the following table :—

Trend of World Production and Export of Jute Manufactures

(Quantity in Lakh tons.)

Calendar Year	Production		Export		Proportion of total production exported	Share of India & Pakistan in the world export trade	
	Quantity	Index 1948-50 =100	Quantity	Index 1948-50 =100		India	Pakistan
					Percentages		
1937	19·41	122	11·90	136	61	86	..
Average—							
1948-50	15·92	100	8·76	100	55	90	..
1951-53	17·62	111	9·18	105	52	83	..
1954	18 80	118	10·14	116	54	84	..
1955	20·33[a]	128	10·55	120	52	83	5
1956	17 86	112	10·64	121	60	82	7
1957	19·66	123	10·37	118	53	83	7

Source : (1) Upto 1954, FAO, jute, A Survey of Markets Manufacturing and Production (Rome, 1957), pages 52 and 18. Figures converted into long tons from metric tons.

(2) Since 1955, Commonwealth Economic Committee, Industrial Fibres, London, 1959, pp. 179, 181.

[a]Production relate to 1955-56 July-June and similarly for other years.

It appears from the above table that (i) about 55% of the total production of jute goods usually went into the export market ; (ii) India's export of jute goods constituted more than 82% of the total export and (iii) 7% of the world export was met by Pakistan in 1956 and 1957. Pakistan's export has, however, increased sharply since 1957, as is shown later in para. 431.

430. If the present trend of production of jute goods continues it is likely that by 1964-65 the world production of these goods (including goods made from allied fibres) will be about 37·09 lakh tons (*vid* Chapter III, para. 105). Out of this at least 50% *i.e.*, 18 lakh tons are likely to enter the export trade. Of this Pakistan will be able to meet 20% *i.e.*, 3·6 lakh tons, which is commensurate with the performance of Pakistan jute indudstry in the past five years. Pakistan will not be able to get a larger share because its loomage will be only 12,000 in 1964-65.

431. Out of the total export from India and Pakistan, Pakistan's share has increased from about 9% in 1955-56 to 19% in 1959-60, as may be seen from the table below :—

Trend of Export of Jute Goods from India and Pakistan.

(Lakh tons.)

	Export from India		Export from Pakistan		Total export from India & Pakistan	Pakistan's export as percentage of total of India & Pakistan's Export of Jute Goods
	Quantity	Index 1955-56 =100	Quantity	Index 1955-56 =100		
1955-56	8·572	100	·849	100	9·421	9·0%
1956-57	8·529	99	·807	95	9·336	8·6%
1957-58	8·326	97	1·037	122	9·922	11·1%
1958-59	8·549	100	1·373	162	9·922	13·8%
1959-60	8·335	97	1·968	232	10·303	19·1%.

Source :—I. J. M. A. and P. J. M. A.

Pakistan's export is now about 1/4th that of India and it is now the second largest exporter of jute goods. We are definitely of the opinion that Pakistan can easily capture as much of the export market as its loomage during the next five years permits..

432. Under the Second Five-Year Plan, the Government of Pakistan have a programme of installation of 4,000 more looms, which will bring the installed capacity by 1964-65 to 12,000 looms. Although the world demand (and hence the export potential) justifies, we should say, calls for a much higher target *e.g.*, 16,000 looms on account of limited availability of jute mill machinery; the target for the present has been placed at 12,000 looms. We are of the view that if the availability of jute mill machinery improves the target should be revised later to 16,000 looms.

433. At the existing efficiency of production *i.e.*, 7,738 looms working in 1959-60 turning out a total production of 2,56,278 tons (33·119 tons per loom), the total production of 12,000 looms will be 3,97,433 tons. If, however, the efficiency rises by 10%, which we deem to be quite feasible, the production would be 4,37,176 tons. The target for annual production should, therefore, be 4·5 lakh tons by 1964-65 which after meeting the domestic requirements of 90,000 tons at the end of the period will leave an export surplus of 3·6 lakh tons.

Composition of Production Target

434. The Composition of production will obviously depend upon the relative demand for hessian, sacking and other jute manufactures within and outside the country. In the past five years the proportion of production between hessian and sacking has been as shown in the table below :—

Composition of Production Export and Internal Consumption of Jute Goods

(Percentage).

	Production (=100)			Export Overseas (=100)			Internal consumption		
	Hessian	Sacking	Others	Hessian	Sacking	Others	H	S	O
1955-56	23	73	4	28·5	71·5	N	14	74	12
1956-57	25	73	2	32·5	67·4	·1	14	80	6
1957-58	25	71	4	31·4	68·3	·3	15	75	10
1958-59	26	69	5	32·3	66·5	1·2	10	76	14
1959-60	26	70	4	30·1	67·3	2·6	13	75	12

H=Hessian. S=Sacking. O=Others. N=Negligible.

Based on P. J. M. A. figures published in the Monthly Summary of Jute Goods Statistics, July, 1960.

With increase in efficiency the proportion of production of hessian will go up and we expect that by 1964-65 the percentages of hessian, sacking and others will be as follows :—

Production Targets

	Percentage of total production	Production in lakh tons
Hessian	30	1·35
Sacking	65	2·93
Others	5	·22
Total ...	100	4·50

435. The present proportion of production has been achieved by working the looms 50% for hessian and 50% for sacking. We are of the view that on account of increase in efficiency the same percentage of hessian and sacking looms as now will produce jute goods in the proportion recommended above. So we recommend that the 4,000 new looms should consist of 2,000 hessian and 2,000 sacking looms.

436. There are a large number of new uses of jute which have already been discovered in other countries, *e.g.*, woollenised jute fabric, laminated jute products, etc. Jute mills in Pakistan should be encouraged to establish units for manufacturing these new products. It is understood that the jute mill industry has already planned production of such special items as paper-lined bags and tufted and other machine-made carpets. In view of the fact that the source of supply of the best quality jute is almost at the door-step of the industry there is no reason why Pakistani mills should not produce special items at a relatively cheap cost to compete in the world market. We recommend that Government should give encouragement and facilities for the establishment of new units for the manufacture of specialised items based on technological research on jute.

Expansion of Jute Mill Industry

437. The expansion of the jute mill industry may be done in two ways :

(*a*) Expansion and balancing of existing mills.

(*b*) Building of new mills.

The Second Five-Year Plan proposed the installation of 2,500 looms in the existing mills and 1,500 looms in new mills.

438. Regarding new mills, we received proposals for establishing jute mills at Chandpur, Ashuganj, Mymensingh, Serajganj, Rangpur and Santahar. The PIDC has now selected sites for the establishment of 4 mills of 250 looms each—one at Chandpur, one at Serajganj and 2 at Ghorasal. The two mills at Ghorasal should meet the demand of the people of Bhairab/Ashuganj.

Handicaps to Expansion of Jute Industry

439. There are, however, certain handicaps which may stand in the way of expansion and which need careful consideration. Industrial dvevelopment depends on many factors—economic, financial and social. One of the most important is the availability of capital.

In recent years the price of machinery and equipment has risen enormously. It is understood that it will need a capital investment of Rs. 1-1/4 crores to Rs. 1-1/2 crores to start a jute mill of 250 looms. The installation of 4,000 looms will thus involve a capital expenditure of Rs. 20 to Rs. 25 crores. Even if the Government come forward to finance the industry through the P. I. D. C., 51% of the capital cost will be expected to be borne by private enterprise. This sum has to come partly from the existing mills and partly from the promotors of new mills. The need for expansion of this industry is, however, so great and so urgent that if, for any reason, the response from private enterprise is not adequate, Government should provide the necessary finance.

CHAPTER XII

RESEARCH ON NEW USES OF JUTE

440. We have stated in Chapter III (para. 55) that nearly 80% of raw jute goes to the packaging service and the rest to the manufacture of specialty products. In the U.K., about 80% of the raw jute is used for the production of specialities while in the rest of Western Europe about 40% is utilised for such purposes. In the U.S.A.—more than 50% of the jute consumed by members of the Soft Fibre Manufacturers' Institue is used for carpet-backing. The balance is used in making twines, yarns for the electric cable industry and yarns for miscellaneous purposes. In Japan more than 40% of the imported raw jute is used annually in the manufacture of special products like wire ropes, electric cables, carpets and floor covering material.

441. Due to change of marketing technique and use of substitutes like paper and bulk-handling, there is likelihood of a gradual fall in the use of jute fabrics as a packaging material in certain areas. This would, however, be more than compensated by the greater use of jute bags in Asian and African countries where due to rapid agricultural development increase of population and improvement in the standard of living, consumption of jute manufactures is bound to rise in future years in this technologically advanced age without research Pakistan jute is bound to lose ground. We must see to it that our jute not only retains its old place in the container market by improving its utility and appearance but also enters new fields. This can be done by finding out new and extended uses of jute and new processes of manufacturing.

442. Research on jute is confined to only a few countries of the world, *viz.*, the U.K., some countries in Europe, India, and Pakistan. The number of scientists engaged in research work on jute is less than on any other major natural fibre, *e.g.*, cotton and flax. Pakistan as the major supplier of jute to the world market and as an important producer of jute goods, with its economy largely tied up with the fortune of jute, has a great responsibility in sponsoring research on jute. It is important that research should be undertaken by Pakistan in co-operation with other countries interested in jute research to find out new uses of jute and new technique of production.

443. The scope of research for new uses of jute is almost limitless. Jute is already put to a large number of end-uses, a list of which is shown below :—

Steel and iron tube wrapping, Electric cable, Fuse yarns, Wire-rope cores, Roofing fabrics, Brattice cloth (for mines), Laminated jute (substitute for metal or plywood), Canvases, Webbing, Grummets, Camouflage netting and strips, Tapes for tents, Cargo separation cloth, Fish barrel covers, Ventilation ducts, Wind Screens, Tea garden withering cloth, Hop twine, Vine nets, Binder twine, Harvester ducts, Horse blankets, Saddle cloth, Hose bags, Jute rugs and carpets, Backing for tufted carpets, Mats, Underfelt foundation, Cotton-jute union fabric for deck chairs and awnings, Mattress cover and underbags, Aprons, Tailors interlinings—or paddings, Wool-jute blend for blankets, Jute-flax union for tropical suiting etc. Alparagatas, Upholstry fabric, Theatrical Canvases and screens, Back cloth for ship window, etc., Dolls hair sash cords, Luggage covers, Paper reinforcement, Hospital tows, Jute-waste filler as synthetic or natural plastic, Screens for film shooting, Food container insulation (caddies), Tool bags, Kit bags, Jute-lac (Jute and Shellac) containers, Plastic or paper coated bag (for raising sand or cement), Fibre bound bituminised hessian (for roofiing felt or canal lining).

This will show to what extent jute has spread its influence in domestic uses and other fields and what potentialities exist for its further use.

Existing Facilities of Technological Research in Pakistan

444. Facilities of technological research on jute products, particularly in the field of new uses of jute, are practically non-existent in Pakistan. Except for some researches that are being carried out in the laboratories of the Council of Scientific and Industrial Research and in the Universities, no technological research work on jute is being carried out anywhere. The Technological Research Wing of the Jute Research Institute under the Pakistan Central Jute Committee will go into commission very soon and will be concerned with the technological research on jute both from the fundamental and applied points of view. As the Technological Wing will be partly financed by the Pakistan Jute Mills Association, it will be a joint venture of the Government and the jute industry.

445. The Technological Wing should sponsor specific projects through Universities, the laboratories of the Council of Scientific and Industrial Research and other research laboratories so as to make the best use of the existing talent and facilities for the progress of jute research and technology.

446. In order to fight the substitutes on all fronts in a comprehensive manner, there should be a pooling of the research by the jute industries of the world and, if possible, a top-line common research centre should be established which would be manned by the scientific talent of the countries which are interested in jute and its development. The present attitude of industrial research on jute is secretive, which is detrimental to the overall development of jute and jute research. At the initial stage an International Jute Research Bureau may be established which should act as the clearing centre for all researches undertaken on jute and allied fibres in different parts of the world. At a later stage it would be desirable to have a common research laboratory where pooled research scientists would work jointly for the jute industry. It would, perhaps, be premature to think of such a project at the initial stage. However, an international research bureau on the line suggested, under the auspices of the FAO or any other international organisation, would considerably accelerate the tempo of research and would pave the way for pooling of research knowledge for the benefit of the jute industry.

Programme of Research on Jute in Pakistan

447. The Technological Research Wing of the Jute Research Institute should concentrate on the following aspects of jute research so that the jute industry is immediately benefited and jute may regain some of its lost ground :—

(*i*) improving and perfecting the present methods of woollenisation and water-proofing and rot-proofing of jute yarns and jute fabrics so as to extend their uses ;

(*ii*) improving jute bags so as to extend their uses for packaging of articles which are now being packed in other types of bags ;

(*iii*) better and more economic utilisation of jute cuttings and other low grade jute ;

(*iv*) better and more economic utilisation of jute wastes such as jute sticks and loom and cropper caddis ;

(*v*) manufacture of union fabrics with Sunnhemp, cotton, linseed fibres, etc., which would be useful for making tapestry and furnishing fabrics. Work already undertaken in Europe has shown that such materials, because of

their cheapness, have great future. Use of indigenous fibres like Sunn-hemp and cotton and linseed fibres along with jute can open up possibilities of new types of fabrics ;

(*vi*) research on various types of batching oil and emulsion in jute spinning, so as to devise a cheap and effective batching formula for use by mills ;

(*vii*) determination of spinning value of jute of different grades and of various jute tracts to find out to what extent commercial gradings agree with the spinning quality and fibre characteristics ; and

(*viii*) study on lowering of batch cost of jute bags.

Organisation of Research

448. In order to ensure maximum utilisation of the funds, personnel and equipment in jute research a comprehensive programme of research should be drawn up by the Jute Research Institute in consultation with the industry and other research organisations both from the long-range and short-range points of view. This would avoid duplication of work and will ensure speedier results. At the same time, we feel that more facilities should be extended for background research in the Universities which alone can ensure new discoveries in the applied field.

Problems of Jute Research in Pakistan

449. Research on jute in Pakistan suffers from some general handicaps, such as :—

(*i*) lack of qualified scientists in various subjects,

(*ii*) inadequate number of experienced scientific workers to undertake research in their respective fields,

(*iii*) lack of facilities, such as, apparatus, reference books, journals etc.

The above handicaps are most acutely felt in the case of technological research on jute which is highly specialised and facilities for which are at the moment not available in Pakistan—they are confined only to a few universities and technical institutes abroad such as Manchester Institute of Technology, University of Leeds and Shirley Institute.

450. In Pakistan, research on jute is confined, at the moment, to its agricultural side. There are a number of research workers engaged in botanical, entomological and other agricultural aspects of jute. On the technological side, the situation is completely different as there are practically no research workers engaged in physical or chemical aspects of jute or allied bast fibres. This has created a situation where it has become extremely difficult to man the Technological Wing of the Jute Research Institute which is primarily meant to deal with chemical and physical aspects of jute both from fundamental and applied points of view. To overcome this bottle-neck in jute research, it is essential that experienced scientists in bast fibres from Europe or Japan be brought for a period of years either directly by Government or through some aid-giving agency so that they may man the Technological Wing of the Jute Research Institute and guide the Pakistani workers until they acquire experience enough to take over. We recommend that scientists for research on the following specific subjects be immediately brought from abroad for the Jute Research Institute :—

(*i*) Fibre Chemistry

(*ii*) Chemical Technology

(*iii*) Fibre Physics for fundamental study (such as study of fibre properties by X-ray, etc.).

451. In addition, there is urgent necessity for bringing in an experienced Technologist for the post of Director of the Technological Wing and a Mill Manager to look after the applied side of research. The Director should be a man with sufficient experience in guiding research in various branches of jute or other bast fibres. The Mill Manager should have sufficient mechanical and production experience together with experience of experimental work. In getting these experts, Government should take a far-sighted view and should not hesitate to pay decent salaries which alone can attract really capable research scientists from abroad. In view of the acute dearth of technologists in the bast fibre field all over the world, there is keen competition—to get their services by various research organisations and industries. The Government of Pakistan would do well, therefore, to pay them according to their existing market value.

452. We further recommend that action should be taken urgently to train up a number of research chemists and research physicists in suitable Technical Universities and Institutes dealing with bast fibres, so that they are in a position to take up research work under the guidance of the foreign experts. Employment of foreign experts would not be of much use unless Pakistani counterparts are also trained up in the meantime, so that the research work of the Technological Wing of the Jute Research Institute can be continued in full swing.

We are happy to note that the Government have already taken action with regard to providing necessary facilities of equipment, etc., for the Jute Research Institute. We would only emphasise that Government should not hesitate to spare foreign exchange wherever required for apparatus, reference books, etc., so that research work may go on smoothly.

453. We also recommend that research into new uses of jute should be looked after by the Jute Authority in association with the Pakistan Jute Mills Association.

CHAPTER XIII

THE STATE IN RELATION TO JUTE

Regulation of Jute Cultivation

454. The question of jute regulation arose in 1933 when as a result of the World Trade Depression large stocks of raw jute remained unsold and prices fell to a very low level. But the Finlow Committee (1933) did not recommend compulsory restriction of jute cultivation. They expressed the view that farmers should be persuaded not to grow too much jute. The Fawcus Committee of 1939, however, felt that there had been over-production of jute and unless compulsory regulation was enforced, the farmers could not be assured a fair price. As a result jute came under State regulation since 1941 under the Bengal Jute Regulation Act of 1940. This Act provided for regulation of jute cultivation through licensing of lands on which jute was to be grown in a particular year according to a quota declared by Government for that year. The Act also provided for *bujharat* (plot to plot survey) of all lands on which jute had been grown including unlicensed lands sown with jute. The object was to determine the total acreage under the crop and to assess the total production so that in case of excessive sowings unlicensed planting might be destroyed. At that time jute was regarded as a monopoly of India and the demand for it was taken as inelastic. It was felt that curtailment of supply would lead to a rise in the price of raw jute and that the growers would thereby be benefited. But these objectives were never fully achieved.

455. Licensing of acreage was based on the 1940 records of jute plots. A record was also prepared in 1950 of plots that were only suitable for jute. But the 1940 records are out-dated and defective because some plots had been washed away by river while other plots on char lands had been converted into homesteads. Some plots also became *naba* (*i.e.* land where seeds do not germinate) or otherwise deteriorated in fertility and became unsuitable for jute. New areas had been reclaimed and planted with jute and other crops. Again since 1940 there had been many transfers either by inheritence or by sale or mortgage or otherwise. These changes in the ownership and use of land had brought about a lot of confusion and inconsistencies in the licencing. Many new land-owners had emerged but they had no right to grow jute. This largely accounted for unlicensed cultivation of jute in many places.

456. Under the Jute Regulation Scheme every grower had to take a licence for each plot of land on which jute was to be grown. The Primary Licensing Assistant (now the Union Agricultural Assistant), who is a very low paid officer at the bottom of the agricultural service, was called upon to issue licences in addition to his other duties. On the average he was to deal with 3,000 agricultural families and generally he could not complete the work of issuing licences till the sowing season was over. Similarly, his superior—the Thana Agricultural Officer—could hardly begin inspection and verification till the plants were several feet high. Generally the quota of jute acreage was fixed late and PLAs started issuing licenses when growers had actually sown jute and were busy with other agricultural operations, and therefore could not come to take licence. Even if the quota was fixed early P.L.As. frequently did not issue licence when requested and later pressed for the licence and harassed the farmers only to extract some bribe.

457. *Bujharat* or checking of acreage was also not at all effective—actually it was well-nigh impossible because of the absence of upto date record of rights and C.S. maps. Proper record of jute lands never existed and practically no mauza maps were available to the field staff. As the staff was utterly inadequate and means of transport difficult, they could never take up the work seriously. Most lands

used to go under flood water and boundary lines of fields with standing crops would become unrecognizable. There was hardly any destruction of unlicensed growing during the last 10 years[1]. This was because when a large number of people committed an offence, it was not easy to prosecute them all, and also because destruction would have involved great hardship for the growers who had no other cash crop to depend on.

458. As a result growers felt that somehow they could by-pass *bujharat* and if at all they were caught they knew how to get out of it. The following table will show how jute regulation has behaved in the past 13 years. :—

Licensed Area and Area Actually Cropped[2]

Jute year	Area licensed (acres)	Area actually cropped (acres)	Area actually cropped as percentage of area licensed
1947-48	22,06,826	20,58,670	93·4
1948-49	21,32,650	18,76,565	88·0
1949-50	18,60,900	15,60,795	83·7
1950-51	13,10,400	17,10,900	130·6
1951-52	18,68,930	17,78,770	95·2
1952-53	17,16,515	19,06,815	111·1
1953-54	8,11,385	9,65,275	118·5
1954-55	12,30,757	12,43,170	101·1
1955-56	15,46,358	16,34,490	105·5
1956-57	12,04,000	12,30,264	102·1
1957-58	14,02,000	15,62,619	111·5
1958-59	11,01,434	15,28,350	138·8
1959-60	9,91,453	13,75,145	138·6

Source : Directorate of Jute.

It will be seen from the above table that in 9 years out of the last 13 the cropped area was higher than the licensed area.

[1] There was at times news of crop destruction, but virtually the destruction took the form of early harvesting, as the staff did not see earlier than June what had happened in the fields.

[2] It may be noted in this connection that the basic acreage of undivided Bengal was adopted as 53,99,000 acres by the Government of Bengal for the purpose of jute regulation, of which 47,25,000 acres fell in East Pakistan and 6,74,000 acres in West Bengal. In 1950 the basic acreage of East Pakistan was increased to 50,21,116 acres due to issue of certain new licences. It appears that growers never planted even 50 % of the basic acreage to jute.

459. Jute is not a monopoly of Pakistan and crop restriction is usueful only when production is done under effective monopoly conditions. In the absence of such conditions, restriction in one country only goes to increase production in other countries if there is a demand for more and this is particularly true of a commodity like jute which is considered essential in both peace and war.

460. Though the intention of Jute Regulation, as its name implies, was to regulate production so as to accord to the demand, its effect was only restrictive as growers could not be compelled to produce any minimum quantity. Whether it has succeeded or not even as a restrictive measure, so far our jute production has been more or less stationary. This has encouraged jute cultivation in other countries.

461. For these reasons the Commission recommended in its Interim Report that Jute Regulation should be abolished. The Government have suspended the regulation but as far as we can see there is no likelihood of this regulation being required again and so we recommend that it should be abolished and the Jute Regulation Act, 1940 should be taken out of the statute book.

462. On the abolition of the Jute Regulation we have recommended that the farmers should be given advice at the time of sowing how much jute they should grow. The Jute Authority should draw up an estimate of the requirement of the coming season and set the production target accordingly. In some years it may not be advisable to publish the target; in any case the actual production might vary widely from the target. On the basis of the target the growers may be advised what percent more or less as compared to the preceding year they should grow. This may not be uniform for the whole province as different areas grow different qualities of jute. Normally there should be three percentages, one for Jat area, one for District area and one for Northern area. This advice to the growers should be given wide publicity and it should be emphasised that it would be in their own interest to follow it. For this publicity and advice the services of Union Councils may also be utilised.

463. Production of a crop of the required size and quality will largely depend on the response which the farmers will give to the above-mentioned advice. This response may not come only by the indirect method of publicity which we have recommended earlier. Certain direct incentives are also to be provided by the State. These are provision of better seeds, implements and fertilisers, more liberal supply of credit, retting facilities and improvement of transport and marketing facilities.[1]

Ban on Jute Cultivation

464. The Government have banned the cultivation of jute in the five mile border belt with India. This ban has been imposed for two main reasons: (1) to prevent smuggling of jute across the borders to Indian territories and (2) to discourage production of inferior quality jute. Since Independence smuggling of jute was going on unabated for several years. Even Indian leaders and traders have openly admitted this. In 1947-48 the Indian crop was 16·5 lakh bales, it suddenly jumped to 31 lakhs in 1950-51 and to 47 lakh bales in 1951-52. A considerable portion of these quantities was believed by the Indian trade to be Pakistan jute smuggled across the border[2]. Smuggling was also facilitated by the favourable transport routes from the northern districts running towards Calcutta and the very inadequate trade routes towards Narayanganj and Chalna. The net loss to the country in terms of foreign exchange was enormous.

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[1] Cf. ante Chapters V, VI and VII.

[2] Jute and Gunney Review Calcutta July, 1952, P.-200.

465. For the same reasons for which the ban was imposed we are of the view that it should be continued and made a permanent feature. However, as we have recommended in the Interim Report, this ban should be subject to the following provisos :—

(*i*) Jute should be allowed to be grown in all low-lying areas where no other crop can be safely raised.

(*ii*) Every farmer should be allowed to grow jute on 1/4 bigha of land per family for domestic purposes. (This jute must not be allowed to be sold).

(*iii*) In 1959 the ban was operated on Thana basis and so if any part of the Thana fell within 5 miles of the border, the whole Thana was declared a banned area. The banning should be done on union basis and unions which do not fall within 5 miles of the border, should not be affected by the ban.

466. In addition to the border belt some other areas which grow inferior quality jute was also banned in 1959. We have received several protests against the ban in such areas. It may be mentioned that jute is needed not merely for fibre but also for sticks which are used for fuel, fencing and even roofing. Further, as we want to increase the production of jute in the coming years, it does not appear advisable to ban jute cultivation in any area outside the border belt.

Forecast of Jute Crop

467. For a crop like jute which commands world-wide market, correct forecasting is an essential pre-requisite for an ordered plan of manufacturing and marketing development. Unfortunately, in most years we have not been able to give a correct forescast of our jute crop. Twenty years ago, the Fawcus Committee remarked, " The most striking and indisputable fact about the jute forecast is its unreliability". [1] They concluded that "the bulk of the error in the official forecast arises from the unreliability of accreage".[2] Quoting statistics for 15 years ending 1936, they found that the percentage of difference between the final forecast and the actual production had varied between minus 10 and plus 52. Since Independence it was found that in some years the Departmenal forecast showed an under-estimate from 20 to 40%. Some forecasting of jute crop was also done by the trade. Their forecast is also not accurate. Usually the official estimate has proved to be an under-estimate and the trade estimate an over-estimate.

468. The main reason for the inaccuracy is that there has been no scientific method followed to find out the area and the yield. So long the method for finding the area and yield has been a plot-to-plot survey and this is done by petty officers of the Agriculture Department, the PLAs, now called Union Agricultural Assistants. In the absence of proper record of rights and any previous crop census the collection of such information was obviously difficult.

469. Since 1934 there has been an attempt to use random sampling method for the purpose of jute forecast and the first area sample was conducted in 1935 with the help of Professor Mahalanobis of Calcutta University. The result was not satisfactory but the technique used proved helpful in later years. Thereafter the Indian Statistical Institute has developed a more dependable technique and the sample survey study of the jute crop made in 1945 gave results which differed only slightly from the actual while the plot-to-plot survey gave an under-estimate of 16·6%.

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[1] Fawcus Committee Report Vol. I, p. 89,

[2] *Ibid* p. 90.

A similar sample survey study was made by the P.C.J.C. in 1954-55. It showed that an accurate forecast could be achieved by such survey, the margin of error being less than 5%. It is reported that a proposal for adoption of this method has been made to the Provincial Government.

470. We recommend that a sample survey of jute acreage as designed by the Pakistan Central Jute Committee should be made in May every year, to be followed by crop-cutting experiments as the harvesting season advances, so that adequate information may be available with the Government about the size of the expected crop. Indications of the acreage given by the sample survey will help to estimate the size of the crop, and the trade, constantly alert as it is, will have no difficulty in making its own estimate of the output.

471. What we need in the jute forecast is that it should be accurate and timely. We recommend that the work of crop forecasting also be entrusted to the Jute Authority.

Licensing of Traders

472. Licensing and registration of jute dealers of all categories from shippers down to farias and beparis was introduced by the Government of East Pakistan in 1949 with a view to checking malpractices in the trade and collecting statistical data on jute trade. It has been continuing from that year. Under the East Bengal Jute Dealers Registration Act, 1949 and the Rules thereunder each category of trader, *viz.*, faria, bepari, paikar, mahajan, dalal, aratdar, internal broker, export broker, godown keeper, kutcha baler, pucca baler, press owner and shipper, has to take out a separate licence (for one year in the first instance, renewable every year) for each kind of his trade and for each station of his business by paying different rates of fees. This means that a baler/shipper of jute, who may have a baling press and godowns and employ agents for his purchases, must take out licences as shipper, pucca baler and kutcha baler, for each individual godown, press and bepari, and for each station of his business. Besides the above, the shipper has also to get himself registered under the Central Government's Registration (Importers and Exporters) Order, 1952.

473. The Pakistan Jute Association has forcefully argued before us that this licensing system, function-wise and station-wise, is cumbersome for the trade and should be replaced by a single registration system, that is to say, instead of various licenses there should be a single licence for a registered dealer in jute. This may be of one of two categories (1) valid for internal trade only and (2) valid for both internal and external trade. The Pakistan Jute Association has also demanded that registration of a trader in jute should be undertaken either by the Province or by the Centre but not by both.

474. These arguments of the Pakistan Jute Association have force. Government should ensure that the trade is as easy and unfettered as possible. A simplification of the licensing system is eminently desirable and is also feasible. One dealer should have to take only one licence for all his operations throughout the Province. While applying for the licence the applicant should be asked to state the number of godowns (with measurements, capacity and location), number of kutcha and/or pucca press (with specification, capacity and location) owned or hired by him, number of agencies or branches and other particulars that may be needed for the issue of a single comprehensive licence. Each shipper, baler or mill may be given a number of token cards which may serve as evidence of the licence. These token cards may be kept by the persons incharge of the branches or out-station agencies of the licence holder to show that they are operating with authority. This system of licensing will be simple and yet enable all the needed statistics to be collected. Simplification of procedure for better efficiency should be the guiding factor in such matters.

475. Formerly, prior to December 1956, jute exporters were not required to be registered under the Central Government's Registration (Importers and Exporters) Order, 1952. Till then a shipper was required to register himself only once, under the Provincial Government's Jute Dealers Registration Act, 1949. From December 1956, however, he has to register himself under both. Sometimes it has happened that while one registration was in order the other had been cancelled or suspended and the shipper had been prevented from carrying on export trade. This anomalous position should be rectified. Exporter's registration should be done only once, *i.e.*, by the Central Government since foreign trade is a Central subject.

Jute Statistics

476. The absence of reliable agricultural statistics has been a long-standing complaint from many quarters. The compilation of agricultural statistics on all-India basis began in 1884. From that time upto the time of Independence agricultural and other statistics were published periodically. There were also various crop reports and all these were embodied in the Statistical Abstract of British India. Two reports were, however, of special importance from the agricultural point of view : one was "The Estimate of Area and Yield of Principal Crops", which included all-India figures, and the other was a Provincial publication known as "The Season and Crop Report". They contained a good deal of information. But the accuracy of their acreage and yield figures have been challenged. The unreliability of the figures of the Agriculture Department was sharply pointed out by the Royal Commission on Agriculture in India by describing them as mere guesses and "not infrequently demonstrably absured guesses"[1]. The Floud Commission in 1940 remarked, "No dependable statistics exist in Bengal which have been prepared on a scientific basis to show the yield of various crops"[2]. The acreage figures "have been proved hopelessly wrong".

477. Agricultural and trade statistics are now available from various sources but the question of their reliability still continues. Many of them are still of the nature of surmises because there has not been sufficient application of scientific methods for the collection of primary data which form the basis of official statistics.

478. At the present moment statistical information is maintained by several Governmental and non-Governmental agencies. The Directorate of Agriculture maintains records about acreage and yield and arranges forecasts of the jute crop. Daily market reports are also collected by this Directorate and published through Radio and Press. The Pakistan Jute Association keeps statistics of exports and prices. The Customs Department, the State Bank of Pakistan and the Central Statistical Office also maintain these statistics. The State Bank, in addition, maintains records of EPC registration of export sales and publishes fortnightly reports about it, showing the quantity, grades and destinations. The Jute Board also maintains statistics about exports, prices, EPC sales, etc. The C. S. O. publishes the statistics collected by it in a monthly Bulletin. The P. J. A. publishes monthly figures of exports, destination-wise as well as shipper-wise. The figures of exports of P. J. A. and C. S. O. seldom tally. The Pakistan Jute Mills Association also maintains statistics about production, stocks and despatches of jute goods and consumption and stocks of raw jute in the jute mills. The largest volume of statistics about jute and jute goods is maintained by the Directorate of Jute, Govt. of East Pakistan. The Jute Directorate, besides collecting and collating the information from all the agencies mentioned above, also collects through its field staff spread all over the Province, statistics about (i) purchases/sales, production, despatches and stocks of jute and jute manufactures, (ii) jute baling presses and their output, (iii) transactions of jute brokers, (iv) employment in jute firms and mills and (v) Imports in primary and secondary markets, with prices, quality and general market conditions. The carry-over at the end

[1] Report of the Royal Commission on Agriculture in India para 527.

[2] Report of Floud Commission 1940, p. 77.

of each season is also ascertained by it through returns obtained from all dealers. The Directorate also maintains and publishes statistics regarding the value of total exports of jute, the production and sale of jute and jute goods in India and the prices of raw jute and jute manufactures in the U. K. and the U. S. A. The information is regularly published in a booklet called "The Montly Summary of Jute Statistics" which has a circulation both within and outside the country. The Port authorities of Chittagong publish a monthly journal from where some reliable figures can be had. The Provincial Statistical Board under the Govt. of East Pakistan maintains statistics of diverse nature including those of jute and jute goods and also publishes a "Weekly Information Service" and a "Monthly Survey".

479. There is thus no lack of statistics but they are not properly organised. Figures received from different sources may vary greatly. There is also lack of uniformity in many cases and duplication in others. We, therefore, recommend that all statistics about jute and jute goods should be centralised under the proposed Jute Authority.

E. P. C. Procedure and Customs Check

480. Export Price Check is undertaken by the State Bank of Pakistan only to prevent under-invoicing. In no way it is intended to influence the price level, which is determined by the market forces or by Government policy (when minimum prices are fixed). It does not, therefore, produce any adverse effect on the trade. On the other hand, this check is necessary to ensure tht the country receives full foreign exchange earnings from the export of raw jute, according to the ruling market-rates. However, the check can be fully effective and can guarantee hundred per cent repatriation of foreign exchange actually earned by the exports only if the market reports are correct.

481. For the purpose of E. P. C. registration the daily price reports published by the P. J. A. serve as the main indicator for verifying the prices quoted by the shippers. At times the State Bank exercise cross check by making reference to reports received from brokers and other sources. We are of the view that the work of E. P. C. should be transferred to the Jute Authority, who should collect information from various sources.

482. At present the customs check of export consignments of raw jute is made by cutting open 2% of the pucca bales and inspecting the quality. But this check is not very effective as the inspecting staff lack adequate knowledge about different grades of jute. This is because the training they get is quite superficial. Even a working knowledge of grading cannot be obtained except by practical training and continuous association with jute for several years. So we recommend that the P. J. A. should institute a training programme for the Government officials connected with jute, particularly the customs inspectors, so that they may understand the various L. J. A. grades. This training programme and the actual checking of consignments will be greatly facilitated if samples of various grades of jute are prepared and kept at every customs check point.

Levies on jute and jute goods

483. Pakistan Jute and jute goods have to bear a variety of levies as shown below :—

Collected by Central Government :

1. Fee under the Registration (Exporters & Importers) Order, 1952.

(*a*) Fee for registration of the firm as exporter	Rs. 100
(*b*) Renewal fee per year	Rs. 10

2. (*a*) Export duty on long jute, habijabi and S.M. rejections ... ... Rs. 20 per bale.

(*b*) Export duty for cuttings and cut ropes ... Rs. 10 Do.

Collected by Provincial Government :

I. Fees under the Jute Dealers Registration Act, 1949:

1. (*a*) Pucca Press ... ... Rs. 2,000 per year per press.

(*b*) Kutcha Press (Engine driven)... ... Rs. 1,000 Do.

(*c*) Kutcha Press (Hand driven) ... Rs. 250 Do.

2. Jute godwons Rs. 50 for every 4,000 sq. ft. of floor area or a fraction thereof each godown (used by traders other than growers).

3. (*a*) Shipper and Export Brokers :

Rs. 250 for each business station.

(*b*) Pucca Balers and Internal Brokers :

Rs. 100 for each business station.

(*c*) Aratdar :

Rs. 50 for each business station.

(*d*) Kutcha baler :

Rs. 20 for each business station.

(*e*) Dalal :

Rs. 20 each.

(*f*) Beparis, Farias, Mahajan or Pakars :

Rs. 12 each.

II. Jute tax of annas -/4/- per maund.

Levies on jute goods

Collected by Central Government.

(1) Excise duty Rs. 70 per ton.

(2) Sales tax at 12-1/2%.

484. Jute export duty was first imposed by the Govt. of India in 1916 as an emergency measure. The rate was Rs. 4/8/- per bale on long jute and Rs. 1-4-0 per bale on cuttings. These rates continued up to the time of Independence. Thereafter the export duties on jute have undergone several changes as shown below :—

Export duties on raw jute and cuttings in Pakistan.

Pakistan rupees per bale of 400 lbs—£ equivalent per ton.

Period	Raw Jute	Cuttings
	Rs.	Rs.
From November 14, 1947 to March 31, 1948	15 (£6-6s-0d)	4-1/2 (£1-17s-10d)
From 1st April 1948 to 31st October 1951 ...	20 (£8-8s-0d)*a* „ (£1 2-2s-8d)*b*	6 (£2-10s-5d)*a* „ (£3-12s-10d)*b*
From 1st November 1951 to 30th June 1952...	35 (£21-4s-8d)	10 (£6-1s-4d)
From 1st July 1952 to 22nd August 1955 ...	15 (£9-2s-0d)*c* „ (£6-6s-0d)*d*	5 (£3-0s-8d)*c* „ (£2-2s-0d)*d*
From 23rd August 1955 to 22nd August 1956	20 (£8-8s-0d)	5 (£2-2s-0d)
From 23rd August 1956 onwards	20 (£8-8s-0d)*e*	10 (£4-4s-0d)

a Pre-devaluation of £ sterling.
b Post-devaluation of £ sterling.
c Pre-devaluation of Pakistan rupee.
d Post-devaluation of Pakistan rupee.
e As from 23rd August 1956 for purposes of export, Habi Jabi was classified under long jute.

Source : C. E. C. Industrial Fibres, 1959, p. 220.

485. We do not want to say anything about the present excise or export duties except that we are sure that Government have their justification constantly in view. The present export prices of jute are so high that there is no case for any reduction in the export duty so long as the prices do not come down. We are also sure that Government are fully conscious of the fact that the popularity of jute arises mainly from its cheapness and that Govt. will try to keep jute as a cheap packaging material for the world. If and when prices come down to such a level as to make the cultivation or trade of jute not sufficiently profitable with the present duties, we are sure Govt. will review these duties so as to reduce them.

Government Organisation on Jute

486. At the present time jute is being looked after both by the Central and Provincial Governments. In the Centre, the Ministry of Agriculture, the Ministry of Commerce and the Ministry of Industries are all directly concerned with jute. Under the Provincial Govt., jute is a major item of work of the Department of Agriculture. It is this Department which has to deal with the problems of jute from the production of seed up to the preparation of fibre. On the trade side, the Jute Board under the Central Ministry of Commerce deals with the external trade, while

the Jute Directorate under the Provincial Government deals with the internal trade. There is also a Government-sponsored Jute Marketing Corporation which deals in jute. The statistics of jute are maintained by several Govt. and non-Governmental organisations. Jute research is under the control of the Pakistan Central Jute Committee, an autonomous body under the Central Ministry of Agriculture. The Ministry of Industries and the P. I. D. C. look after the jute industry. While each of these organisations is doing its best, there is obviously over-lapping of work and lack of co-ordination among them. It is essential that jute, which is so vital to our national economy, be dealt with directly by the Government of Pakistan through a single autonomous body.

487. We are strongly of the view that there should be a high-powered Jute Authority to regulate and control all aspects of jute—its production, manufacturing, marketing, and research. This organisation should have as its chief executive (Chairman) a person of seniority and experience who should have the status and rank of a Secretary to the Government of Pakistan. This chief executive should be directly under a special Ministry of Jute of the Central Government of which he should be the Secretary. The Ministry (though not necessarily the Minister) should be located in East Pakistan. This Ministry should function on behalf of both the Central and Provincial Governments in all jute matters.

488. The Jute Authority should consist of a Chairman and 2 whole-time members. The two members should be selected on the basis of experience and qualifications and should be of the rank of Divisional Commissioner under the Provincial Government or Joint Secretary under the Central Government. The Authority will, of course, have a Secretary who will be in charge of its Secretariat and will be responsible to the Jute Authority. It would also be desirable that the Authority be assisted by a Financial Adviser who should be a person of wide experience in financial matters and foreign trade. The Financial Adviser should be responsible to the Jute Authority.

489. The Authority, we visualise, will have the following Divisions :

(*a*) Agricultural Division,

(*b*) Internal Marketing Division,

(*c*) External Marketing Division,

(*d*) Industry Division,

(*e*) Research and Statistics Division.

Each Division will have, in addition to the administrative staff, technical experts, and will maintain liaison with the relevant Departments of the Provincial and Central Governments and private organisations, for the implementation of the policy of the Authority and the programme of its work. For instance, the Agricultural Division will work in co-operation with the Provincial Department of Agriculture as far as production of jute is concerned. Similarly, the Internal Marketing Division must necessarily keep in constant contact with the P. J. A. and P. J. M. A. and the External Marketing Division will maintain contact also with L. J. A. and other foreign organisation. The questions relating to banking and credit, and inland water and rail/road transport and Port facilities will be under the Internal Marketing Division, while foreign trade of jute, including ocean freight, insurance etc., will be under the External Marketing Division. The Industry Division is expected to co-operate with the P. I. D. C. and other institutions and departments responsible for industrial development. Research and Statistics Division will be under the same head but will have two separate sections—one will deal with agricultural, technological and economic and marketing research and the other will deal with all statistics of jute. At present, as already stated in Chapter XII, research is being conducted by the Jute Research Institute under the P. C. J. C. This Institute will go under the direct control of the Jute Authority.

These are only indications how the several Divisions of the Jute Authority may work. The details may be worked out by the Government and by the Jute Authority when formed.

490. What shape the Jute Authority will take in the field of trade will largely depend on the functions which will be entrusted to it. Immediately it will be required to deal with the question of stabilisation of the price of jute. As we have stated in Chapter VI (Para 203) one way to bring in stability of prices is by means of buffer stock operations. Such operations should be conducted only under the direction of the Jute Authority and they should be carried out through the J. M. C. or any like organisation which should come under the Internal Marketing Division of the Jute Authority.

Immediately there is no need to worry about buffer stock operations—as the stocks are not there—and the shortfall which arose in the past two years may take another 2/3 years to recover. But the history of jute trade shows that abnormally high prices were followed by surplus production and low prices. What the Authority should do is to guard against such an eventuality and keep itself ready for taking action when the necessity arises. This will require a considerable fund outside the normal expenditure of the Jute Authority. We may call this a Stabilisation Fund.

491. Whatever may be the functions undertaken by the Jute Marketing Corporation, it will have to operate wholly on commercial lines. It is, therefore, natural that at times it may incur loss and this loss has to be made up through normal trade as is done by other business concerns.

At present the J. M. C. has got a working capital of Rs. 2 crores. It is not expected to handle enough trade with this amount. It should build up a capital of at least Rs. 5 crores. If it is to conduct buffer stock operations, the amount will have to be even larger. While it may be possible to get a part of this additional finance by borrowing from banks, it may not be possible to get adequate financial accommodation from banks alone.

492. It may be necessary to impose an additional tax of Re. 1/- per bale of jute exported or its equivalent on kutcha bales and on all jute used by Pakistani mills. In this way it should be possible to build up a Price Stabilization Fund of Rs. 5 crores within the next few years.

493. We feel that a properly organised Jute Authority under the guidance of a Minister of Jute will go a long way to successfully tackle not only the day-to-day problems of jute but also its long term problems and will help create greater confidence in the future of jute at home and abroad.

CHAPTER XIV

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

CHAPTER III.—SIZE OF PAKISTAN JUTE CROP.

1. The percentage share of Pakistan in the world production of jute and allied fibres has seen gradually declining while the shares of India and other countries have been rising steadily. It is absolutely necessary to reverse this trend and to make all endeavours to obtain an increasing share for Pakistan in the future (para 61).

2. The size of the Pakistan jute crop should be about 80 lakh bales by 1964-65. We, however, recommend that during the next few years the crop, under normal circumstances, should be of the order of 65 to 75 lakh bales. The actual annual target will have to be assessed every year keeping in view the progress of the jute industry in Pakistan and the expected volume of exports to overseas and India in the year. (Paras 108 & 109).

CHAPTER IV.—JUTE AREAS.

3. In low-lying areas shown in statement I and other low-lying areas where jute grows well and no other crop can be safely grown, the cultivation of jute should be encouraged without any restriction even if such areas fall within the border belt. (Para 130).

4. Good and medium quality jute should be grown in the areas shown in statements II and III (except in the border belt).

5. As the exact acreage of the areas shown in statements I, II and III is not known it is desirable that a survey should be made to ascertain the size of each of these three categories of land. (Para 129).

6. A comprehensive soil survey should be conducted regarding the types of soil in East Pakistan and their chemical contents etc. so as to find out what crops will be suitable for which areas. This survey may be conducted by the EPWAPDA on the same line as is being done by WAPDA in West Pakistan. (Para 129).

CHAPTER V.—YIELD AND COST OF RAW JUTE.

7. The programme of seed multiplication and distribution as envisaged in the 2nd Five Year Plan should be vigorously pursued. (Para 152).

8. With a view to popularising the use of fertiliser, large scale demonstration plots should be laid out in cultivator's fields where improved cultural practices and manurial trials can be effectively demonstrated for the benefit of the jute growers. Supply of chemical fertilisers to growers should be continued at subsidised rates for some years more. (Para 155).

9. The existing bullock power should be supplemented by tractors wherever possible and a pilot scheme to use small tractors should be undertaken by the Government on an experimental basis. (Para 157).

10. The manufacture of improved agricultural implements, like seed drills, hand-hoes, paddy-crushers, etc., should be done through private firms on a large scale. The Agriculture Department should distribute these implements to growers at concessional rates or on hire or instalment purchase system in order to make the growers familiar with them. (Para 159).

11. The Co-operative Societies, the Agricultural Bank and the Agricultural Development Finance Corporation should extend their credit facilities for the purchase of these implements by the growers. (Para 160).

12. For routine control of insects and pests, every union should be provided with sufficient sprayers, insecticides and pesticides so that timely and effective steps can be taken by the local Agricultural Assistants and other union staff. (Para 162).

13. For dealing effectively with serious out-breaks both ground and aerial wings of the Plant Protection Department should be strengthened. (Para 162).

14. More attention should be given by the Jute Research Institute to the breeding of disease resistant varieties. (Para 163).

15. As regards credit we support the recommendations of the Credit Enquiry Commission and further recommend that the extension of agricultural credit facilities should be conveniently integrated with the distribution of seeds, fertilisers and small agricultural implements by the Department of Agriculture so that the growers can utilise the credit for adoption of the improved methods. (Para 166).

CHAPTER VI.—PRICES OF JUTE.

16. We are of the opinion that measures should be adopted to keep the fluctuations of prices within a range of 10% either way (para 197). To achieve this objective we recommend the following measures :—

(*i*) to ensure production of jute according to world demand,

(*ii*) to progressively increase the manufacturing capacity within the country so as to augment its stabilising influence in the internal market,

(*iii*) to increase competition within the country by ensuring larger number of buyers in the market by means of the following steps :—

(*a*) Mill and shippers should be encouraged to set up more outstation buying agencies.

(*b*) East Pakistan Jute Marketing Corporation should expand its activities in areas where there is paucity of buyers.

(*c*) A large number of Jute Growers' Co-operative Societies should be established for the marketing of jute.

(*iv*) to conduct Buffer Stock operations through the proposed Jute Authority, or whichever authority is responsible for administration of jute matters. (Paras 200—203).

17. The Government should set up a Committee to study the question of the Jute Futures Market and if such a market is established, it should be under the supervision of the Jute Authority. (Para 213).

18. Fair price to the growers should be considered from the following points of view :—

(*i*) Jute/paddy or jute/rice price ratio. (Para 220).

(*ii*) Cost of production of jute. (Para 221).

(*iii*) Relationship with export price of jute (Para 222).

(*iv*) Relationship with the price of jute goods. (Para 224-225).

(v) The jute grower has on an average 3 acres of land and a family of 5-1/2 members and should get a net income of about Rs. 40 per month out of the land after deducting his costs of cultivation. (Para 228).

(vi) The physical strain on the jute grower is heavy, the risks of cultivation, harvesting, storage, marketing and price fluctuations are high, and his crop or any other property is seldom insured. (Para 228)

Taking all these facts into consideration, the fair price to the grower should be Rs. 25 per maund of jute (loose unassorted).

19. Measures recommended earlier for increasing yield and/or for reducing cost of production of raw jute and measures recommended later for increasing the efficiency of internal and external marketing will help ensure a fair price to the grower. In addition to these measures, the Jute Authority should take steps to ensure a fair proportion of the export price of jute to the growers. (Paras 232-233). If necessary the Jute Authority may fix and enforce a minimum price at the growers' level. (Para 230).

CHAPTER VII.—MARKETING OF JUTE (Internal)

Storage

20. At Chalna Anchorage adequate storage facilities should be provided by the provision of floating sheds. If possible, the Civil Supplies godowns at Khulna may be made available to the industry at commercial rates for storage of jute goods. Construction of new godowns and maintenance and renovation of old ones should be facilitated by the supply of suitable building material and provision of land near business centres. In this respect Daulatpur and Khulna should be given special attention. (Para 275).

21. There is need for growers' and beparis' markets at Narayanganj and Daulatpur where they would bring jute and where the purchasers *i.e.*, shippers would come and bid for the jute. This will provide a competitive market in which sellers will be able to get better prices than under the existing arrangement. (Paras 255,276).

22. For growers and also for farias and beparis, regulated markets with warehousing facilities may be established at selected baling centres on the same lines as contemplated for Narayanganj and Daulatpur. Such markets may also be established in some important primary markets from where jute can be transported to Narayanganj, Chittagong and Chalna throughout the season.) Para 278a, 303—306)

23. Warehouses may also be set up and operated by Co-operative Societies, which may be established with Governments' encouragement and initiative. Through these warehouses the balers would be able to purchase jute directly. (Para 278b).

24. Covered space should be provided in the primary markets to protect jute from rains and storms. (Para 253).

25. The existing storage charges are not standardised. They can be rationalised after working out the expenses incurred in regulated markets. Any immediate and arbitrary reduction may dislocate the marketing arrangements. (Para 256).

Insurance

26. On account of congested godowns fires are rather frequent, resulting in high rate of insurance premium. But nothing revolutionary can be done with the jute godowns at once because their improvement will involve a huge amount of money. Steps should be taken to prevent the spread of fire by separating bale jute risk from working risk so as to bring down the insurance premium rates. (Para 279-280).

27. Under the East Pakistan Fire Service Ordinance, 1959, all godowns for storage of hazardous goods will be licensed and new godowns will only be allowed according to plans approved by the Fire Service authorities. When this Ordinance is enforced it is expected that the fire risk will be much reduced. It should be brought into force at an early date. (Para 281).

28. Fire fighting equipments such as portable fire pumps and chemical fire extinguishers may be manufactured in Pakistan and supplied at moderate cost to the jute firms. (Para 282).

29. Fire Brigade should be posted at important jute centres, such as Daulatpur (Khulna), Sarisabari, Charmuguria, Bandar (Narayanganj) which do not have fire brigades now. (Para 283).

Finance

30. More facilities of finance should be made available to small shippers (having a turnover of less than 50,000 bales) through a "Small Shippers Corporation". This Corporation would also arrange to train up the new and small shippers in jute. business so that they may fruitfully utilise the finance provided. The banks will be able to liberalise their credit policy and supply more credit to the small shippers through the channel of the Corporation. (Para 284).

31. In order to remove dearth of finance in mofussil centres, more finance should be poured in and more buyers should be encouraged to operate. For this purpose the following steps may be taken :

(*i*) Commercial banking facilities should be extended to all baling centres of East Pakistan.

(*ii*) The Jute Marketing Corporation and the East Pakistan Provincial Co-operative Jute Marketing Society may open branches or Agencies in markets which suffer from a lack of purchasers.

(*iii*) Co-operative jute marketing societies may be set up to operate at the primary market level in increasing numbers.

(Para 285).

Baling

32. There is maldistribution of existing pucca baling capacity and more capacity is required at certain places. As physical transfer of presses from one place to another is not a practical proposition, more presses should be set up at Ashuganj, Bhairab, Iswarganj, Mymensingh, Charmuguria, Tangail, Kurigram and particularly Daulatpur. (Para 286).

33. The pucca press operators are handicapped by a shortage of spare parts which retards normal outturn. Steps should be taken to manufacture spare parts locally and pending progress in this line adequate import licences for spare parts should be given to press owners so that they may be able to run the presses to their full capacity. This, in turn, may help in reducing the charges of pucca baling. (Para 287).

34. The pucca pressing charges appear to be rather high at the present level of Rs. 3-8-0 per bale. The pressing charges may be looked into and may be reduced if possible. (Paras 288-289).

Transport

35. All roads, canals and rivers connecting villages with primary markets and kutcha baling centres should be maintained properly, repaired expeditiously and extended where extension is required. The new roads should be so planned as to serve as feeder roads to the national high-ways which are being developed by Government. They should also connect the village with the main riverine stations. (Para 290).

36. To improve the railway services the following steps may be taken :

(*i*) Wagons should be checked regularly and leaky wagons should be immediately repaired. In case any jute is damaged or stained in transit it may be carried back to the place of despatch without any charge.

(*ii*) The shippers at Ashuganj should be allowed to book both from Ashuganj and Bhairab.

(*iii*) To minimise the jute traffic by the ferry on the river Jumna the entire jute from Northern areas for export should be carried to Daulatpur-Khulna and necessary facilities for this should be provided, such as (a) development of Khulna and Daulatpur railway stations, including provision for storage for short periods, and (b) concessional rates from baling centres in Northern areas to Daulatpur and Khulna.

(Para 291).

37. I.W.T. services can also be extended and improved if :

(*i*) Narayanganj port is developed and modernised, with separate loading unloading and landing jetties.

(*ii*) Big jetties with modern facilities are constructed at Narayanganj and Daulatpur by the Inland Water Transport Authority and administered by it.

(*iii*) Storage sheds are provided at Chalna anchorage so that barges may be released promptly.

(Para 292).

38. Prior consideration should be given to the development of new land and water routes enlisted in para 293.

39. I.W.T. freights are much higher than the Railway freights from the same points to Chittagong and Chalna. In particular the I.W.T. freights from Daulatpur and Khulna to Chalna are extra-ordinarily high compared to the distance. The freight rates for I.W.T. flats needs revision.

(Paras 273, 294).

40. The Railways should examine their present freight structure and rationalise it so as to eliminate apparent inconsistencies in the freights for different sections.

(Para 294).

41. The freight rates for movement of jute by big boats should be standardised at a reasonable level. The possibility of tugging big boats by motor launches may be examined by the I.W.T.A.

(Para 294)

Other Measures for Improving Marketing

42. The East Bengal Jute Dealers Registration Act of 1949 should be strictly enforced to remove diversity of weights and measures. The Basic Democracies should be required to provide standard weights as well as weighing facilities. In addition, regular checking should be done by market officers and local police. The weights used both at the primary and secondary markets should be uniform.

(Para 295).

43. The grades of jute should be standardised and the standardised grades enforced in all the baling centres. Purchase on assortment should be made obligatory in these centres.

44. Dissemination of up-to-date market information in the villages and mofussil areas is a matter of extreme importance. The following steps may be taken for this purpose :

(*i*) Radio reports on Narayanganj prices should be broadcast twice a day: once in the forenoon and once in the afternoon or evening with the programme for Basic Democracies.

(*ii*) The Government plan for supplying a radio receiving set to each Union should be implemented as soon as possible. On receiving the radio reports the Union Councils should make arrangements for giving publicity to the prices of jute in the village markets by placing them on notice boards at suitable places or by beating drums or through the National Development Organisation.

(Paras 297-298).

45. The proposed Jute Authority should introduce an effective rural intelligence service with a view to keeping the growers and dealers constantly informed of the day to day market conditions prevailing at Narayanganj and Daulatpur.

(Para 300).

46. In the secondary markets the charges for storing, weighing, etc., vary from place to place. There is scope to rationalise these charges. A complete and detailed study of the present charges should be made by the Jute Authority, who should be authorised to rationalise and standardise these charges.

(Paras 301-302).

47. Jute growers' co-operative societies may be started in large number, but they must be voluntary organisations, organised by the growers themselves. Nothing should be imposed from the top. Government should, however, encourage their formation and should come to their help if they get into difficulties due to adverse market conditions and for no fault of their own.

(Para 314).

48. A co-operative jute marketing society dealing with small members meet with difficulty chiefly in disposing of their crop efficiently and profitably. If the disposal is hampered in a fluctuating market where time is of the essence, there is bound to be loss. The present Co-operative Act and Rules act as a handicap for quick disposal of the stock of a jute society.

(Para 313).

49. Co-operative organisations can, however, go in for a jute mill. In this mill, if necessary Government may take shares and associate itself in the Board of Management for efficient running of the mill. To start with, a 250-loom mill may be started in Northern area mainly with the object of meeting the bag requirement of the Surgar Mills in that area.

(Para 315).

CHAPTER VIII.—MARKETING OF JUTE (Export).

50. Arbitrations by the London Jute Association and the Dundee Jute Importers Association is not always such as to inspire confidence. They want continually something better for each grade of jute. Over the last 10 years or so the London Jute Association has raised its standard by at least one grade. It is necessary and desirable that grades should be both defined and fixed.

(Para 335).

51. It is also desirable that arbitration should be held in Pakistan—the seller country (as in the case of jute goods). It should be the aim to bring that about in course of time.

(Para 335).

52. The London merchants have been getting a commission (2%) from the Pakistani exporters. But the fact is that they buy as principals, either for supply to consumers against orders in hand or in anticipation of sale later at a higher price. As these London merchants are not agents of the Pakistani exporters there is apparently no justification for their getting a commission from the latter. The Commission should be payable only where it is earned by a buyer who is in fact the seller's agent.

(Paras 336-337).

53. The Pakistan Jute Association (PJA) is recognised as the sole representative organisation of the jute trade. The Jute Authority should see that the Association (PJA) always works with such rectitude and uprightness that there is never any suspicion that it is not completely fair or is dominated by any influential vested interests.

(Paras 331-332)

54. One great handicap the PJA is suffering from is that it has no branch office abroad. This stands in the way of its becoming as effective an organisation as it should be. Specifically it prevents exports being made on the PJA contract and compels exporters to use the L.J.A. and other contracts. To begin with, an office in London is an urgent necessity and we recommend that the P.J.A. should take steps and Government give all help for the opening of this office.

(Para 333).

55. When, after opening of its office in London, the PJA makes arrangements for inspection abroad there should not be any practical difficulty in the adoption of the PJA contract for most of the export sales. All efforts should be made to popularise the PJA contract.

(Para 339).

56. All Pakistani exporters who want to open offices abroad should be permitted to do so and exchange should be made available to them for this purpose. We presume, of course, that only those Pakistani exporters will apply whose volume of business justifies an office abroad.

(Para 338).

57. One service which the London merchants give to the Continental buyers is to extend credit facilities to them. Our own big shippers should also be able to arrange to accord similar facilities.

(Para 338).

58. In the export trade of jute a major cause of concern is the increasing shipping freights. The freight to U.K./Continent has been raised from 92 shillings per ton in 1948 to 192 shillings in 1957. Tramp shipping, which also works at a profit

is available at very much lower rates. The Conference rates do not also appear to be wholly rational. As the Conference Lines work under a close alliance it is difficult for any Government or trade organisation to bring about a reduction in their freight rates, but efforts should continue to pesuade and press the Conference Lines to reduce their rates, by at least 40 shillings per ton for the present. Simultaneously attempts should be made to develop our mercantile marine.

[Paras 340(3), 341].

59. It is necessary for obvious reasons, to bring in more Pakistanis into the jute export trade. A "small Shippers Corporation" may be established to give the new and small shippers financial help, technical trainig and advice, and provide for them selling arra gements abroad. The Shape, functions and other particulars of such a Corporation may be worked out by the proposed Jute Authority.

(Para 342).

60. There are several malpractices in the jute export trade such as bogus sales to agents, foreign exchange fraud through false claims under amicable settlement and under-invoicing of consignments. False claims should be carefully examined before remittance is allowed. The Jute Authority should study the performance of each shipper, with special reference to the nature and number of claims paid and issue warnings to shippers in cases where undesirable tendencies are noticed.

(Paras 343, 344).

61. The private marks of exporters provide an opportunity for under-invoicing because some of the marks are premium marks and either they are not declared as such or the full premium obtained is not shown. Although the premium marks may continue to be allowed, as they generally represent jute which is specially treated to suit the requirements of individual buyers, proper scrutiny should always be made to see that the full premium is realised in foreign exchange.

(Para 345).

62. There should also be a limit to the extent by which the premium marks may be better than the ordinary grade. Similarly for non-premium marks there should be a limit of, say, 20%.

(Para 345).

63. Though we do not recommend state trading or a central monopolistic organisation to deal with the entire quantity of jute, we are strongly of the opinion that a semi-Government organisation, like the existing Jute Marketing Corporation, trading in jute will go a long way to help the growers and consumers alike. For this purpose, the Corporation should be provided with resources enough to deal with 20 lakh bales of jute *i.e.*, about 30% of the total output.

(Paras 351, 357).

64. The J.M.C. since last year has been trying to do business from the growers to the export level. We think it would be advisable for this organisation to specialise in export trade and help the co-operatives by buying through them.

(Para 357).

CHAPTER IX.—GRADING OF JUTE.

65. The standards of grading have been upgraded several times since 1947. In particular, the standards have been made stricter with respect to the proportion of cuttings allowed in each grade. As a result ' Top ' and ' Middle ' grades are virtually non-existent now and all jute of Pakistan is now called ' Bottom '. But 'Bottom' of Pakistan jute is equivalent to ' Top ' of Indian jute. This nomenclature is irrational and misleading. It should be changed as follows :—

Existing nomenclature	Recommended nomenclature
Top Middle	Super-Top
Bottom	Top
B-Bottom	Middle
C-Bottom	Bottom
X-Bottom	X-Bottom
Habijabi	Habijabi
Rejection	Rejection

(Paras 375—379, 392).

66. The definition of grades is seldom strictly followed in practice both in the internal and export market. Moreover, as the quality of jute is assessed visually and manually, the assorter has a wide latitude in determining the grade. As a result, a large number of standards of assortment prevails in the market creating confusion among traders and ultimately acts to the detriment of growers. The non-existence of a fixed agreed standard seems so potently unreasonable and undesirable to us that we cannot endorse its continuance.

(Paras 380—385).

67. The existing definitions of standard pucca and kutcha assortments are in very general terms. They have to be made more specific and the private marks, on the basis of which all business is transacted in the internal and export market, also need to be defined. The entire question needs to be carefully studied.

(Para 386).

68. L.J.A. has submitted its definitions of 28 export grades and these are now under the consideration of the Government of Pakistan and the PJA. We recommend that after finalisation of these definitions, samples of each grade should be drawn and kept in Pakistan as well as in London and arbitration should be done on the basis of these samples.

(Para 387).

69. Through its office in London (recommended earlier), P.J.A. will be able to channelise more trade direct to the spinners and to enforce correct fixed standards through its arbitration.

(Para 388).

70. In the internal market also the P.J.A. will enforce the agreed specifications of pucca assortments and revise specifications of kutcha assortments accordingly in the kutcha grades Bottom of Jat is superior to Bottom of District and both of

them are superior to Bottom of Northern. This variation of grade from area to area, contributing to multiplicity of standards, is unsatisfactory. We should aim at having the same, uniform standard for the whole province.

(Para 389).

71. In order to enforce the standards of kutcha assortment the Pakistan Jute Association should draw samples of each kutcha grade for Jat, District and Northern areas separately. These samples will provide the basis for inspection and arbitration in the case of baled jute transactions. The Pakistan Jute Association should arrange for inspection and arbitration in all important baling centres of the Province. It should also make arrangements for training in jute assortment of Government officials concerned with the jute trade (such as officials of the Customs Department) and other people engaged in or intended to be engaged in jute business.

(Para 390).

72. For enforcing standard grades in loose jute transactions, we are in favour of purchase by balers on assortment basis and recommend that gradually it should be made compulsory and the necessary facilities for it should be provided.

(Para 391).

73. The quality of jute is often impaired by excess moisture contents in it Excess moisture also makes it impossible to maintain correct standard specifications, if the fibre is pressed in a damp condition. The East Bengal Jute Dealers Registration Rules 1950 should clearly define what excess moisture is. Provision should also be made for the use of moisture testing apparatus which should be made available to the field staff at each important baling centre. Senior Officer concerned may be given wide adjudicating powers to decide moist jute cases on the spot.

(Paras 393, 394)

74. In the export market also the problem of excess moisture exists. The measures recommended above will, it is hoped, reduce the cases of excess moisture. We are of the view that there should also be an agreed procedure of testing the excess moisture and meeting the claims, if any, arising out of it.

(Para 395).

CHAPTER X.—JUTE MILL INDUSTRY IN PAKISTAN.

The main problems of Jute Mill Industry in Pakistan are (*i*) high cost of production and (*ii*) low productive efficiency.

75. The cost of production of jute goods may be reduced by the following steps:

(*a*) A limited quantity of mesta should be produced every year, to meet the mills' requirements only. There is, however, no need for placing any restrictions on the pro-uction of mesta.

(Para 410).

(*b*) The duty and sales tax on the import of machinery, spare parts, accessories, batching oil and furnishings etc., operate to increase the cost of production. These items should be duty-free and should pay no sales tax. Arrangements should be made to produce all possible items in Pakistan even with imported raw materials, if necessary.

(Para 422c).

(*c*) The cost of power in East Pakistan, 2 as. per unit is no doubt very high and compares very unfavourably with the rates in India and also in West Pakistan. In our view, in calculating the rate structure for power the capital cost for power production should be written down by the amount of the foreign aid for it so as to reduce the cost per unit. Government should also take other steps to bring down the cost of power to the jute mills in Pakistan to the level obtaining in other countries including India.

(Para 422c).

76. For increasing the productive efficiency several measures may be taken as discussed below :

(*a*) Almost all the Pakistan mills were equipped with 70% hessian and 30% sacking looms, with necessary warp and weft preparatory and spinning machinery, and all of them have been working on double shift. But in view of the better marketing position of sacking, the industry has been working on the basis of 50% hessian and 50% sacking looms, which has now almost become a normal feature. The imbalance created by this change is remedied by working part of the sacking weft and preparatory machinery in the 3rd shift. This does not seem to be a satisfactory arrangement. It is necessary to install additional sacking weft units and arrange to train sufficient weavers for working the looms on 3 shift basis.

(Para 422a).

(*b*) Training centres should be started at Chittagong, Dacca and Khulna for the purpose of turning out trained workers, particularly skilled weavers who play a very important part in the production of jute goods. Elaborate programmes for the training of such workers should be drawn up jointly by the PJMA and PIDC and vigorously followed by them.

(Para 422b).

(*c*) The PJMA should see that close co-operation is maintanined amongst the member mills and labour load and wages are uniform throughout the industry.

(Para 423).

Marketing of jute goods

77. There are very few shippers of jute goods in Pakistan and they make their purchases from the mills either through brokers or by direct contact. It would be highly desirable to have a proper jute goods market in East Pakistan with a fair number of jute goods shippers operating on the same lines as the exporters of raw jute.

(Para 415).

78. A handicap in our export trade is the unsatisfactory cable service particularly to Africa and the Far East. This service needs to be improved. Calcutta is still the most important jute goods market and so necessary it is that the telephone service to Calcutta should be well maintained. Similarly telephone service to all important jute centres in East Pakistan should be improved and teleprinter service should be introduced.

(Para 418).

79. The shipping facilities were inadequate in the past but for the last two seasons the situation has improved as direct shipping connections and regular shipping services have been established between Pakistan and U.K./Continent and U.S.A. But shipping services to Australia and New Zealand and the Far and Near Eastern countries are not regular and adequate. The shipping problem can only be solved by developing our own mercantile marine.

(Para 419).

80. Loading and unloading at mills at Khulna is often delayed on account of silting up of the river near the mill jetties. These difficulties should be attended to by EPWAPDA and I.W.T.A. The mills at Khulna also complain that even Pakistani lines (which have the monopoly of the coastal shipping) do not ensure regular service to Chalna. It is essential that shipping facilities should be available equally at Chittagong and Chalna.

(Para 420).

81. At present the production of Pakistan mills is not sufficient to meet the demand for Pakistan manufactures and the mills are in a position to pick and choose the markets. In our view greater attention should be paid to those markets which are of permanent and expanding nature.

(Para 424).

82. The Pakistan jute industry is enjoying considerable foreign exchange benefit through the present export bonus scheme. It also provides facilities to industrialists to go round foreign countries and study the aptitude, needs and requirements of foreign consumers. They can thereby also learn the advertising techniques of the foreign firms. We recommend that the bonus scheme be continued for 5 years (upto 1964-65) and thereafter the position should be reviewed. In the matter of bonus new mills should be given preferential treatment in view of their higher capital cost so that they are put on an even keel and on less unequal terms with the old established mills.

(Para 425).

CHAPTER XI—TARGETS FOR JUTE GOODS.

83. On the basis of 12,000 looms the target for annual production should be 4·5 lakh tons by 1964-65 which after meeting the domestic requirements of 90,000 tons at the end of the period will leave an export surplus of 3·6 lakh tons. The composition of producton should be 30% hessian, 65% sacking and 5% other jute manufactures. We are of the view that if the availability of jute mill machinery improves the target should be revised later on the basis of 16,000 looms.

(Paras 432—434).

84. Jute mills in Pakistan should be encouraged to establish units for manufacturing specialised items, *e.g.*, woollenised jute fabrics, laminated jute products, etc.

(Para 436).

85. One of the most important handicap to the expansion of the Jute industry is the dearth of private capital. The installation of 4000 looms will involve a capital expenditure of Rs. 20 to 25 crores. Part of this has to come from the existing mills and the promoters of new mills. The need for expansion of this industry is, however, so great and so urgent that if, for any reason, the response from private enterprise is not adequate, Government should provide the necessary finance.

(Para 439).

CHAPTER XII—RESEARCH ON NEW USES OF JUTE.

86. Facilities of technological research on jute products, particularly in the field of new uses of jute, are practically non-existent in Pakistan. Except for some researches that are being carried out in the laboratories of the Council of Scientific and Industrial Research and in the Universities, no technological Research work on jute is being carried out anywhere. The Technological Research Wing of the Jute Research Institute under the Pakistan Central Jute Committee will go into commission very soon and will be concerned with the technological research on jute both from the fundamental and applied points of view.

(Para 444).

87. In order to ensure maximum utilisation of the funds, personnel and equipment in jute research a comprehensive programme of research should be drawn up by the Jute Research Institute in consultation with the industry and other research organisations both from the long-range and short-range points of view. At the same time, we feel that more facilities should be extended for background research in the Universities which alone can ensure new discoveries in the applied field.

(Para 448).

88. The Technological Research Wing of the Jute Research Institute should concentrate on such aspects of jute research (shown in para 447) as will immediately benefit the Pakistan jute industry. (Para 447)

89. It has become extremely difficult to man the Technological wing which is primarily meant to deal with chemical and physical aspects of jute both from fundamental and applied points of view. To overcome this bottleneck in jute research, it is essential that experienced scientists in bast fibres from Europe or Japan should be brought for a period of years either directly by Government or through some aid-giving agency so that they may man the Technological Wing and guide the Pakistani workers until they acquire experience enough to take over. In getting foreign experts, Government should not hesitate to pay decent salaries which alone can attract really capable research scientists from abroad.

(Paras 449—451).

90. Action should be taken urgently to train up a number of Pakistani research chemists and research physicists in suitable Technical Universities and Institutes dealing with bast fibres.

(Para 452).

91. We also recommend that research into new uses of jute should be looked after by the Jute Authority in association with the Pakistan Jute Mills Association.

(Para 453).

CHAPTER XIII.—THE STATE IN RELATION TO JUTE

92. The Government in pursuance of our interim recommendations have suspended the regulation of jute cultivation, but as far as we can see there is no likelihood of this regulation being required again. So we recommend that it should be abolished and the Jute Regulation Act, 1940, should be taken out of the statute book.

(Para 461).

93. On the abolition of the Jute Regulation we have recommended that farmers should be given advice at the time of sowing how much jute they should grow. The Jute Authority should draw up an estimate of the requirement of the coming season and set the production target accordingly. In some years it may not be advisable to publish the target; in any case the actual production might vary widely from the target. On the basis of the target the growers may be advised what percent more or less as compared to the preceding year they should grow. This may not be uniform for the whole province as different areas grow different qualities of jute. Normally there should be three percentages, one for Jat area, one for District area and one for Northern area. This advice to the growers should be given wide publicity and it should be emphasised that it would be in their own interest to follow it. For this publicity and advice the services of Union Councils may also be utilised.

(Paras 462, 463).

94. The ban on jute cultivation in the five-mile border belt should be continued and made a permanent feature. This ban should be subject to the following provisos :

(*i*) Jute should be allowed to be grown in all low-lying areas where no other crop can be safely raised.

(*ii*) Every farmer should be allowed to grow jute on 1/4 bigha of land per family for domestic purposes. (This jute must not be allowed to be sold.)

(*iii*) The banning should be done on union basis and unions which do not fall within 5 miles of the border should not be affected by the ban.

(Para 465).

95. As we want to increase the production of jute in the coming years, it does not appear advisable to ban jute cultivation in any area outside the border belt.

(Para 466).

96. The existing forecast of jute crop is unreliable. A sample survey of jute acreage as designed by the Pakistan Central Jute Committee should be made in May every year, to be followed by crop-cutting experiments as the harvesting season advances, so that adequate informaton may be available with the Government about the size of the expected crop. The work of crop forecasting should be entrusted to the Jute Authority. (Paras 470, 471).

97. The present system of function-wise and station-wise licensing of jute dealers needs to be simplified. One dealer should have to take only one licence for all his operations throughout the Province. (Paras 472 474).

98. From December, 1956, a jute exporter has to register himself under the Central Government's Registration (Importers and Exporters) Order, 1952, and also the Provincial Government's Jute Dealers Registration Act, 1949. Exporter's registration should be done only once, *i.e.*, by the Central Government, since foreign trade is a Central subject. (Para 475).

99. Statistics relating to jute are collected and published by various sources. But figures received from different sources may vary greatly. There is also lack of uniformity in many cases and duplication in others. We, therefore, recommend that all statistics about jute and jute goods should be centralised under the proposed Jute Authority. (Paras 478—479).

100. The work of Export Price Check should, in future, be transferred to the Jute Authority who should collect information from various sources. (Para 481).

101. Customs check of export consignments of raw jute is not very effective as the inspecting staff lack adequate knowledge about different grades of jute. We recommend that the PJA should institute a training programme for the Government officials connected with jute, particularly the customs inspectors, so that they may understand the various LJA grades. This training programme and the actual checking of consignments will be greatly facilitated if samples of various grades of jute are prepared and kept at every customs check points. (Para 482).

102. The present export prices of jute are so high that there is no case for any reduction in the export duty so long as the prices do not come down. If and when prices come down to such a level as to make the cultivation or trade of jute not sufficiently profitable with the present duties, Government will review these duties so as to reduce them. (Para 485).

103. At the present time jute is being looked after by various Departments of the Central and Provincial Governments, and other organisations. There is obviously over-lapping of work and lack of co-ordination among them. It is essential that jute, which is so vital to our national economy, be dealt with directly by the Government of Pakistan through a single autonomous body. There should be a high-powered Jute Authority to regulate and control all aspects of jute—its production, manufacturing, marketing and research. This organisation should have as its chief executive (Chairman) a person of seniority and experience who should have the status and rank of a secretary to the Government of Pakistan. This chief executive should be directly under a special Ministry of Jute of the Central Government of which he should be the Secretary. The Ministry (though not necessarily the Minister) should be located in East Pakistan. This Ministry should function on behalf of both the Central and Provincial Governments in all jute matters. (Para 486—487).

104. The Jute Authority should consist of a Chairman and 2 whole-time members. It would be desirable that the Authority be assisted by a Financial Adviser who should be a person of wide experience in financial matters and foreign trade. (Para 488).

105. The Authority, we visualise, will have the following Divisions :

(a) Agricultural Division,
(b) Internal Marketing Division,
(c) External Marketing Division,
(d) Industry Division,
(e) Research and Statistics Division.

(Para 489).

APPENDIX A-1

GOVERNMENT OF PAKISTAN

MINISTRY OF COMMERCE

JUTE ENQUIRY COMMISSION

1959

QUESTIONNAIRE

GOVERNMENT OF PAKISTAN

JUTE ENQUIRY COMMISSION, 1959

QUESTIONNAIRE (1)

I—Size of the Jute Crop

" To recommend the appropriate size of the jute crop to be grown over the next five years, having regard to the requirements, both internal and external, price levels and world trends in the use of jute, competing fibres and substitutes ".

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*1. What are the present and future internal requirements of raw jute ? Please indicate mill consumption as well as domestic consumption of raw jute.

*2. (a) What are the external requirements (world demand) at present and how much of these requirements is met by Pakistan jute ?

(b) How can the world consumption of raw jute be increased and how can Pakistan obtain a share in it ?

*3. What have been the trends of

(a) world consumption of raw jute since 1947 and

(b) the proportion of world consumption other than home consumption met by Pakistan jute ?

*4. What, in your opinion, would the trends mentioned above be in the next 5 years, *i.e.*, from 1960-61 to 1964-65 (July—June) ?

*5. To what extent is Pakistan jute facing competition from

(a) jute produced in other countries for (*i*) home consumption and (*ii*) export,

(b) substitute fibres like hemp, kenaf, ramie, urena lobata and synthetics, etc.,

(c) alternatives like bulk handling, cotton and paper bags ?

Please indicate the present position and the prospects in future especially in the next five years (1960-61 to 1964-65).

*6. ~~(a) What~~ are the factors that are responsible for the introduction and development of alternatives and substitutes in other countries ?

(b) Has the introduction of alternatives and substitutes permanently affected the world demand for jute ? If so, to what extent ?

*7. (a) What have been the trends of (*i*) export prices and (*ii*) internal prices of jute since 1947 ?

(b) What, in your opinion, may be the trends in the next five years, *i.e.*, from 1960-61 to 1964-65 (July—June) ?

(c) At what level of export prices would there be an increase in the demand for raw jute, and to what extent ?

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(1) Please answer only those questions which you can, and give reasons for all the opinions you express.

*Special attention of Government officials, PJA, P JMA and other trade associations and knowledgeable traders and individuals are drawn to the questions marked with asterisks (*).

†Questions marked with a dagger (†) are specially meant for the Jute Mills.

8. What, in your opinion, would be the appropriate size of the jute crop of Pakistan in 1960, 1961, 1962, 1963 and 1964 ? Please indicate in lakh bales.

9. Would you suggest the size of the crop in the respective years in terms of percentages of (*i*) Tossa and White and

(*ii*) High, medium and low grades ?

10. Would you advise production of *mesta* in East Pakistan in addition to jute ? If so, in what quantity ?

11. What measures would you recommend to ensure the required size and quality of the jute crop ?

II - Quality Jute Areas

"To assess and advise on the areas where good quality jute should be grown with due regard to other land uses in the context of national economy".

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12. What, in your opinion, is good quality jute ? What are the areas in which it can be grown ? Name the districts and sub-divisions separately for Tossa and White.

13. What are the areas (districts and sub-divisions) where the required quantity and quality of jute should be grown ? (*Vide* question Nos. 8 & 9).

14. (a) What are the other crops which can be raised on lands where ordinarily jute is grown ?

(b) Which of them compete with jute for the same plot of land and for the same period in which jute is grown ?

(c) What factors other than cost of production are taken into account by the grower to decide which crop to grow ?

15. What are the crops which are rotated with jute ? How and to what extent are they rotated ?

16. How would your proposal, regarding the size, quality and area of jute, affect total food production in the province and to what extent ? (*Vide* question No. 13).

17. What are the areas in East Pakistan where only jute, and no other crop, can be grown ? (Please give area and precise location).

III—Yield and Cost of Raw Jute

"To make recommendations on how to maximise the yields of superior jute and lower costs of production through the use of improved seeds and farming methods".

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18. What is the normal yield (in maunds) per acre of jute of various qualities and of *mesta* in different parts of East Pakistan ?

19. How can it be increased and to what extent ?

20. (a) What is the approximate normal cost of production per maund of jute of various qualities and of *mesta* ?

(b) How is it made up ? Please give the break-up.

(c) How can the cost of production be reduced ?

21. How do the cost of production of jute and mesta compare with those of rice, sugar-cane, or any other competing crop ?

22. (a) Where do the jute growers get their seeds from ? What is the quality of these seeds ?

(b) What, if any, are the difficulties they experience in regard to supply of (*i*) ordinary seeds and (*ii*) quality seeds ?

23. What practical suggestions would you make in regard to agricultural practices to improve yield and/or reduce cost ?

24. What, at present, is the proportion of jute acreage under (*i*) ordinary seeds and (*ii*) improved varieties of seeds ?

25. (a) Do the jute growers use manure or fertiliser ?

(b) If so, of what kind and to what extent ?

(c) Is there any difficulty in the supply of chemical fertilisers ?

IV—Stable Price and Fair Return

"To suggest measures to ensure stable price levels and a fair return to the grower, aratdar and baler".

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26. What are the causes of instability of the (*i*) nternal prices and (*ii*) export prices of raw jute ?

*27. What suggestions would you make to stabillise (*i*) the nternal prices and (*i*) export prices of raw jute ?

*28. With n what range, would you consider, fluctuations of prices will not materially affect stability ? Please indicate in terms of percentages.

*29. (*a*) Do you advocate statutory minimum prices ? If so, at what stage/stages and level/levels ?

(*b*) How can the proposed price control be administered and enforced ?

*30. What, in your opinion, is a fair return (price per maund) to the grower for average quality of (*i*) Tossa and (*ii*) White jute ? How do you arrive at it ?

31. What is the price spread as between

(a) Growers,
(b) Farias,
(c) Beparis,
(d) Aratdars,
(e) Kutcha balers,
(f) Pucca balers/shippers,
(g) Ultimate consumer of raw jute abroad ?

32. How can the middlemen's charges at each stage be reduced and to what extent ?

*33. Do you consider that state-sponsored agencies, such as Co-operative Marketing Societies or Marketing Corporations will help to ensure (*i*) stability of prices and (*ii*) a fair return to the grower ?

34. (a) To what extent are jute growers' crops sold before harvest? What is the extent of loss in price as a result of such sales ?

(b) To what extent are low prices of jute to the growers due to

(*i*) the indebtedness of jute growers,

(*ii*) marketing irregularities like defects in weighment, and under-valuation in grading,

(*iii*) activities of farias, beparis, aratdars and kutcha balers, and

(*iv*) lack of market information on the part of the growers ?

V—Storage, Marketing, Finance & Insurance

" To examine the existing arrangements for storage and marketing, including the financing, and insurance of the crop and suggest measures for improvement. "

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35. What are the existing arrangements of storage

(*i*) at growers' level,

(*ii*) at the primary and secondary markets, and

(*iii*) at the shipping points (Narayanganj, Chittagong, Daulatpur and Khulna) ?

Are storage facilities adequate ? If not, how can they be improved ?

36. (a) What are the storage charges per maund at (*i*) primary markets, (*ii*) secondary markets in mofussil areas and (*iii*) shipping points ?

(b) How can they be reduced ?

37. (a) What are the present methods of sale by the growers ?

(b) What percentage of jute is sold by the growers direct to the following agencies :

(*i*) Farias,
(*ii*) Beparis,
(*iii*) Aratdars,
(*iv*) Kutcha balers,
(*v*) Pucca balers, and
(*vi*) Shippers/Mills ?

38. What suggestions would you make to reduce the number of intermediaries between growers and shippers/mills or otherwise improve the marketing operations ?

*39. Do you advocate the establishment of jute markets for growers with facilities of storage and finance ? If so, in what areas, and of what capacity ?

40. What are the present methods of purchase and sale by

(*i*) Farias and Beparis,

(*ii*) Kutcha balers in mofussil areas,

(*iii*) Pucca balers in mofussil baling centres, and

(*iv*) Kutcha balers and Pucca balers at Narayanganj, Chittagong, Khulna and Daulatpur ?

41. (a) What are the existing customary charges at the primary and secondary markets, *i.e.*, baling centres ?

(b) What are the justifications for these charges ?

42. (a) What are the different systems of weights prevalent in different stages of marketing ?

(b) Do you feel that standard weights should be enforced in all dealings of jute ? (Standard weight 80 tolas=1 seer ~~and 40 seers=1~~ maund).

(c) Is the law regarding the use of standard weights being violated ? If so, what measures do you suggest to enforce it ?

43. (a) Is there any machinery at present by which Narayanganj prices are disseminated in mofussil areas ? If so, is it adequate ? If not, suggest measures for improvement.

(b) How can market information be made to reach the jute growers speedily ?

*44. (a) What is the present position of co-operative marketing of jute in East Pakistan ? What are its main defects and handicaps ? How can co-operative marketing be improved ?

(b) Would the growers welcome the establishment of such organisations ?

*45. (a) What is the impact of the Jute Marketing Corporation on the jute market ?

(b) Is it a success ? If not, why ?

46. (a) How is the cultivation of jute financed ?

(b) Indicate the main sources of finance and suggest measures for improvement.

47. (a) Does the cultivator need any credit or other facilities to increase his holding power and bargaining capacity ?

(b) If so, please indicate the nature of such facilities. How best can they be made available ?

48. How do the following finance their marketing operations in jute in mofussil markets :

(a) Farias,
(b) Beparis,
(c) Aratdars.
(d) Kutcha balers, and
(e) Pucca balers ?

*49. How and to what extent is jute trade financed by the following agencies :

(a) Pakistani banks,
(b) Indian banks,
(c) Other foreign banks,
(d) Shippers/mills, and
(e) Aratdars ?

50. What are the systems of insurance that are in vogue for the storage and inland movement of jute ?

51. (a) Are the insurance facilities adequate ? If not, what further facilities are required ?

(b) What is the incidence of insurance charges per maund at various levels ?

52. (a) Do you advocate the insurance of farmers' crop ?

(b) If so, please suggest how it can be effectively undertaken.

VI—Baling and Transport

" To consider baling and transport facilities and make recommendations for their improvement."

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53. Is the baling capacity (kutcha and pucca) adequate in your area or elsewhere ?

54. What are the specific problems of the jute balers and jute presshouse owners?

55. (a) What are the existing baling charges per (*i*) kutcha bale (indicate size and weight) and (*ii*) pucca bale ?

(b) Please give the break-up of these charges.

(c) To what extent can they be reduced ?

56. What proportion of the jute crop is normally carried from the growers' home to the village markets by

(a) country boats, (b) Bullock-carts, (c) pack-animals and (d) Head loads

in each of the following periods :

(*i*) July—September.

(*ii*) October—December.

(*iii*) January—March.

(*iv*) April—June ?

57. Are means of transport in the various areas efficient and adequate ? If not what measures do you suggest for their improvement ?

58. What are the transport charges per maund (indicate the distance) for each of the different means of transport for carrying jute from

(*i*) village markets to the mofussil baling centres, and

(*ii*) mofussil baling centres to Narayanganj, Chittagong and Chalna.

59. What are the I. W. T. and Railway freight rates ? Are they excessive ? Are their services satisfactory ?

60. Do you know any specific area where transport facilities can be improved by opening new (a) land, (b) water, and (c) railway routes ? Please give the economic justification for opening such routes indicating the volume of trade that will pass through that route.

VII—Private Trading

" To study the existing system of private trading in jute and propose measures for improvement with particular reference to the elimination of malpractices in the jute export trade. "

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61. Please indicate the volume of purchase by pucca balers/shippers during the following periods :

    (*i*) July—September.
    (*ii*) October—December.
    (*iii*) January—March.
    (*iv*) April—June.

    Please give these figures relating to the jute seasons 1957-58/1958-59.

62. What percentage of purchases is made (*i*) against orders received and (*ii*) for the purpose of speculation ?

63. (a) What is the procedure of forward sale ?
    (b) Is there any forward purchase also ? How is that done ?
    (c) How do such forward sales and purchases affect the price ?

64. What are the terms on which jute is sold

    (*i*) locally by kutcha balers,
    (*ii*) by pucca balers to shippers/mills ?

65. What are the terms on which jute is sold to foreign countries ?

66. What are the existing bottlenecks and handicaps in the export trade of raw jute ? How can they be removed ?

67. Please indicate the effects of the following on the export trade of raw jute :

    (a) Registration and licensing of shippers,
    (b) Export duty on raw jute,
    (c) Export price check, and
    (d) Export minimum prices.

68. (a) What kinds of disputes do generally arise in connection with the export of raw jute ?
    (b) How are they settled ?
    (c) Is there any machinery for arbitration ?
    (d) If so, how is it constituted and where is it held ?
    (e) In what manner do the sellers protect their interests if such arbitration is held in foreign countries ?

69. (a) What are the nature and extent of influence exerted by the PJA on the export trade ?
    (b) Do you consider the standard forms of contract for sale and purchase of raw jute, particularly PJA and PJMA contract forms, satisfactory ?
    (c) Are the daily market reports published by the PJA accurate and reliable ? If not, suggest improvement.

70. What are the malpractices in export trade ? Please indicate their nature and extent.

71. Please indicate the nature and extent of under-invoicing in respect of

(*i*) quantity,

(*ii*) quality with particular reference to special marks of certain shippers, and

(*iii*) price.

How can under-invoicing be stopped ?

72. (a) What are your comments regarding the use of private marks by individual shippers ?

(b) How far do they promote exports by way of goodwill created by the marks ?

(c) Are the private marks essential or desirable for trading ?

(d) Do you think private marks are means of concealing the actual standard grades of jute that are being exported ?

73. How can small and new shippers be helped to improve their trade ?

74. (a) What is the nature of speculation in the jute market ?

(b) How does it affect internal and external trade ?

75. (a) Would the establishment of future markets for jute in East Pakistan be beneficial ?

(b) If so, how can it be established and operated on a sound basis ?

76. (a) Do you advocate state-trading or any other form of centralised or collective trading in jute ?

(b) If so, please give an outline of your scheme bringing out its financial, organisational and administrative implications.

VIII—Grading

" To make recommendations regarding the grading of jute and the maintenance of quality standards. "

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77. What is the existing system of grading of raw jute ? At what stage or stages is it done ?

78. What specific qualities of the fibre are taken into consideration in fixing the different grades ?

79. (a) Are there fixed standards of jute ?

(b) If so, who fixes the different standards of grading—Government, PJA, PJMA or any other foreign organisation ?

80. Is there any difference among the standards fixed by different organisations ?

81. Is it necessary to have a separate mill standard other than the balers' standard for kutchra bales ?

82. (a) Have the standards of grades been changed since 1947 ? If so, what is the nature of that change and what are the reasons for it ?

(b) Are these standards changed

(*i*) from season to season

(*ii*) during the same season ?

(c) Is it necessary to change standards of grades from time to time ? If not, why do changes in grading take place ?

(d) Is there any attempt on the part of anybody to evade standard specifications in any form ?

83. How can the standards fixed be enforced ?

84. (a) Are there too many grades at present ?

(b) How many grades are desirable for smooth trading ?

85. (a) Have the growers, Farias and Beparis a correct idea of grading ?

(b) If not, how can they be helped in this matter ?

(c) How can grading be done at growers ' level ?

*86. Are the pucca grades as specified by the PJA and the LJA (London Jute Association) identical ? If not, do you think they should be so ?

*87. Do you think that standards of grading in Pakistan have been raised since 1947 as compared to the LJA standards ?

88. What are your suggestions for maintaining the quality standards of Pakistan jute ?

89. (a) What are your views about moisture content in jute in

(*i*) the internal trade and

(*ii*) the export trade ?

(b) What steps do you advocate to enforce the existing legislation on this subject ?

IX—Production & Marketing of Jute Goods

" To examine the production, prices, marketing and export of jute goods and suggest steps for improvement. "

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90. What are the methods of purchase by the mills ? Please indicate

(a) What proportion of the purchase is

(*i*) in loose form, (ii) in kutcha bales, (iii) in pucca bales, (iv) direct from growers and (v) from outstations in mofussil areas.

(b) (i) How contact is made between buyers and sellers.

(*ii*) How price is settled.

(*iii*) How payments and deliveries are made.

(*iv*) How weights are determined.

(c) The proportion of different grades of jute that are purchased to feed the mills.

†*91. (a) How far are purchases made by the mills
(*i*) against specific orders received for jute manufacturers,
(*ii*) to continue mill production throughout the season, and
(*iii*) to cover risks of short supply ?

(b) What storage capacity for raw jute do the mills have
(*i*) within the mill, and
(*ii*) outside the mill ?

†*92. In what proportion and by what methods are the jute products of the mills in Pakistan sold
(*i*) locally to Government agencies in Pakistan,
(*ii*) locally for home consumption,
(*iii*) locally for export,
(*iv*) to dealers and agents abroad, and
(*v*) to foreign consumers direct ?

†*93. (a) What is the approximate manufacturing cost (per ton) of
(*i*) hessian 40"×10 oz.) and
(*ii*) B. Twill.

(b) Please show the break-down of the cost per ton mentioned above.

(c) Do the mills maintain any standard system of cost accounting ?

(d) If not, how is cost determined ?
(This information will be kept confidential.)

†*94. (a) How far does the cost of production of sacking and hessian in Pakistan compare with the costs of production in other countries ?

(b) What are the relative efficiency and cost s of management, supervisory and labour as compared to those of other countries ?

(c) State the incidence of taxation and cost of power in Pakistan and elsewhere on jute manufactures.

†*95. What are the reasons for, and the extent of, disparity in prices of jute goods for the home and foreign markets ?

†*96. (a) What kind of competition do Pakistan jute goods face in :
(*i*) dollar area.
(*ii*) sterling area,
(*iii*) the communist countries, and
(*iv*) other countries ?

(b) What, if any, are the difficulties in marketing, exporting and shipping of jute goods ?

†*97. (a) What are the advantages in exporting jute goods rather than raw jute ?
(b) What is the extent of gain in foreign exchange earnings by so doing ?

†*98. (a) Does the jute industry of Pakistan need any protection and incentive in any form ?

(b) Is export bonus scheme necessary ? What suggestions would you make for its best utilisation ?

X—Targets for Jute Goods

" To assess the internal and external demand for jute goods over the next five years and recommend targets for the production of hessian, bags, sacking and other jute manufactures. "

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†*99. (a) What is the existing installed capacity of hessian and sacking looms in Pakistan ?

(b) How much do they actually produce at present ?

(c) How far are they inter-changeable?

(d) What is the output of hessian looms and sacking looms per loom per hour in terms of weight ?

†*100. (a) Is the jute industry of Pakistan working to its maximum capacity ?

(b) Can the production be increased by increasing working hours and by improving efficiency of workers and management ? If so, how ?

†*101. Is there any imbalance between the spinning and the weaving capacity of the mills in Pakistan ?

†*102. What is the expansion programme of the jute industry for the next five years, *viz.*, 1960, 1961, 1962, 1963 and 1964 in terms of spindles, looms, investment and quantity of production, separately for sacking, hessian and other manufactures ?

†*103. (a) What are the existing requirements of jute goods in
(*i*) Pakistan and
(*ii*) Foreign countries ?

(b) What are they likely to be by 1964 keeping in view the world trends of agricultural production ?

(c) How much of these requirements are met by the existing jute looms in Pakistan and how much can be met in 1964 ?

†*104. What should be the targets of production of hessian, sacking and other jute manufactures by 1964 ? In order to meet these targets how many more looms should be installed and at what cost ? How will these be financed ?

†*105. What suggestions would you make for increasing consumption of jute cuttings and inferior jute by the mills in Pakistan ?

†*106. Can the world consumption of jute goods be increased ? If so, how ?

XI—Research into New Uses of Jute

" To consider and make recommendations on the desirability of providing facilities for research into new uses of jute in industry. "

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†*107. (a) What are the existing facilities of research in Pakistan for discovering new processes and new uses of jute ?

(b) Are these adequate ? If not, what measures do you recommend ?

(c) What alternative uses of jute cuttings would you suggest ?

†*108. Do the jute mills in Pakistan possess research sections of their own ? What are their plans in this regard ?

†*109. Does the industry contemplate to install machinery for the manufacture of goods other than hessian and sacking ?

†*110. Have you any suggestion to make in regard to application of results of research in industry ?

XII—Governmental Procedures / Agencies

" To study existing Governmental procedures and agencies dealing with the growing and marketing of jute and the production of jute goods and to advise on the need for changes."

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111. (a) Do you support the system of regulation of jute cultivation as it obtains today or with any modification ?

(b) Is this regulation effective and adequate ?

112. What are your views regarding the ban on jute cultivation in the border areas ? Do you propose any change in this ban ?

113. (a) What are your views regarding licensing of intermediaries engaged in jute trade ?

(b) How can it be modified and simplified ?

*114. How far can the functions of the Jute Department, the Directorate of Jute the Jute Board and other Government organisations be co-ordinated ? What changes do you recommend ?

*115. Can one organisation take over all the functions of these organisations ?

*116. (a) What concrete proposals do you make for the reliable forecasting of jute crop

(*i*) by the Government, and

(*ii*) by the trade ?

(b) On what other sourses does the trade depend for the forecast, of jute crop ?

*117. What statistics regarding raw jute and jute goods are maintained by different Government departments and other organisations ? How far are they considered adequate and reliable ?

*118. What suggestions do you make for the collection and maintenance of reliable statistics of jute and jute goods in all their relevent aspects?

*119. What suggestion would you give for the simplification of, or improvement otherwise in, the EPC procedure ?

*120. (a) Is the prevailing customs check at export points adequate and effective ?

(b) Can the arrangement for customs inspection of export consignments of raw jute be made simpler or improved otherwise ?

APPENDIX A-2

GOVERNMENT OF PAKISTAN

JUTE ENQUIRY COMMISSION

Jute Researeh Institute

• Tejgaon, Dacca—5

QUESTIONNAIRE

For Foreign Organisations, Individuals and Traders interested in Jute.

N.B.—Please answer the **first five questions** in two parts : relating to
(a) your country, and
(b) other countries of which you know. Please name the countries.

A. Name of the respondent.

B. Name of the Firm/Association.

C. Address of the Firm/Association.

1. (a) What is the annual demand for raw jute at present ?

   (b) What is the installed capacity in spindles, looms, production in tons on single shift basis. Indicate separate tonnage for each category of product.

   (c) What percentage of capacity has been used in the years from 1947 to 1959 ? Please give figures of each year product-wise.

   (d) What are the reasons for increase or decline in production ?

   (e) How much of the demand is met by Pakistan Jute ?

   (f) How much of it is met by fibres imported from other sources ? Please indicate the sources and name fibre/fibres.

   (g) How much of it is met by fibres produced in your country ? Please indicate the names of fibres.

   (h) How do the prices of these fibres compare with those of jute from Pakistan ?

2. (a) What have been the trends of consumption of raw jute since 1947-48 ?

   (b) What, in your opinion, would the trends of consumption be in the next 5 years (1960-61 to 1964-65) ?

3. (a) What are the main substitute that are competing with jute and to what extent each of these substitutes has made inroads into jute market ?

   (b) Has the introduction of alternatives or substitutes permanently affected the demand for jute ? If so, to what extent ?

   (c) What are the main factors responsible for the growth of substitutes ?

   (d) Would plentiful supply of jute at competitive prices regain markets from substitutes ? If so, how and to what extent and at what level of prices?

4. To what extent demand for better quality jute has increased in your market ? Please indicate roughly the proportion of jute that goes into the production of :

   (*i*) sacking

   (*ii*) hessian and

   (*iii*) other special jute goods.

5. (a) To what extent raw jute is used in the manufacture of special products like carpet-backing, steel covering, etc.? Please indicate approximate quantity of jute that goes into the manufacture of these products.

   (b) Could you indicate approximate size of the market for these products during the next five years ?

   (c) What future prospects are there for these special products and how and to what extent can their use be extended?

Questions given below pertain to your country only

6. What is the possibility of jute being used in admixture with other fibres for uses other than packaging and upholstery ?

7. What are the terms on which jute is sold to your country ?

8. What are the grades on the basis of which transactions are made ?

   (*i*) Do the standards vary from season to season ?

   (*ii*) Who fixes the standard ?

9. (a) Do you consider the existing export grades satisfactory, if not what alternative grading system would you suggest to ensure fixed standard of quality for export grades ?

   (b) What would be your views if export grades are standardized on an agreed basis keeping in view the end uses of jute and ensured by some pre-shipment inspection machinery ?

10. Would the reduction of the number of grades and their simplification be to your advantage or would you recommend further increase in the number of grades ?

11. How does the Export First of 1947 compare with that of the following years ? Please indicate in percentages based on the year 1947.

1947	1948	1949
1950	1951	1952
1953	1954	1955
1956	1957	1958

12. (a) How do you consider retention of private marks essential for export trade ? If so what are the advantages ?

   (b) If export standards for quality are fixed by legislation, would that serve the same purpose ?

13. Is there any problem relating to moisture in jute ? If so, how would you propose to solve it keeping in view the high humidity and monsoon condition of East Pakistan. What maximum permissible limit would you advocate for commercial transaction of jute ?

14. Why the 'Invoicing Back' clause is necessary ? Could the interest of the buyer be protected by any other means ?

15. (a) What are the existing methods of arbitration ? What method would you recommend for the simplification of arbitration procedure and reduction of the number of arbitration cases ?

(b) What would be your views if arbitration is held in Pakistan under an internationally recognised system ?

16. In what way establishment of futures market would influence export trade of jute ?

17. What are the effects of the following on export trade of Jute ?

(*i*) Export price check, and

(*ii*) Export duty.

18. What are your views on the price fluctuations of jute and jute products ?

(*i*) Have they affected world consumption of jute/jute goods ?

(*ii*) If you advocate stable prices for jute, do you favour absolutely fixed prices of fluctuations within certain limits ?

(*iii*) Could you suggest any method to achieve this objective ?

(*iv*) Can you suggest a formula on the basis of which every year prices of various grades could be fixed which will be satisfactory to consumers and conducive to increased consumption of jute ?

19. What are your views if all exports of raw jute are channelled through

(a) A Government Controlled Export Board,

(b) A Semi-Government Autonomous Corporation, or

(c) A Purely Trade Controlled Corporation.

1 all the above cases, it being assured that jute is made available regularly at stable rices of the required standard according to terms of the foreign contract.

APPENDIX B-1

List of persons interviewed by the Sub-Committee of the Jute Enquiry Commission in the Mofussil Areas.

CHANDPUR
on 22-8-59

I. *Govt. Officials—*

1. Syed Mansur Ali, Circle Officer, Chandpur.
2. Mr. Waliul Islam, S.D.A.O.
3. Mr. Alauddin, Chief Inspector of Jute.
4. Mr. A. K. Choudhury, Regional Asstt. Controller of Jute.

II. *Local People—*

1. Mr. Abdus Salam, *ex*-M.L.A.

III. (a) *Representative of Marwari Traders—*

1. Mr. Rama-Otar Chan-dr-uka, Manager, Lazarous & Co., Chandpur.

(b) *Representatives of Other Traders—*

1. Mr. S. H. Mah-alati, Agent, M/s. M. M. Ispahani and Co., Chandpur.
2. Mr. K. M. Ahmed, Agent, James Finalay & Co., Chandpur.
3. Mr. K. B. Peris, Agent, M/s. Ralli Bros. Ltd., Chandpur.
4. Abdus Shakur (Dalal), Chandpur.
5. Hazi Ahmed Ali Mirzi, President, Dalals' Association.
6. Abdul Rashid Mirzi (Dalal), Chandpur.
7. Sekandar Ali Khan (Dalal), Chandpur.
8. Md. Ali Bepari (Dalal).
9. Hashmatullah Patwari (Faria), P. S. Ramgunj, Noakhali.
10. Abdul Halim (Faria), P. S. Ramgunj, Noakhali.
11. Jahan Bux Bepari (Faria) P. S. Ramgunj, Noakhali.

IV. *Representatives of Growers—*

1. Abdul Karim, President, Balia, Union Board, P. S. Chandpur.
2. Abul Basher Choudhury, P. S. Faridganj.
3. Anwar Hussain, P. S. Haziganj.
4. Abdul Hakim Sheikh, Vill. Seeramdi, P. S. Chandpur.
5. Syed Ali, Vill. Balitola, P. S. Faridganj, Chandpur.

BHAIRAB BAZAR
on 26-8-59

I. *Govt. Officials—*

1. Mr. A. K. Choudhury, C.S.P., S.D.O., Kishoreganj.
2. Mr. A. Moquit, Asstt. Director of Agriculture.
3. Mr. Giasuddin Ahmed, Sub-divisional Agricultural Officer, Kishoreganj.

4. Mr. F. H. Khan, Chief Inspector of Jute, Brahmanbaria.
5. Mr. Abdul Hanif, Inspector of Jute, Brahmanbaria.
6. Mr. Shahabuddin Ahmed, Superintendent of Traffic, Bhairab Bazar.
7. Mr. Muzakkir, Inspector of Co-operative Societies and Executive Multi-purpose Societies, Kishoreganj.

II. *Local People—*

1. Chairman, Bhairab Bazar Municipality.
2. Chairman, Brahmanbaria Municipality.

III. (a) *Representatives of Marwari trader—*

1. Mr. Champalal Shand, Pucca and Kutcha Baler, Monumukh, Sylhet.
2. Mr. Bhomraj, Purlia Manager, Jute Baling Co., Nikli, Pucca Baler.
3. Mr. Alam Seth, Nikhli Jute Baling Co.

(b) *Representatives of Other Traders—*

1. Hazi Lal Mia (Aratdar), Bhairab Bazar.
2. Mr. M. Avdall, Manager, Duffers and Landale Co., Pucca Baler.
3. Mustafizur Rahman, J.M.C.
4. Mr. Yusuf H. Khanish, Representative of Adamjee, Bhairab.
5. Mr. Mohiuddin Bhuiya, Kutcha Baler, Bhairab.
6. Mr. R. C. Deb, Kutcha Baler, Kishoreganj.
7. Mr. Ram Dayal Ghosh, Katiadi, Mymensingh, Kutcha Baler.
8. Mr. Abdus Salam, Representative of Shamim Jute Baling Press, Ashuganj.

IV. *Representatives of Growers—*

1. Hosain Ali, Vill. Kalipur, P. S. Bhairab.
2. Abdul Motalib, Vill. Jagannathpur, P. S. Bhairab.
3. Naib Ali, Vill. Cochamari, P. S. Bhairab, and

4 to 10 } 7 others.

MYMENSINGH
on 29-8-59

I. *Govt. Officials—*

1. Mr. Syed Moazzam Hossain, S.D.O., Mymensingh Sadar (South).
2. Shamsuddin Ahmed, C. I. of Jute.
3. Marketing Officer.

III. *Representatives of Traders—*

1. Mr. Md. Abul Hossain, Hossain & Co. (Kutcha Baler).
2. Mr. Azhar Ali Sarker, (Kutcha Baler).
3. Mr. J. N. Tarabhadra, (Kutcha Baler).
4. Abul Kasem Akhand, Fulhata (Bepari).
5. Hatem Ali, Bulenkhal (Bepari).
6. Kasem Ali, Ramnogar (Bepari).
7. M. Obaidul Hoq, Keotkhali (Bepari).
8. Abdul Aziz, Keotkhali (Bepari).

9. Deder Bux, Mora (Bepari).
10. Taleb Ali, Ramnagar (Bepari).
11. Abdus Sattar, Manager, Adamjee Jute Mills.
12. Basir Ahmad (Dalal).
13. S. S. Ahmed (Dalal).
14. A. Sobhan (Dalal).
15. Abdul Ali (Dalal).
16. Mr. Thompson, Manager, Rally Brothers, Mymensingh Branch.

IV. *Representatives of Growers—*

1. Mr. Aftabuddin Chowdhury, President, Bhaluka U.B.
2. Syed Mohiuddin, P.U.B., Gaffargaon.
3. Mr. Fazlur Rahman, President, Burirchar U.B.
4. Janab Ali Munshi, Keotkhali.
5. Abdus Samad Sardar.
6. Wali Ahmed Sarker, Keotkhali.
7. Md. Hasan Ali Mandal, Akua.
8. Newaz Ali Mandal.
9. Amjad Ali.
10. Abdur Rahman.
11. Jayenuddin Husain Sarkar.

ISWARGANJ
on 31-8-1959

I. *Govt. Officials—*

1. Mr. Md. Lutful Haq, Principal, V-Aid, Gouripur V-Aid Institute.
2. Mr. K. Ahmad, Circle Officer, Atharabari.
3. Mr. A. R. Chowdhuri, O. C. Iswarganj.
4. Mr. Raisuddin Ahmed, Thana Agricultural Officer.
5. Shah Matiur Rahman, Purchase Superintendent-in-charge of Development Office.
6. Mr. Md. Zahiruddin, Asstt. Inspector of Jute.

III. *Representatives of Marwari Traders—*

1. Babu Manalal Singh, Manager, M/s. Multanmall Kishanlal, Gouripur, Mymensingh (Dealer & Pucca Baler).
2. Babu Dipchand, Surana, Manager, M/s. Manik Chand Ratan Chand Bokharia, Iswarganj, Mymensingh (Dealer and Kutcha Baler).

IV. *Representatives of Growers—*

1. Mr. Moslehuddin Ahmed, P. U. B., Ramgopalpur.
2. Sk. Lebu, *Ex*-Chairman, Gouripur Municipality.
3. Abdul Aziz Bhuiya, P. U. B., Barahit.
4. Mr. Raisuddin Ahmed, P. U. B., Jatia.
5. Mr. Serajuddin Ahmed, *Ex*-President, Union Board, Iswarganj.
6. Niaz Hussain Munshi, Iswarganj.
7. Mr. Abdul Wahed, Bokainagari, *Ex*-M.P.A.

SARISABARI
on 9-9-59

I. *Govt. Officials*—

1. Mr. S. M. Khorashani, C. I. of Jute.
2. Mr. Kalimullah, Asstt. Inspector of Jute.
3. Mr. Syed Matiur Rasul, C. O.
4. Mr. Abdur Razzak, Thana Agricultural Officer.

III. (a) *Representatives of Marwari Traders*—

1. Mr. Damodar Prasad Pankaraj, Eastern Baling Co., Bausi.
2. Mr. Protapmal, United Asian Traders Ltd.
3. Mr. Tolaram Kankaria, Pucca Jute Baling.
4. Mr. K. L. Choubay, International Traders.

(b) *Representatives of Other Traders*—

1. Mr. Mushtaq Ali, M. M. Ispahani Ltd., Bausi.
2. Mr. Murad Ali, M. M. Ispahani Ltd., Bausi.
3. Mr. Rozens, Duffus and Landale Ltd.
4. Mr. Petrodux, Representative of M/s. Rally Bros.
5. Faizuddin Talukdar, Simla Bazar (Bepari).
6. Serajul Huq (Bepari).
7. Hazi Ibrahim Chowdhury (Bepari).
8. Umar Bepari.

IV. *Representatives of Growers*—

1. Abu Mandal, Simla Palli.
2. Johiruddin Mondal, Koira.
3. Anwar Ali Munshi, Aramnagar.
4. Belayet Ali Sarkar, Chapatia.
5. Yakub Ali Khan.
6. Hazi Moula Munshi, and

7 to 10 } four others.

SIRAJGANJ
on 10-9-59

I. *Govt. Officials*—

1. Mr. A.S.M. Fazlur Rahman, S.D.O., Sirajganj.
2. Mr. A. M. Chowdhury, C. I. of Jute, Sirajganj.
3. Mr. M. A. Gani, S.D.O. Agriculture, Sirajganj.
4. Mr. S. M. Amzad Hussain Talukdar, Market Investigator, Sirajganj.

II. *Local People*—

1. Mr. Md. Osman Ghani, Chairman, Sirajganj Municipality.
2. Mvi. Khoda Baksh, Secretary, U. B. Association, Sirajganj.

III. (a) *Representatives of Marwari Traders—*

1. Mr. S. N. Paramanik.
2. Mr. Ganpati, Manager, Orient Jute Press.

(b) *Representatives of Other Traders—*

1. Mr. I. A. Faruqui, Manager, Rally Bros.
2. Mr. Asghar, Manager, M/s. Ispahani.
3. Mr. A. Mazid Talukdar, President, Sirajganj Association of Trade and Commerce.
4. Mr. Darbesh Ali, Secretary, Sirajganj Association of Trade and Commerce.
5. Mr. Ram Narayan Sarker, Jute Merchant.
6. Abdul Munshi (Bepari), Sirajganj.
7. Bayet Ali, (Bepari), Sirajganj.
8. Mujibur Rahman, (Bepari), Sirajganj.
9. Meher Bux (Bepari), Sirajganj.
10. Taki Mahammad (Bepari), Sirajganj.

IV. *Representatives of Growers—*

1. H. Ali Khan.
2. Md. S. Ali.
3. Amir Hussain.
4. Tofazzal Hussain Khan of Ullapara.
5. Jita Mandal.

RAJBARI
on 19-9-59

I. *Govt. Officials—*

1. Mr. Khalilur Rahman, C. O.
2. Mr. A. Rashid, 2nd Officer.
3. Asstt. Director of Agriculture (Mr. Syed Sirajul Islam).
4. Mr. Anisuddin Ahmed, S.D.A.O.

II. *Local People—*

1. Mr. Kumaresh Chakravarty, Municipal Commission, Rajbari.
2. Mr. Amal Krishna Chakravarty, Vice-Chairman, Rajbari Municipality.
3. Dr. A. K. M. Asjad, M.B., B.S., Rajbari.
4. Dr. A. Rahman.

III. *Representatives of Traders—*

1. Mr. J. N. Bagchi, Jute Trader, Rajbari.
2. Mr. Nalini Mohan Das.

IV. *Representatives of Growers—*

1. Mr. Fakhruddin Ahmed, *Ex*-Vice-Chairman, Rajbari Municipality.
2. Syed Abdul Ghani, P. U. B. Ramkantapur, Rajbari.
3. Mr. B. C. Das, Rajbari.
4. Yakub Ali Sheikh, P. S. Pangsha, Rajbari.
5. Gholam Mukdum Biswas, P. S. Baliakandi, Rajbari.
6. Mujibur Rahman Bhuiya, P. S. Rajbari.
7. Ayenuddin, Vill. Salimpur, P. S. Rajbari.

MADARIPUR
on 12-10-59

I. *Govt. Officials—*

1. Mvi. S. Haider, C. I. of Jute.
2. Thana Agricultural Officer.
3. Jute Research Inspector.
4. Mr. Alauddin Khan, R .A. C. of Jute, Khulna.

II. *Local People —*

1. Mvi. Sayeduddin Ahmed, Chairman, Madaripur Municipality.
2. Daliluddin Ahmed, P. U. B. Ghotmajhi.

III. (a) *Representatives of Marwari Traders—*

1. Babu Prem Suk Panday, Manager, Anadilal Shantilal, Charmuguria.
2. Babu Ratan Lal Bachraj.
3. Babu Mangi Lal Choudhri, Manager, Tolaram Ltd.
4. Babu Provat Kusum Guha, Manager, Chand Jute Trade Co. Ltd.

(b) *Representatives of Other Traders—*

1. Mr. A. K. M. Sayeed Hussain, Jute Merchant, Charmuguria.
2. Mr. H. T. Isiah, Manager, Duffus & Landale Ltd., Charmuguria.
3. Mr. R. A. Siddiq, Manager, Lonis Dreyfus & Co. Ltd., Charmuguria.
4. Mr. Ahmed Sultan, M/s. M. M. Ispahani Ltd., Charmuguria.
5. Alhaj Amiruddin Jamadar of M/s. A. J. & Sons.
6. Mvi. A. R. Howladar of A. R. Howladar & Co.
7. Rai Saheb Dr. K. C. Saha, Charmuguria.

IV. *Representatives of Growers—*

1. Asmat Ali Khan.
2. Mvi. Mozhar Munshi.

GAIBANDHA
on 26-9-59

I. *Govt. Officials—*

1. Mr. M. R. Talukdar, Principal, V-Aid.
2. Mr. Foiz, C. I. of Jute.
3. Mr. Fateh Khan, Munsiff, Gaibandha Court.
4. Mr. F. Kabir, S. D. O., Gaibandha.

II. *Local People* —

1. Mr. A. Matin Chowdhury, Professor, Gaibandha College & Member of District Board.

III. (a) *Representatives of Marwari Traders*—

1. Manikchand, M/s. Multanmall Kishanlal Ltd.
2. Berurum, M/s. Madanmal Kishanchand.
3. Bhimraj, M/s. Kankaria Jute Co.

(b) *Representatives of Other Traders*—

1. Mr. A. Sattar, M/s. Adamjee Jute Mill.
2. Mr. Md. Ismail, M/s. Chandtara Co.
3. Mr. Nazimuddin Sarkar, M/s. Pak Jute Baling Co.
4. Rahimuddin Sarkar.
5. Tamizuddin Akhand.
6. Ibrahim Sarkar.
7. Arzan Bepari.

IV. *Representatives of Growers*—

1. Nawab Ali, Fulbari, Vill. Badiakhal.
2. Pearul Huq Mandal, Tengajani.
3. Zafratullah, Chaondar.
4. Gendali Hazi, Durgapur, Gaibandha.
5. Abdul Gafur, Gaibandha.
6. Kalimuddin Mia, Gaibandha.
7. Serajuddin Pramanik, Gaibandha.

RANGPUR

on 27-9-59

I. *Govt. Officials* :

1. Mr. Fazle Rabbi Faruk, C.I, Jute.
2. Mr. Ahsan Ali Khan, Asstt. Registrar, Co-operative Societies.
3. Mr. Kazi Ibrahim, S.D.O., Sadar.
4. Mr. Hedayet Hussain, C.O.
5. Mr. S. Ahmed, S.D.A.O.

II. (a) *Representatives of Marwari Traders*—

1. Mr. Tarachand Negotia, Tolaram Bachraj Ltd., Mahiganj, Rangpur.
2. Mr. Sunnermal Jain, Pakistan Jute Baling Co., Alamnagar.
3. Mr. Shohanlal Kocher, Kamal Jute Baling, Alamnagar.
4. Mr. Bhawanlal Jain, North Bengal Jute Co., Alamnagar.
5. Mr. Lukram Sethia, M/s. Sethia Jute Co.
6. Mr. Meghraj Sarogi, M/s. Sitalakhya Jute Co.
7. Mr. Summermal Hirawat, M/s. Ganeshmall Kanayala, Tush Bhandar, Rangpur.

(b) *Representatives of Other Traders—*

1. Mr. Safiullah, M/s. A. Kalam of Alamnagar.
2. Mr. Jamil Ahmed, M/s. Helal Jute Press Ltd., Alamnagar.
3. Mr. Ansari, M/s. Badarganj Jute Co.
4. Mr. E. Siddiq Jamal, M/s. M. M. Ispahani Ltd.
5. Aminuddin Ahmed.
6. Danesh Khan.
7. Mafizuddin.
8. Korban Ali.
9. Abul Hussain.

IV. *Representatives of Growers—*

1. Mr. Md. Imdad Ali, President U.B.
2. Mr. Abul Hussain.
3. Mr. Kasimuddin.
4. Mr. Safiuddin Sarker.
5. Mr. Amir Hussain.

SAIDPUR
on 28-9-59

I. *Govt. Officials—*

1. Mr. Md. Rafique, Circle Officer, Saidpur.
2. Mr. Abdur Rob, Subdivisional Agricultural Officer.
3. Mr. Ataur Rahman, Inspector of Jute, Saidpur.

III. (a) *Representatives of Marwari Traders—*

1. Babu Tolsiram Agarwalla of Saidpur.
2. Babu Rameshwar Lal Agarwalla of Saidpur.
3. Arjundas Lalchand, Kutcha Press owner.
4. Babu Jumna Prasad Kedia of Saidpur.
5. Babu T. Mandalal.
6. Rameshwar Lal Agarwalla.

(b) *Representatives of Other Traders—*

1. Kudrutullah.
2. Kalu Md. Chowdhury.
3. M. A. Mannan.
4. Mr. S. S. Mohammad of Saidpur, Jute Baling.

IV. *Representatives of Growers—*

1. Dr. Shahabuddin Chowdhury.
2. Mr. Abdur Rahman Chowdhury.
3. G. Sarkar.
4. Tarak Nath Roy.
5. Samiruddin Sarkar.
6. Tofazzal Hossain.
7. Badiuzzaman Sarkar.
8. Jalaluddin.

SANTAHAR
on 29-9-59

I. *Govt. Officials—*

1. Mr. M. Afzal, S.D.O., Bogra.
2. Mr. Tamizuddin Ahmed, C.I. of Jute, Naogaon.
3. Mr. M. A. Mannan, Asstt. Director of Agriculture (M.C.).
4. Mr. Anisuzzaman, C. I. of Jute, Bogra.
5. Mr. Matiur Rahman, C.O.
6. Mr. Dadu Mia, Thana Agricultural Officer, Naogaon.

III. *Representatives of Traders—*

1. Mr. Abul Kalam Azad, *Ex*-M.P.A.
2. Mr. Kamruddin Mondal.
3. Mr. Abdul Latif.
4. Mr. Amulya Ratan Chowdhury.
5. Mr. Abdul Latif.
6. Mr. Abdul Aziz Mondal.
7. Takabbar Ali Munshi.
8. Jasimuddin Mondal.
9. Monoranzan Das.
10. Azizuddin Mia.
11. Habibur Rahman Sheikh.
12. Hanif Mia.
13. Kafiluddin Mondal.
14. Malikuddin Mondal.
15. Barkat Ali.
16. Mr. Moynul Huq.
17. Abdul Jabbar.
18. Siddique Hussain.
19. Abdul Khaliq.

IV. *Representatives of Growers—*

1. Muzratulla Mondal Gabtali, Bogra.
2. M. A. Kasem, Gabtali, Bogra.
3. Mofizuddin Mandal.
4. Shahabuddin Ahmed, Gabtali, Bogra.
5. Abdul Khaleque Mia, Panch Bibi, Bogra.
6. Md. Lalchand Mandal, Jaipurhat, Bogra.
7. Abdul Karim Mandal, P. S. Badalgachi.
8. Shahajuddin Mandal, P. S. Jaipurhat, Bogra.
9. Mofizuddin Sarkar, P. S. Naogaon, Rajshahi.
10. Rajiuddin Mandal, Jaipurhat, Bogra.
11. Moezuddin Khandakar, P. S. Gabtali.
12. Shamser Ali, Shantahar, Bogra.
13. Abdul Quader Khan Chowdhury, Naogaon, Rajshahi.
14. Naya Mia, P. S. Bogra.
15. Ramzan Sheikh, P. S. Bogra.
16. Gobinda Narayan Sarkar, Naogaon, Rajshahi.

List of Persons Interviewed at Chittagong by the Jute Enquiry Commission.

CHITTAGONG

on 22-10-59 & 23-10-59

(O) *Govt. officials—*

1. Mr. Torab Ali, Commissioner, Chittagong Division.
2. Mr. N. Islam, Controller of Exports & Imports.

(Ts) *Shippers—*

1. Mr. R. A. Mahon, Representatives of M/s. Ralli Bros. Ltd.
2. Mr. F. Singhel, Representatives of Standard Jute Baling Co.

(B) *Banks—*

1. P. C. Burman, Representative of Union Bank.
2. Mr. Tait, Manager, Lloyds Bank, Representating all foreign banks.

(S) *Shipping Companies—*

1. Mr. H. P. Carse, M/s. James Finlay & Co.
2. Mr. N. K. Bose, M/s. Karachi Steam Navigation Co.
3. Mr. I. H. Khan, Pakistan Steam Navigation Co.
4. Mr. H. Macaulay, M/s. United Liner Agencies.

(R) *Officials of Railway and Port Authorities—*

1. Mr. M. K. Mohiuddin, General Manager, E. B. Rly.
2. Mr. M. A. Bary, Chairman, Chittagong Port Trust.
3. Mr. R. A. Sidky, E. B. Rly. (Port).
4. Mr. S. H. Pasha, Secy., Port Commissioner.
5. Mr. S. M. Maroof, Dy. Traffic Manager, Port Rly., Chittagong.

(C) *Customs Officials—*

1. Mr. Malik, Collector of Customs.
2. Mr. Amanullah, Sea Customs Officer.

DACCA

on 4-12-59

(O) *Govt. Officials—*

1. Mr. A. K. M. Ahsan, Registrar, Co-operative Societies.
2. Mr. Serajul Karim, Secy., Revenue Deptt.
3. Mr. T. Hossain, Director, Agricultural Marketing.
4. Dr. A. Sadeque, Director, Provincial Statistical Board.
5. Dr. A. M. Yunus, Director (Offg.), Jute Research Institute.

(U) *University—*

1. Prof. A. F. A. Husain, Head of the Deptt. of Commerce, D.U.*
2. Dr. M. N. Huda, Head of the Deptt. of Economics, D.U.
3. Dr. A. Farouk, Lecturer in Commerce, Dacca University.

(PIDC) Mr. Y. S. Ahmed, Resident Director, PIDC.

(DIT) Mr. G. A. Madani, Chairman, Dacca Improvement Trust.

(L) 1. Khan Bahadur Mohammad Mahmud.
2. Mr. Abdur Rahman, *Ex*-Minister of Jute.
3. Mr. Abdus Salam, Editor, " Pakistan Observer ".

DACCA

on 8-1-60

(O) *Govt. Officials—*

1. Major-General Md. Umrao Khan, Martial Law Administrator, East Pakistan.
2. Mr. N. M. Khan, C.S.P., Secy. & Director-General, Project Division, President's Secretariat.
3. Mr. S. M. Yusuf, C.S.P., Director-General, Bureau of Mineral Resources, Karachi.
4. Mr. M. Azfar, C.S.P., Chief Secy., East Pakistan.
5. Mr. Khan Md. Azam, Chairman, WAPDA, East Pakistan.
6. Mr. Kazi Anwarul Huq, P.S.P., Director, Bureau of National Reconstruction, East Pakistan.
7. Mr. A. H. Khan, Electricity Directorate.

(M) *Representatives of Jute Mills—*

1. Mr. G. M. Adamjee } Adamjee Jute Mills.
2. Mr. A. Currim }

(L) 1. Syed Gholam Kabir, Retired Joint Secretary, Agriculture Deptt., Govt. of East Pakistan, Dacca.
2. Khan Bahadur Jasimuddin, Narayanganj.
3. Mr. Sultan H. Mohammad, Farid Sons Ltd., Narayanganj.

Representatives of Narayanganj Chamber of Commerce—

(PJA) 1. Mr. M. M. Heald.
2. Mr. N. E. Veitch.
3. Mr. M. Z. Amin, Secretary.
4. Mr. T. L. Swales.
5. Mr. W. R. Longwill.

* D. U. =Dacca University.

Representatives of the Pakistan Jute Association—

(PJA)
1. Mr. A. W. Grech.
2. Mr. M. H. Kashani.
3. Mr. Sultan H. Mohammad.
4. Mr. M. Ilahi.
5. Mr. Ahsan-ul-Haq.
6. Mr. M. A. Sattar.
7. Mr. R. H. Martin.

NARAYANGANJ

on 5-12-59

Representatives of the Pakistan Jute Mills Association—

(PJMA)
1. Mr. N. A. Mecklai, Crescent Jute Mills.
2. Mr. D. L. Penny, Adamjee Mills.
3. Mr. Y. A. Bawany, Latif Bawany Jute Mills.
4. Mr. Hanif Adamjee, Adamjee Jute Mills.
5. Mr. K. C. Saraogi, Dacca Jute Mills.
6. Mr. A. G. Jiwani, Bawa Jute Mills.
7. Mr. C. F. Mehdi, Asstt. Secy., PJMA.

(O) *Govt. Officials—*

1. Mr. Nuruddin Ahmed, Director of Jute.
2. A. Majid Mia, Statistician, Jute Directorate.

(JMC)
1. Mr. M. S. Simon, General Manager, JMC.
2. K.B. Fazlur Rahman, Chairman, JMC.
3. Mr. A. B. M. Fazle Rabbi, Secy., JMC.

(Br.) *Brokers—*

1. Mr. M. Z. A. Hanfi.
2. Mr. K. Ahmed.
3. Mr. Martin, Overseas Brokers.
4. Mr. Roberio, Overseas Brokers.

(A) *Aratdars—*

1. Mr. Mansur Ahmed.
2. Mr. Abdus Sabur Mia.
3. Mr. Gobordhanlal Saraogi.

(Ts) *Shippers—*

1. Mr. M. R. Mina.
2. Mr. M. Avdell, Manager, Duffus & Landale Ltd., Ashuganj.
3. Mr. Sovachand Saraogi of Tolaram Bachraj Ltd.
4. Mr. A. Karim of M/s. Naseem Bhai & Co.

KHULNA

(M) *Representatives of Jute Mills—*

1. Mr. A. L. Amlani of Peoples Jute Mills Ltd.
2. Mr. A. C. Rahimtoola of Crescent Jute Mills Ltd.
3. Mr. A. Raza of Platinum Jubilee & Star Jute Mills Ltd.
4. Mr. L. Lazarus of Platinum Jubilee & Star Jute Mills Ltd.

(Ts) *Representatives of Shippers—*

1. Mr. M. A. Rashid, Proprietor, Rashid Bors. Ltd.
2. Capt. M. S. Ali, E.P.J.M.C.
3. Mr. A. Sobur Khan, Khan Bros. Ltd.
4. Mr. A. Khaleq Mia.
5. Mr. M. M. Mansur Ali.
6. Mr. M. Ainul Haq.
7. Mr. Q. Abedeen of M/s. M. M. Ispahani Ltd.
8. Mr. D. Minettas of Ralli Bros.
9. Mr. Md. Ismail of Helal Jute Press.
10. Mr. B. R. Chararia, Standard, Jute Baling Co.
11. Mr. S. R. Bhowmick of Bhangoora, Jute Baling Co. Ltd.
12. Mr. J. L. Kochar of United Asian Traders (Pak) Ltd.

(B) *Representatives of Banks—*

1. Mr. Rattray of National Grindley's Bank.
2. Mr. A. H. Choudhury, Asstt. Controller, State Bank of Pakistan.
3. Mr. Sk. Enayat Ali, Manager, National Bank of Pakistan.
4. Mr. Zakiuddin, Manager, State Bank of Pakistan.

(O) *Govt. Officials—*

1. Regional Assistant Controller of Jute.
2. Asstt. Registrar of Co-operative Societies.

(C) *Customs Officials—*

1. Asstt. Controller of Land Customs.
2. Asstt. Collector of Customs.

APPENDIX B-2

List of persons sending written replies to the Questionnaire. (Internal)

"GD" Govt. Department—

1. Ch. Mahmud Ahmed, Section Officer to the Government of Pakistan, Ministry of Railways & Communications, Karachi.
2. M. A. Bari, Under Secretary to the Government of Pakistan, Ministry of Railways & Communications, Karachi.
3. M. Niaz Khan, Co-ordination Officer, I.W.T.A., East Pakistan, Dacca.
4. Asstt. Director, Bureau of National Reconstruction, East Pakistan, Dacca.
5. Director-General, Food & Agriculture, Government of Pakistan, Dacca.
6. A. Q. M. Mohiuddin, Dy. Secretary to the Government of East Pakistan, Commerce, Labour & Industry.
7. M. K. Mohiuddin, General Manager, E.B. Rly., Chittagong.
8. M. Nawab, Esq., Asstt. Secretary, Food & Agriculture, Government of East Pakistan, Dacca.
9. Report of Jute Committee, Jute Research Institute, Tejgaon, Dacca.
10. Mohd. Moud Khan, Section Officer, Ministry of Food & Agriculture, Agriculture Division.
11. F. Rahman, Chairman, East Pakistan Jute Marketing Corporation, Narayanganj.
12. M. Fazil Khan, Asstt. Secy., Planning Commission, Government of Pakistan.
13. The Collector of Central Excise, Land Customs, East Zone, Chittagong.

"O"—Govt. Officials—

1. Mr. Sanwar Ali, Financial Adviser & Chief Accounts Officer, E.B. Railway, Chittagong.
2. Dr. S.A. Hossain, Co-operation & Marketing Adviser.
3. A.T.M. Sayed Hussain, Deputy Magistrate & Deputy Collector, Habiganj, Formerly Secretary, Jute Marketing Corporation, Narayanganj.
4. Registrar, Co-operative Societies, East Pakistan, Dacca.
5. Dr. Sadeque, Director, Provincial Statistical Board & Bureau of Commercial and Industrial Intelligence, Eden Buildings, Dacca.
6. Md. T. Hussain, Addl. Director of Agriculture (Marketing), East Pakistan.

"DM" Commissioner, District Magistrates & S.D.Os.—

1. Commissioner, Rajshahi Division.
2. District Magistrate, Mymensingh.
3. Dy. Commissioner, Sylhet.
4. D. M., Noakhali.
5. D. M., Rajshahi.
6. D. M., Faridpur.
7. D. M., Bakerganj.
8. D. M., Jessore.

*9. S. D. O., Comilla, Sadar (North).

*10. S. D. O., Comilla Sadar (South).

11. S. D. O., Brahmanbaria.
12. S. D. O., Gaibandha.
*13. S. D. O., Kurigram.
14. S. D. O., Gualando.
*15. S. D. O., Khulna, Sadar.
16. S. D. O., Satkhira.
17. Circle Officer, Nilphamari, Rangpur.
18. Circle Officer, Saidpur.
*19. Asstt. Director of Agriculture, Tippera.
*20. Asstt. Director of Agriculture, Dinajpur.
*21. Asstt. Director of Agriculture, Naogaon.
*22. Sub-Divisional Agricultural Officer, Nilphamari, Rangpur.
*23. Superintendent, Government Seed Multiplication Farm, Domar, Rangpur.
*24. Inspector of Jute, Nilphamari, Rangpur.
*25. Subdivisional Agricultural Officer, Patuakhali, Bakerganj.
*26. Thana Agricultural Officer, Patuakhali.
*27. Thana Agricultural Officer, Golachipa.
*28. Thana Agricultural Officer, Boupal.
*29. Thana Agricultural Officer, Amtali.

**N.B.*:

9, 10, 11 & 19 forwarded by D.M., Tippera.
13 forwarded by D.M., Rangpur.
15 forwarded by D.M., Khulna.
20 forwarded by D.M., Dinajpur.
21 forwarded by S.D.O., Naogaon, Rajshahi.
22, 23, 24 forwarded by S.D.O., Nilphamari, Rangpur.
25-29 forwarded by S.D.O., Patuakhali, Bakerganj.

"*CI*" *Staffs of Jute Directorate*—

1. Regional Asstt. Controller of Jute, Narayanganj.
2. Chief Inspector of Jute, Dacca Sadar.
3. Chief Inspector of Jute, Narayanganj.
4. Chief Inspector of Jute, Faridpur.
5. Chief Inspector of Jute, Mymensingh Sadar.
6. Chief Inspector of Jute, Kishoreganj.
7. Chief Inspector of Jute, Netrokona.
8. Chief Inspector of Jute, Jamalpur.
9. Chief Inspector of Jute, Tangail.
10. Regional Asstt. Controller of Jute, Comilla.
11. Chief Inspector of Jute, Chandpur.
12. Chief Inspector of Jute, Brahmanbaria.
13. Chief Inspector of Jute, Chowmohani.
14. Regional Asstt. Controller of Jute, Khulna.
15. Chief Inspector of Jute, Khulna Sadar.

16. Chief Inspector of Jute, Jessore Sadar.
17. Chief Inspector of Jute, Magura.
18. Chief Inspector of Jute, Madaripur.
19. Regional Asstt. Controller of Jute, Rangpur.
20. Chief Inspector of Jute, Rangpur Sadar.
21. Chief Inspector of Jute, Kurigram.
22. Chief Inspector of Jute, Gaibandha.
23. Chief Inspector of Jute, Serajganj.
24. Chief Inspector of Jute, Naogaon.
25. Chief Inspector of Jute, Bogra.
26. Jute Directorate, Narayanganj.

"PJA" *Pakistan Jute Association & Jute Exporters.*

1. M/s. Naseembhai & Co., Sitalakhya, Narayanganj.
2. Daulatpur Traders Co., Daulatpur, Khulna.
3. Secretary, Dacca-Narayanganj Chamber of Commerce & Industry.
4. M/s. M. Sarkies & Sons, Narayanganj.
5. James Finlay & Co. Ltd., Narayanganj.
6. I.A. Faruqui, Manager, Rally Bros. Ltd., Serajganj, Pabna.
7. M/s. Rashid Brothers, Daulat pur, Khulna.
8. M. R. Mina & Co., Khanpur, Narayanganj.
9. Pakistan Jute Association, Narayanganj.

"PJMA" *Pakistan Jute Mills Association, & Jute Mills.*

1. The Crescent Jute Mills Ltd., Khalishpur, Khulna.
2. Daulatpur Jute Mills Ltd., P.O. Town Khalishpur, Khulna.
3. The Dacca Jute Mills Ltd., Faridabad, Dacca.
4. Pakistan Jute Mills Association.
5. Amin Group of Companies, Sadarghat Road, Chittagong.

"TM" *Marwari Traders.*

1. M/s. Netram Chiranjilall, Lalmonirhat, Rangpur.
2. M/s. Ghewar Chand Mangi Lal, Kurigram, Rangpur.
3. Shew Prasad Agarwala, Charghat, Rajshahi.
4. Choutharam Kushalchand, Cloth, Jute, Tobacco Merchant, Nilphamari.
5. M/s. Askaran Banthia, Jute, Merchant, P.O. Kurigram, Rangpur.
6. Pratapmal, P.O. Nilphamari, Rangpur.
7. A. Marwari, P.O. Nilphamari, Rangpur.

"T" *Other Traders.*

1. Ali Ahmed Sarker, Vill. & P.O. Kaoytkhali, Mymensingh.
2. M/s. Samad Ali & Co., Vill. Ram Amritaganj, Mymensingh.
3. Md. Abdus Samad, Nilphamari, Rangpur.
4. Md. Mahbub Hossain, Nilphamari, Rangpur,

5. (*i*) Afsar Ali Ahmed.
   (*ii*) Rahimuddin Ahmed.
   (*iii*) Dahiruddin Ahmed.
   (*iv*) Kasimuddin Ahmed.
   (*v*) Akbar Ali Ahmed.
   (*vi*) Safiruddin.
   (*vii*) M. A. Haque.
   } Vill. Panchgarh, Dist. Dinajpur.
6. Vice-President, Bazu Bagha Union Board, P.S. Charghat, Rajshahi.
7. Mollah Abul Kalam Azad of Atrai, Rajshahi.
8. Sudhunya Kumar Lasky Kutcha Baler, P.O. Kamarkhali, Faridpur.
9. M/s. S.C. Saha & Bros., General Merchant & Commission Agents, P.O. Kamarkhali, Faridpur.
10. Abhimanya Lasker, Jute Baler, P.O. Boalmari, Faridpur.

"L" *Knowledgeable People.*

1. Principal, M.C. College, Sylhet.
2. M. Rahman, M.A.B.L., Rajshahi.
3. M. M. Zaman Adeni, Editor, World Jute.
4. Abdur Rouf, M. Com., Prof. of Commerce, Sadat College, Karatia, Mymensingh.
5. Hashimuddin Ahmed, Advocate.
6. Syed Muazzamuddin Hossain.

" B " *Bank.*

1. Manager, State Bank of Pakistan, Dacca.
2. National Grindley's Bank.

APPENDIX C-1

THE GAZETTE OF PAKISTAN
EXTRAORDINARY
PUBLISHED BY AUTHORITY

Karachi, Monday, June 8, 1959

GOVERNMENT OF PAKISTAN

MINISTRY OF COMMERCE

RESOLUTION

Karachi, the 8th June 1959

No. 335/631/59-CP.—Whereas it is necessary to enquire into the production, prices, marketing and export of jute and jute goods and recommend measures for improvement ;

2. Now, therefore, the Central Government is pleased to set up a Jute Enquiry Commission consisting of the following :—

Chairman

1. Mr. Zakir Hussain, Governor of East Pakistan.

Members

2. Mr. K. S. Islam, C.S.P., Chairman, Jute Board.
3. Mr. M. Mehdy Ispahani, President, Pakistan Jute Association.
4. Mr. A. Jalil, President, Pakistan Jute Mills Association.
5. Rai Bahadur R.P. Saha, Managing Director, Kumudini Welfare Trust of Bengal.
6. Mr. A. Muhajir, Managing Director, National of Pakistan.
7. Dr. S. D. Chaudhury, Director, Jute Research Institute.
8. Mr. Ghouse Mohiuddin (Representative of the Ministry of Finance).
9. Mr. Mohammad Amin, B.L., Advocate, Rangpur (Representative of Growers).
10. Mr. Afazuddin Faquir, Narayanganj (Representative of Aratdars).

Member-Secretary

11. Mr. Rakibuddin Ahmed, Secretary, Pakistan Central Jute Committee.

The Commission, which has been set up in replacement of the Commission of Inquiry set up in September 1957, shall have powers to co-opt any other persons as members if it so chooses.

2. The terms of reference of the Commission will be :—

1. To recommend the appropriate size of the jute crop to be grown over the next five years, having regard to requirements, both internal and external, price levels and world trends in the use of jute, competing fibres and substitutes ;

2. To assess and advise on the areas where good quality jute should be grown with due regard to other land uses in the context of natinal economy;

3. To make recommendations on how to maximise yields of superior jute and lower costs of production through the use of improved seeds and farming methods ;

4. To suggest measures to ensure stable price levels and a fair return to the grower, aratdar and baler ;

5. To examine existing arrangements for storage and marketing, including the financing and insurance of the crop and suggest measures for improvement ;

6. To consider baling and transport facilities and make recommendations for their improvement ;

7. To study the existing system of private trading in jute and propose measures for improvement with particular reference to the elimination of malpractices in the jute export trade ;

8. To make recommendations regarding the grading of jute and the maintenance of quality standards ;

9. To examine the production, prices marketing and export of jute goods and suggest steps for improvement ;

10. To assess the internal and external demand for jute goods over the next five years and recommend targets for the production of hessian bags, sacking and other jute manufactures ;

11. To consider and make recommendations on the desirability of providing facilities for research into new uses of jute in industry ;

12. To study existing Governmental procedures and agencies dealing with the growing and marketing of jute and the production of jute goods and to advise on the need for changes ;

13. Any other matter connected with or incidental to the above.

The Commission should complete its enquiries and submit its final report before the end of August 1959.

A. KHALEELI,
Secretary.

APPENDIX C-2

Interim Report of the Jute Enquiry Commission on (1) the size of the Jute Crop, (2) Regulation of jute cultivation and (3) Areas where jute should be grown.

SIZE OF THE JUTE CROP

The world production of jute and allied fibres (the main allied fibre being mesta) and Pakistan's production of jute during the last 12 years have been as shown in the following statement :—

Year		World production (Lakh bales)	Pakistan's production (Lakh bales)	Pakistan's share in World Production (% percentage)
1947-48	... ...	86(*b*)	68	79·1
1948-49	... ...	79	55	69·8
1949-50	... ...	67	33	49·4
1950-51 (*a*)	... ...	96	60	62·5
1951-52	... ...	114	63	55·3
1952-53	... ...	125	68	54·5
1953-54	... ...	86	38	44·4
1954-55 (*c*)	... ...	96	46	47 9
1955-56	... ...	132	64	48·9
1956-57	... ...	133	59	44·4
1957-58	... ...	129	57	44·3
1958-59	... ...	150	62	41·3

(*a*) *Source* : (*i*) Jute Directorate, East Pakistan, (*ii*) Jute Balers Association, Calcutta and (*iii*) F.A.O.

(*b*) *Source* : Industrial Fibre, 1952, Commonwealth Economic Committee.

(*c*) *Source* : F.A.O.

2. It will be seen from the above statement that while the production and consumption of jute and allied fibres in the world has been going up (with wide fluctuations) at the rate roughly of 10% annually, Pakistan's share in the world's jute has been falling. This is a very unsatisfactory feature. In 1955-56 Pakistan's share was 48·9% (perhaps even higher as the quantity smuggled to India, which is not included in the figures, was quite high in the earlier years) and by 1958-59 it has come down to 41·3%.

3. To a considerable extent the fall in Pakistan's share has been due to a natural desire for self-sufficiency in certain countries. Thus India, China, Brazil, Thailand and Burma have all increased their production of jute and/or mesta. The restrictions existing in several countries on the import of jute and jute goods have also had the effect of restricting their consumption and consequently have resulted in curtailment of production of jute in Pakistan. Pakistan, however, possesses exceptionally suitable climate and soil for the production of jute and, therefore, there is no good

reason why it should not be able to compete successfully with other countries so far as exports to non-producing countries are concerned. It is the Commission's recommendation that Pakistan should henceforth follow a positive and dynamic policy designed to capture as large a share of the jute and jute-goods trade as possible.

4. The possibilities of increase in exports of raw jute are limited for two reasons. Firstly, raw jute can be imported by a country only if, and to the extent that, mills exist in that country to process it. Secondly, the jute manufacturing industry of certain countries which are not, in that industry, able to compete with countries like India and Pakistan which produce jute, is not propped up by protection and as the world economy becomes freer and that protection is reduced (as *e.g.*, has been done in the United Kingdom very recently by the reduction of the mark-up on imported hessian from 30% to 20%) there will be less import by these countries of raw jute. The stress in Pakistan's policy should, therefore, be on export of jute-goods.

5. The raw jute exports of Pakistan have in each of the last 3 years been about 45 lakh bales only and the current year's estimate is about the same. By making our jute available to end consumers at more competitive prices we may be able to achieve an increase in exports of about 50,000 bales every year. To take a higher figure would be optimistic. The off-take by India came down in 1958-59 to 1,75,000 bales. In the current year it has gone up again to about 6 lakh bales, as in 1956-57 and 1957-58, and it may stay there or go up as a result of the realisation in India that increased production of jute and mesta in India seriously affects her food production. But it is also pos ible that India may give priority to the policy of self-sufficiency in jute/mesta over that of self-sufficiency in food and the Commission, therefore, does not recommend any assumption being made that India will buy more than one or two lakh bales of jute from Pakistan in future years.

6. As for export of our jute-goods, the expected demand for them in the future (as also at present) is very large but our ability to fulfil it depends on the size of the industrial capacity installed in the country. With 8,000 looms operating at present the annual mill consumption of jute in the country is around 16 lakh bales and it should go up to 18 lakh bales. The Planning Commission has proposed that another 4,000 looms may be installed within the next 5 years, to bring the total number to 12,000. The additional 4,000 looms may be expected to consume 9 lakh bales.

7. Thus, the total increase in the crop required in the next 5 years may be estimated at 13-1/2 lakh bales. The production required in 1960 has been estimated at 65 lakh bales, which, however, includes a carry-over into the next season of 3 lakh bales. The Commission accordingly suggests that the target for production in 1965 should be 75-1/2 lakh bales or, let us say 75 lakh bales. The production target from year to year will have to be determined in the light of the carry-over from the preceding season and the expected world demand, the latter depending greatly on the state of the world's economy. The Commission, therefore, does not consider it feasible to fix a target just now for each of the next 5 years.

8. If, as the Commission is going to suggest, the expansion of our jute industry can be carried out at a higher rate than that suggested by the Planning Commission, a larger jute crop would be required and in that case our estimate of 75 lakh bales at the end of the next 5 years may prove inadequate. There are certainly good prospects of that; there is little doubt that the demand for Pakistan jute-goods is such that we would be able to sell the production even of 16,000 looms or more, if we have so many loom installed in the next 5 years.

9. Though, as stated above, it is not feasible to fix the targets of our jute production immediately for each of the next 5 years, Government can and should do

so each year in the month of January. For 1960-61 the Commission recommends that the size of the crop to be grown should be 65 lakh bales. This figure has been arrived at as follows :—

1959-60		
Carry-over from 1958-59	11	lakh bales
Production in 1959-60	53	„
Total availability for 1959-60	64	„
Estimated disposal in 1959-60 :		
Mills consumption	14-1/2	lakh bales
Domestic consumption	2	„
Exports to India	6-1/2	„
Exports to countries other than India	40	„
Total ...	63	„
Balance *i.e.*, carry-over to 1960-61	1	„
Estimated disposal in 1960-61 :		
Mills' consumption	16	„
Domestic consumption	2	„
Exports to India	2	„
Exports to countries other than India	43	„
Total ...	63	„
Deducting carry-over from 1959-60	1	„
Quantity required to meet demand	62	„
Quantity that should be grown	65	„
Which would give a carry-over into 1961-62 of ...	3	„

10. The Pakistan Jute Mills Association has, on behalf of the jute industry of Pakistan, asked for 5 lakh bales of mesta to be grown annually for its use. It would mix the mesta with jute. Mesta being cheaper than jute (because of its lower cost of production) its admixture with jute will result in a slight lowering of the batch cost for our industry. It will also impart more lustre to the goods produced, without adversely affecting the quality of the goods in any way. The Commission sees no harm in allowing mesta to be grown for the use of the indigenous industry, as the industry requires it. In 1959-60, 2 lakh bales of mesta were allowed to be grown for this purpose. At the present stage of development of our industry the figure of 5 lakh bales of mesta appears to be on the high side. The Commission recommends that a target of production of 3 lakh bales of mesta may be fixed for 1960 and this quantity should be considered included in the figure of 65 lakh bales mentioned in the preceding paragraph. Mesta should not, therefore, be allowed to be exported from Pakistan and any attempt to mix mesta with the raw jute for export should be severely dealt with. The Commission does not think there is much risk of such mixture as jute and mesta are easily distinguishable.

REGULATION OF JUTE CULTIVATION

11. If Pakistan is to try to obtain a larger and increasing share of the world's jute trade, it should immediately abolish regulation and licensing of jute acreage. This regulation—which is in any case a one-sided regulation since while it can possibly prevent over-production it cannot ensure the production of a minimum required quantity—has been utterly defective and ineffective so far, defective because it is based on settlement records prepared in 1940, which are now hopelessly out of date, and ineffective because the growers have been growing the quantities they think they should grow, regardless of the licences issued. It is not worthwhile to try to remove the defects and make the regulation effective. The Commission considers this regulation unnecessary and undesirable and recommends its abolition with effect from the 1960 season. By the abolition of jute regulation an extremely imperfect control would be abolished, a big saving of the expenditure on the regulation staff would be effected, the ground would be taken away from the for eign buyers' fairly legitimate complaint that Pakistan has been restricting production and contributing towards a shortage (while in lean years it is unable to guarantee production of a minimum quantity), the Pakistani jute grower would be taught to stand on his own legs and to try to get a better yield and reduce the cost of production, and the way would be cleared for Pakistan to get a larger share of the world's jute trade instead of losing the ground continually to other countries. After all, when East Pakistan is exceptionally well-suited for the production of jute it is other countries and not Pakistan which should be afraid of competition and think twice before growing jute.

12. Although the Commission recommends abolition of regulation of jute acreage, it is of the view that some guidance should be given to the growers every year at the sowing time as to how much jute they should grow so that they do not grow far too much or too little. The Commission accordingly recommends that Government should draw up every year an estimate of the coming season's requirements and on the basis of the size of the crop thus arrived at advice should be given to the growers as to how many annas per rupee of the basic jute acreage they should grow jute on. Three such scales, to be worked out by the Director of Agriculture, East Pakistan, should be laid down: one for the jat area, one for the district area and one for the northern area. This advice should be given wide publicity so as to bring it to the knowledge of each farmer in the area concerned. Union Councils set up under the Basic Democracies scheme should be made to play their part in educating the growers in this regard.

13. The Commission is of the view that no announcement of the over-all size of the crop to be grown should be made as such an announcement can be exploited by the trade to depress the prices for the growers.

AREAS WHERE JUTE SHOULD BE GROWN

14. In 1959-60 cultivation of jute in certain areas of East Pakistan was banned because those areas were either on the border, which facilitated the jute produced there being smuggled to India, or grew inferior quality jute and could be better utilised in growing some other crop. The reasons for the ban are weighty ones and the Commission recommends that this ban should continue as a permanent feature, with some slight amendments. The Director of Agriculture, East Pakistan, Dr. S. D. Chaudhuri, who is also a member of the Commission, has drawn up a revised list of the areas proposed to be banned for 1960. Certain areas, mainly in Sylhet district, which were banned last year are to be permitted to grow jute while some other areas, along the border to Mymensingh and Rangpur districts with India, are to be added to the banned areas. The proposed changes have the concurrence of the District Development Committees of the districts concerned. The Commission,

not being tin possession of certain information in regard to the Unions affected, has decided to give its approval to the proposed list. From 1961, however, the Commission recommends that the banning should be done on Union basis and not on Thana basis, so that no Union is hit by the ban if it is neither within the 5 mile border belt nor grows inferior quality jute. The Commission also recommends that permission to grow jute on low-lying lands in banned areas on which no other crop can be grown should continue. A list of such lands should be prepared jointly by the Director of Agriculture and the Director of Jute. The Commission learnt during its tours that the ban had caused a certain amount of hardship in the banned areas as jute is also required for meeting the farmers' domestic requirements of ropes and jute sticks for firewood. The Commission, therefore, recommends that in the banned areas every cultivating family should be allowed to grow jute on a maximum of 1/4 bigha of land for domestic purposes. This jute would be used for meeting the family's requirements of ropes, fuel, etc. and must not be allowed to be sold.

APPENDIX D

TABLE I

Production of Jute and Allied Fibres in Pakistan, Indian and Other Countries.

Year July—June.	Production in				Share in percentage of total production of		
	Pakistan (*a*)	India (*b*)	Other countries (*c*)	Total	Pakistan	India	Others
	Lakh bales				Percentages		
Av. 1934-39* ..	—	81·85	1·42	83·27	—	98·29	1·71
Av. 1939-47** ..	—	80·40	N.A.	80·40	—	—	—
1947-48 ..	68·76487	16·58	N.A.	85·34	80·58	19·42	N.A.
1948-49 ..	55·34516	20·55	3·51	79·41	69·70	25·88	4·42
1949-50 ..	42·54552	30·89	3·62	77·06	55·21	40·09	4·70
1950-51 ..	60·60989	32·83	3·53	96·97	62·50	33·86	3·64
1951-52 ..	69·03572	46·78	4·75	120·57	57·26	38·80	3·94
1952-53 ..	68·22197	52·74	4·54	125·50	54·36	42·02	3·62
1953-54 ..	36·39331	37·47	15·43(*d*)	89·29	40·76	41·96	17·28
1954-55 ..	45·89630	39·44	15·98	101·32	45·30	38·93	15·77
1955-56 ..	64·98500	53·56	22·05	140·60	46·23	38·09	15·68
1956-57 ..	59·01706	57·66	23·15	139·83	42·21	41·24	16·55
1957-58 ..	60·53342	53·43	25·35	139·31	43·45	38·35	18·20
1958-59 ..	61·78511	67·59	28·67	158·05	39·10	42·76	18·14
1959-60 ..	55·25411	56·50	35·82 (*e*)	147·57	37·44	38·29	24·27

* 1934-35/1938-39.
**1939-40/1946-47.
N.A.=Not available.

Source :

(*a*) Jute Board, Govt. of Pakistan. Figures based onexports, mill consumption, domestic consumption and carryover.

(*b*) Government of India Forecast as quoted in Calcutta Jute Balers Association's, Golden Jubilee Souvenir, 1959. The 1959-60 figure is revised Government Forecast.

(*c*) Figures upto 1952-53 from FAO, "Jute, a Survey of Markets, Manufacturing and Production", page 62.

(*d*) Production in China is included only since 1953-54 from FAO : Monthly Bulletin of Agricultural Economics and Statistics Volume VIII, October, 1959, page 24 (*vide* Table III later).

(*e*) The figure for 1959-60 is provisional.

N.B.—Figures converted from metric tons in the case of (*c*) and (*d*).

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TABLE II

Industrial Consumption of Jute and Allied Fibres

(Figures in lakh bales)

Year	Mill consumption in India (*a*)	Mill consumption in Pakistan (*b*)	Other countries (*c*)	World Total
Av. 1934-35/38-39	55·55		42·04	97·59
Av. 1939-40/46-47	62·19		16·09	78·28
1947-48	65·01		23·02	88·03
1948-49	65·02		26·73	91·75
1949-50	53·26		23·28	76·54
1950-51	58·61		42·04	100·65
1951-52	54·59	0·08	32·04	86·71
1952-53	53·07	0·99	37·71	91·77
1953-54	60·93	2·81	37·65	101·39
1954-55	66·80	3·43	39·09	109·32
1955-56	66·61	7·34	57·30	131·25
1956-57	63·10	8·09	59·00	130·19
1957-58	65·45	9·41	58·90	133·76
1958-59	65·00	12·09	75·50	152·59
1959-60	65·41*	15·35	85·50 (*d*)	166·26

Source :

(*a*) Jute Balers Association, Calcutta.

*Figure for 1959-60 is based on IJMA figure of 62·86 lakh bales consumed by IJMA mills which represent 96·1 per cent of the total loomage in India.

(*b*) Upto 1954-55 consumption relate to April—March year and has been obtained from the Provincial Statistical Board, Government of East Pakistan. Since 1955-56 mill consumption relates to July—June year and has been obtained from the PJMA Monthly Summary of Jute Goods Statistics.

(*c*) Upto 1954-55 the exports from Pakistan and India to other countries are taken as the mill consumption of other countries. Since 1955-56 industrial consumption of raw jute in other countries is as shown in FAO : Monthly Bulletin of Agricultural Economics and Statistics, Volume VIII, October, 1959, page 24 (*vide* Table III). These figures include consumption of jute and allied fibres produced in other countries, in addition to exports from Pakistan.

(*d*) Figure for 1959-60 is provisional.

Figures under (*c*) and against (*d*) are converted from metric tons.

APPENDIX D

TABLE III

Production and Industrial Consumption of Jute and Allied Fibres (1953-54 to 1959-60).

Season July—June Item	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60[1]
	Lakh Bales						
Production							
Pakistan, jute[2]	41·9	50·2	70·0	65·0	62·8	68·3	60·6
India :							
Jute	30·9	29·2	41·9	43·0	40·8	51·8	57·9
Mesta	6·6	9·9	11·6	14·9	13·2	16·0	16·5
China, Mainland[3]	7·7	7·7	14·3	14·3	17·1	18·2	22·0
Other Far Eastern countries ..	1·6	2·2	2·2	2·8	3·3	5·0	7.2
Total Far East ..	88·7	99·2	140·0	140·0	137·2	159·3	164·2
Other countries	6·1	6·1	5·5	6·1	5·5	5·5	6·6
Jute	77·2	83·2	117·9	114·6	111·3	129 0	129·5
Kenaf and similar fibres ..	17·6	22·1	27·6	31·5	30·9	35·8	41·3
World Total ..	94·8	105·3	145·5	146·1	142·2	164·8	170·8
Mill consumption[4]							
India	52·3	60·6	66·7	63·4	65·6	65·0	66·1
Pakistan	2·8	3·3	7·7	8·8	9·4	11·6	17·6
Western Europe[5]	29·2	29·2	31·4	30·9	29·2	28·6	27·6
United States[6]	2·8	3·3	3·9	3·3	2·2	2·8	2·8
Other countries	—	—	22·0	24·8	27·5	44·1	55·1
Total ..	87·1	96·4	131·7	131·2	133·9	152·1	169·2

N.B.—Figures converted from Metric Tons (1 metric ton = 5·5115 bales).

[1] Provisional.

[2] Includes some 1·65 to 2·2 lakh bales of kenaf per season.

[3] Believed to consist of roughly one third jute and two thirds ambary hemp (kenaf).

[4] Excludes fibre processed by cottage industries.

[5] Calendar years.

[6] Exports from Pakistan to the United States.

Source : Reproduced from Monthly Bulletin of Agricultural Economics and Statistics by F.A.O, Volume VIII, October, 1959, page 24. Figures are converted from metric tons (1 metric ton = 5·5115 bales).

N.B.—Total figures in this table will not tally with those in Tables I and II because in those tables figures for Pakistan and India are taken from local sources which is at variance with figures given here.

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TABLE IV(a)

Pakistan's Export of Raw Jute and Jute Goods

(Lakh bales)

Year	World Industrial consumption of raw jute (*a*)	Jute Exports from Pakistan (*b*)			Export of jute goods from Pakistan (*c*)	Total exports of jute and jute goods from Pak. Col. 4+5	Share of Pakistan jute in world consumption % Col. 6 : 1
		India	Overseas	Total Col. 2+3			
	1	2	3	4	5	6	7
1947-48 ..	88·03	53·09	7·46	60·55	..	60·55	68·78
1948-49 ..	91·75	39·04	17·77	56·81	..	56·81	61·92
1949-50 ..	76·54	16·59	17·23	33·82	..	33·82	44·19
1950-51 ..	100·65	25·58	42·04	67·62	..	67·62	67·18
1951-52 ..	86·71	16·81	32·04	48·84	..	48·84	56·33
1952-53 ..	91·77	15·29	37·71	53·00	·01	53·01	57·76
1953-54 ..	101·39	13·31	37·65	50·96	0·53	51·49	50·78
1954-55 ..	109·32	12·31	39·09	51·40	0·84	52·24	47·79
1955-56 ..	131·25	13·57	43·26	56·83	4·76	61·59	46·93
1956-57 ..	130·19	6·03	39·57	45·60	4.52	50·12	38·50
1957-58 ..	133·76	6·37	39·36	45·73	5·81	51·54	38·53
1958-59 ..	152·59	1·75	42·19	43·94	7·69	51·63	33·84
1959-60 ..	166·26	6·23	40·95	47·18	11·02	58·20	35·01

Source : (*a*) Table II.

(*b*) Jute Directorate.

(*c*) C. S. O. upto 1954-55—Figures given for April—March year. PJMA since 1955-56. Figures converted from tons (*vide* Table).

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TABLE IV (*b*)

Country-wise distribution of Export of Raw Jute from Pakistan from 1951-52 *to* 1958-59. (*Source* : P.J.A.)

Countries and Country-Groups	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
				(Figures are expressed in bales)				
1. U.K.	5,34,199	8,69,154	7,31,845	7,79,682	7,27,622	7,40,978	6,58,469	8,67,885
2. European Common Market :								
Belgium	2,74,591	4,45,371	3,93,147	4,69,865	5,92,931	5,01,460	3,92,324	4,43,148
Germany	3,84,643	4,20,296	5,19,081	5,41,984	5,39,891	4,71,765	4,71,898	4,46,356
France	4,90,446	3,68,390	4,53,225	4,38,854	4,93,039	3,90,539	5,20,825	3,97,377
Italy	3,02,206	3,67,102	2,61,035	2,60,966	3,05,707	3,21,239	2,42,762	2,61,051
Netherlands	69,358	1,02,648	65,481	1,03,941	1,02,195	86,670	79,983	94,864
3. Outer Seven (excluding U.K.) :								
Portugal	67,842	28,533	16,277	43,510	77,376	33,375	71,221	76,649
Sweden	25,610	22,200	32,868	23,742	27,444	32,160	31,707	25,373
Austria	22,455	36,595	27,695	19,779	21,117	25,660	21,839	20,943
Denmark	6,071	10,093	15,825	7,122	11,357	10,065	9,797	11,967
Norway	3,151	3,225	2,724	3,779	2,780	2,991	2,374	2,887
Switzerland	1,283	3,433	6,548	6,344	5,181	4,387	4,800	200

Communist Countries :								
Poland	73,463	67,042	96,801	91,543	1,11,762	1,14,926	1,31,790	1,24,615
U.S.S.R.	90,175	1,45,057	82,620	..	..	50,370	89,222	64,849
China	19,004	..	..	71,695	2,32,170	72,183	..	44,238
Czechoslavakia ..	50,323	26,064	26,383	12,020	20,991	30,803	19,373	36,014
Rumania						2,800	16,186	13,993
Hungary	2,574	16,717	10,170	..	2,710	3,920	14,505	5,600
East Germany ..						2,664	2,576	4,812
Other European Countries:								
Spain	37,658	93,227	93,838	38,051	1,16,415	60,904	1,11,277	1,22,397
Eireland	26,277	34,010	34,480	38,722	33,157	38,213	30,721	48,526
Yogoslavia	10,819	10,076	18,310	14,650	20,691	23,412	36,845	31,292
Greece	23,371	22,931	28,071	23,667	26,142	17,063	25,233	25,304
Finland	..	..	1,519	2,940	1,484	2,054	2,598	3,358
AMERICA								
6. U.S.A.	1,46,445	5,24,376	3,00,940	3,23,799	3,84,383	3,09,329	2,37,805	2,86,769
7. Canada	622	5,041	16,260	7,759	26,612	4,986	11,401	36,796
Other countries :								
Argentina	37,323	19,177	83,539	1,00,021	38,849	1,09,392	81,725	57,472
Chile	17,339	23,790	21,374	15,411	21,129	10,288	17,825	15,326
Peru	559	2,126	2,096	3,859	5,108	6,778	7,055	4,116
West Indies	284	3,953	2,250	3,892	8,654	5,592	8,856	6,392

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TABLE IV (*b*)—*contd.*

Country-wise distribution of Export of Raw Jute from Pakistan from 1951-52 *to* 1958-59—*contd.* (*Source* : P.J.A.)

Countries and Country-Groups	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
AMERICA—*contd.*			(Figures are expressed in bales)					
10. Mexico	..	..	1,680	..	273	300	8,470	7,974
Uruguay	5	4,958	6,119	7,160	5,814	10,428	9,081	8,998
AFFRICA								
11. Union of S. Africa	77,029	69,715	1,23,524	1,22,710	1,08,725	96,663	95,621	1,15,346
12. North Africa :								
Egypt	9,625	7,812	8,735	9,515	11,358	18,287	14,554	40,101
Morocco	2,261	5,354	45,416	6,789	7,973	4,496	5,863	14,543
N. Africa	..	..	..	..	..	..	..	5,000
13. Other countries :								
S. Rhodesia	..	..	..	..	26,580	13,186	17,336	14,223
E. Africa	5,118	..	7,872	3,051	14,273	..	45,162	32,595
Madagascar	..	..	..	4,296	6,961	10,499	11,340	14,304
Ethyopia	..	..	..	..	..	..	..	4,194
W. Africa	..	..	..	..	1,120	7,317	1,400	5,319
ASIA								
14. Middle East :								
Iraq	..	..	3,065	20,127	3,261	..	..	13,165
Turkey	..	..	4,093	11,272	..	2,044	2,800	11,561
Lebanon	..	..	1,120	844	1,003	..	2,433	3,668

15. Philippines ..	15,110	55,874	23,013	25,267	40,439	39,937	45,199	59,943
Indo-China	..	..	..	2,754	5,012	7,113	14,827	657
Formusa	..	..	..	..	..	..	33,571	..
16. Burma : ..	..	..	..	..	..	19,188	65,049	59,766
Indonesia	..	..	1,786	..	..	7,905	..	..
17. Japan	82,965	1,75.206	1,43,059	1,62,668	1,86,969	1,85,116	1;93,505	1,99,796
OCEANIA								
18. Australia	12,667	5,118	30,353	21,737	21,020	23,510	16,142	29,375
New-Zealand	..	..	3,956	1,566	1,343	1,153	1,162	3,355
19. India	18,07,332	13,08,399	14,59,683	12,29,676	14,51,758	6,03,661	6,36,351	1,74,938

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TABLE V

Production of Jute and Mesta in and Exports of Jute from India

Year July—June	Acreage under jute and mesta			Yield of jute and mesta			Exports
	Jute	Mesta	Total	Jute	Mesta	Total	
	'000' acres			'000' bales			
1947-48	..	..	652	..	..	1,658	1,556
1948-49	..	..	834	..	..	2,055	896
1949-50	..	..	1,163	..	..	3,089	605
1950-51	..	..	1,411	..	..	3,283	—
1951-52	..	..	1,951	..	..	4,678	—
1952-53	1,813	483	2,296	4,592	682	5,274	—
1953-54	1,228	468	1,696	3,091	656	3,747	—
1954-55	1,243	514	1,757	2,928	1,016	3,944	—
1955-56	1,739	572	2,311	4,197	1,159	5,356	—
1956-57	1,908	733	2,641	4,288	1,478	5,766	—
1957-58	1,742	764	2,506	4,052	1,291	5,343	—
1958-59	1,827	851	2,678	5,178	1,581	6,759	42

N.B.—Upto 1951-52 the figures of acreage and yield are not available separately for jute and *mesta*.

Source : Government Forecast as quoted by the Jute Balers' Association, Calcutta, in its Golden Jubilee Souvenir, 1959.

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TABLE VI

Acreage and Yield under White and Tossa Jute in East Pakistan

Season July=June	Acreage				Yield			
	White	Tossa	Total	Acreage under white as P.C. to total	White	Tossa	Total	Yield of white as P.C. of total
	acres			%	bales			%
1947-48			20,58,670	..			68,42,605	..
1948-49			18,76,565	..			54,79,095	..
1949-50			15,60,795	..			33,32,855	..
1950-51	14,33,500	2,77,400	17,10,900	83·78	49,18,895	10,88,515	60,07,410	81·86
1951-52	13,19,895	4,58,875	17,78,770	74·20	45,42,915	17,88,140	63,31,055	71·76
1952-53	14,33,090	4,73,725	19,06,815	75·16	51,09,450	17,13,290	68,22,740	74·89
1953-54	7,22,700	2,42,575	9,65,275	74·87	26,28,230	9,81,510	36,09,740	72·81
1954-55	9,60,940	2,82,230	12,43,170	77·30	35,89,095	10,37,240	46,62,335	76·98
1955-56	11,96,370	4,38,120	16,34,490	73·20	41,31,790	14,60,485	55,92,275	73·88
1956-57	8,76,603	3,53,661	12,30,264	71·25	40,43,216	14,70,730	55,13,946	73·33
1957-58	11,66,985	3,95,634	15,62,619	74·68	41,99,120	15,01,595	57,00,715	73·66
1958-59	11,56,586	3,71,764	15,28,350	75·68	45,46,638	14,54,216	60,00,854	75·77
1959-60	10,07,359	3,67,786	13,75,145	73·25	38,80,373	14,82,745	53,63,118	72·35

N. B.—Upto 1949-50 the figures of acreage and yield are not available separately for white and tossa jute.
White jute = Corchorus Capsularis ; Tossa jute = Corchorus Olitorius.

Source : Government Final Forecast as obtained from the Jute Directorate, Government of East Pakistan.

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TABLE VII (*a*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1947-48

District	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas :						
1. Mymensingh	..	..	5,11,695	..	..	18,29,310
2. Dacca	..	..	2,05,080	..	..	7,58,795
3. Comilla	..	..	1,86,615	..	..	5,97,170
District Jute areas :						
4. Faridpur	..	..	2,01,315	..	..	6,29,110
5. Pabna	..	..	1,04,110	..	..	3,64,385
6. Jessore	..	..	1,06,090	..	..	3,79,270
7. Noakhali	..	..	41,300	..	..	1,03,250
8. Kushtia	..	..	43,175	..	..	1,33,845
9. Bakerganj	..	..	39,575	..	..	1,14,965
10. Khulna	..	..	30,565	..	..	88,640
11. Sylhet	..	..	27,865	..	..	94,740
12. Chittagong Hill Tracts	..	..	..	..	..	..
13. Cnittagong	..	..	460	..	..	920
Northern Jute areas :						
14. Rangpur	..	..	2,72,925	..	..	9,27,945
15. Bogra	..	..	88,305	..	..	2,30,760
16. Rajshahi	..	..	1,02,110	..	..	3,16,540
17. Dinajpur	..	..	97,485	..	..	2,72,960
Total	..	..	20,58,670	..	..	68,42,605

N. B.—Acreage and yield of capsularis and olitorius jute are not available separately.

Source :—Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII (*b*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1948-49

Districts	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas :						
1. Mymensingh	..	..	4,42,260	..	..	11,38,820
2. Dacca	..	..	1,95,105	..	..	6,36,040
3. Comilla	..	..	1,67,175	..	..	5,88,455
District Jute areas :						
4. Faridpur	..	..	1,89,240	..	..	5,58,260
5. Pabna	..	..	1,00,310	..	..	2,00,930
6. Jessore	..	..	91,065	..	..	3,28,745
7. Noakhali	..	..	35,740	..	..	91,850
8. Kushtia	..	..	45,640	..	..	1,55,175
9. Bakerganj	..	..	40,130	..	..	1,09,755
10. Khulna	..	..	30,855	..	..	1,07,745
11. Sylhet	..	..	28,230	..	..	81,865
12. Chittagong	..	..	410	..	..	1,535
13. Chittagong Hill Tracts	..	..	..	..	..	..
Northern Jute areas :						
14. Rangpur	..	..	2,22,705	..	..	5,55,870
15. Bogra	..	..	90,550	..	..	2,57,160
16. Rajshahi	..	..	1,08,600	..	..	3,36,660
17. Dinajpur	..	..	88,550	..	..	2,30,230
Total	..	..	18,76,565	..	..	54,79,095

N. B.—Acreage and yield of capsularis and olitorius jute are not available separately.

Source : Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII (*c*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1948-49

Districts	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas :						
1. Mymensingh ..	—	—	3,78,640	—	—	7,62,015
2. Dacca	—	—	1,65,690	—	—	3,60,210
3. Comilla	—	—	1,05,590	—	—	2,33,245
District Jute areas :						
4. Faridpur	—	—	1,05,900	—	—	2,43,630
5. Pabna	—	—	74,360	—	—	1,53,295
6. Jessore	—	—	77,385	—	—	2,04,610
7. Noakhali ..	—	—	21,400	—	—	27,865
8. Kushtia	—	—	38,510	—	—	1,03,400
9. Bakerganj ..	—	—	33,720	—	—	79,915
10. Khulna	—	—	26,870	—	—	61,005
11. Sylhet	—	—	23,000	—	—	57,810
12. Chittagong ..	—	—	140	—	—	385
13. Chittagong Hill Tracts.	—	—	—	—	—	—
Northern Jute areas :						
14. Rangpur	—	—	2,51,560	—	—	4,74,695
15. Bogra	—	—	59,235	—	—	1,15,210
16. Rajshahi	—	—	1,03,065	—	—	2,53,955
17. Dinajpur	—	—	95,730	—	—	2,01,610
Total ..	—	—	15,60,795	—	—	33,32,855

N.B.—Acreage and yield of capsularis and olitorius jute are not available separately.

Source : Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII (*d*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1950-51

District	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas :						
1. Mymensingh ..	3,75,925	34,600	4,10,525	13,90,925	1,45,320	15,36,245
2. Dacca	1,57,775	22,730	1,80,505	5,83,760	95,465	6,79,225
3. Comilla	1,72,350	4,130	1,76,480	6,37,695	17,345	6,55,040
District Jute areas :						
4. Faridpur	1,18,285	39,830	1,58,115	3,54,855	2,16,225	5,71,080
5. Pabna	59,115	17,600	76,715	1,86,200	70,400	2,56,600
6. Jessore	24,885	42,000	66,885	74,660	1,47,000	2,21,660
7. Noakhali ..	33,765	380	34,145	1,01,295	1,520	1,02,815
8. Kushtia	4,890	25,395	30,285	15,640	81,265	96,905
9. Bakerganj ..	35,325	6,520	41,845	1,30,705	26,080	1,56,785
10. Khulna	10,305	11,980	22,285	23,300	33,305	56,605
11. Sylhet	32,035	*Nil*	32,935	1,21,860	*Nil*	1,21,860
12. Chittagong Hill Tracts	325	2,250	2,575	975	7,875	8,850
13. Chittagong ..	70	60	130	130	240	470
Northern Jute areas :						
14. Rangpur	2,15,335	17,420	2,32,755	7,53,680	62,710	8,16,390
15. Bogra	52,645	17,030	69,675	1,44,905	59,605	2,04,510
16. Rajshahi	61,400	27,795	89,195	1,80,815	97,280	2,78,095
17. Dinajpur	78,170	7,680	85,850	2,17,395	26,880	2,44,275
Total ..	14,33,500	2,77,400	17,10,900	49,18,895	10,88,515	60,07,410

Source : Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII (*e*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1951-52

District	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas:						
1. Mymensingh ..	3,77,780	53,935	4,31,715	13,22,230	2,40,695	15,62,925
2. Dacca	1,44,420	36,890	1,81,310	5,02,580	1,51,115	6,53,695
3. Comilla	1,55,895	8,725	1,64,620	5,61,220	36,610	5,97,830
District Jute areas:						
4. Faridpur	82,235	63,140	1,45,375	2,87,825	2,48,060	5,35,885
5. Pabna	58,400	30,200	88,600	2,01,480	1,10,775	3,12,255
6. Jessore	10,890	72,840	83,730	32,670	2,69,090	3,01,760
7. Noakhali ..	34,180	1,275	35,455	1,19,630	5,100	1,24,730
8. Kushtia	2,195	37,430	39,625	6,870	1,38,210	1,45,080
9. Bakerganj ..	29,070	13,950	43,020	1,07,560	55,415	1,62,975
10. Khulna	5,870	22,050	27,920	17,610	77,135	94,745
11. Sylhet	37,300	155	37,455	1,30,550	640	1,31,190
12. Chittagong Hill Tracts	285	2,385	2,670	1,025	10,015	11,040
13. Chittagong ..	185	40	225	630	160	790
Northern Jute areas:						
14. Rangpur	2,02,265	29,775	2,32,040	6,87,700	1,16,085	8,03,785
15. Bogra	49,915	21,480	71,395	1,42,260	75,060	2,17,320
16. Rajshahi	43,900	61,905	1,05,805	1,31,700	2,43,460	3,75,160
17. Dinajpur	85,110	2,700	87,810	2,89,375	10,515	2,99,890
Total .	13,19,895	4,58,875	17,78,770	45,42,915	17,88,140	63,31,055

Source: Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII (*f*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1952-53

District	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas :						
1. Mymensingh ..	4,18,010	58,515	4,76,525	15,46,640	2,41,815	17,88,455
2. Dacca	1,57,475	33,270	1,90,745	6,29,900	1,36,340	7,66,210
3. Comilla	1,60,630	7,530	1,68,160	6,42,520	28,495	6,71,015
District Jute areas :						
4. Faridpur	95,795	74,595	1,70,390	3,54,440	3,04,730	6,59,170
5. Pabna	64,400	29,290	93,690	2,12,520	1,00,850	3,13,370
6. Jessore	14,470	76,930	91,400	43,410	2,60,185	3,03,595
7. Noakhali ..	38,370	1,425	39,795	1,11,275	5,700	1,16,975
8. Kushtia	2,720	39,890	42,610	8,160	1,23,210	1,31,370
9. Bakerganj ..	28,040	16,760	44,800	1,03,750	67,250	1,71,000
10. Khulna	10,470	19,555	30,025	30,365	69,880	1,00,245
11. Sylhet	38,640	125	38,765	1,15,920	440	1,16,360
12. Chittagong Hill Tracts	365	2,810	3,175	1,315	11,240	12,555
13. Chittagong ..	115	60	175	425	250	675
Northern Jute areas :						
14. Rangpur	2,21,205	18,705	2,39,910	7,52,095	60,790	8,12,885
15. Bogra	55,700	23,230	78,930	1,67,100	57,820	2,24,920
16. Rajshahi	45,685	64,805	1,10,490	1,14,215	2,23,915	3,38,130
17. Dinajpur	81,000	6,230	87,230	2,75,400	20,410	2,95,810
Total ..	14,33,090	4,73,725	19,06,815	51,09,450	17,13,290	68,22,740

Source ; Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII (*g*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1953-54

District	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas :						
1. Mymensingh ..	2,04,660	41,505	2,46,165	7,26,050	1,74,320	9,00,370
2. Dacca	84,030	21,955	1,05,965	3,10,910	92,210	4,03,120
3. Comilla	85,180	5,955	91,135	3,32,200	26,800	3,59,000
District Jute areas :						
4. Faridpur	49,865	33,245	83,110	1,84,500	1,39,630	3,24,130
5. Pabna	34,255	14,605	48,860	1,26,745	69,880	1,86,625
6. Jessore	4,100	33,530	37,630	14,760	1,24,060	1,38,820
7. Noakhali ..	11,920	680	12,600	44,105	2,855	46,960
8. Kushtia	935	13,305	14,240	3,365	49,230	52,595
9. Bakerganj ..	6,465	7,565	14,030	22,630	31,015	53,645
10. Khulna	3,840	5,325	9,165	13,825	19,705	33,530
11. Sylhet	38,670	150	38,830	1,39,840	*Nil*	1,39,840
12. Chittagong Hill Tracts	370	3,850	4,220	1,260	15,785	17,045
13. Chittagong ..	50	35	85	175	140	315
Northern Jute areas :						
14. Rangpur	1,13,250	19,425	1,32,675	4,07,700	77,700	4,85,400
15. Bogra	29,120	12,480	41,600	1,04,830	48,670	1,53,500
16. Rajshahi	17,220	27,705	4,925	60,270	1,13,590	1,73,860
17. Dinajpur	38,770	1,260	40,030	1,35,695	5,290	1,40,985
Total ..	7,22,700	2,42,575	9,65,275	26,28,230	9,81,510	36,09,740

Source : Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII (*h*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1954-55

District	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas :						
1. Mymensingh ..	2,74,060	57,760	3,31,820	10,44,445	2,38,145	12,82,590
2. Dacca	1,22,055	28,035	1,50,090	4,64,205	1,13,840	5,78,045
3. Comilla	1,09,095	8,765	1,17,860	4,23,220	35,475	4,58,695
District Jute areas :						
4. Faridpur	79,215	46,520	1,25,735	2,95,420	1,84,795	4,80,215
5. Pabna	35,000	13,425	48,425	1,20,275	39,680	1,59,955
6. Jessore	6,050	32,930	38,980	20,985	1,08,525	1,29,510
7. Noakhali ...	24,955	860	25,815	1,01,915	3,395	1,05,310
8. Kushtia	1,700	16,225	17,925	5,535	56,545	62,080
9. Bakerganj	16,050	6,915	22,965	57,725	27,660	85,385
10. Khulna	6,335	7,675	14,010	22,680	26,085	48,765
11. Sylhet	36,900	20	36,920	1,36,425	80	1,36,505
12. Chittagong Hill Tracts	900	1,900	2,800	3,330	7,785	11,115
13. Chittagong ..	35	25	60	135	100	235
Northern Jute areas :						
14. Rangpur	1,55,875	19,280	1,75,155	5,66,325	70,685	6,37,010
15. Bogra	25,775	14,745	40,520	80,810	54,685	1,35,495
16. Rajshahi	22,590	25,725	48,315	79,940	1,00,325	1,80,265
17. Dinajpur	44,350	1,425	45,775	1,65,725	5,435	1,71,160
Total ..	9,60,940	2,82,230	12,43,170	35,89,095	10,73,240	46,62,335

Source : Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII (*i*)

District-wise Acreage and Yield of Capsularis and Olitorius Jute in East Pakistan in 1955-56

District	Acreage			Yield (in bales of 400 lbs.)		
	Capsularis	Olitorius	Total	Capsularis	Olitorius	Total
Jat Jute areas :						
1. Mymensingh ..	3,06,265	77,125	3,83,390	11,50,750	3,07,405	14,58,155
2. Dacca	1,38,515	24,100	1,62,615	4,84,770	87,405	5,72,175
3. Comilla	1,69,550	9,985	1,79,535	5,76,780	35,885	6,12,665
District Jute areas :						
4. Faridpur	1,05,015	77,905	1,82,920	3,57,910	2,74,430	6,32,340
5. Pabna	47,550	21,805	69,355	1,28,095	55,615	1,83,710
6. Jessore	9,030	57,415	66,445	24,835	1,77,010	2,01,845
7. Noakhali ..	44,105	540	44,645	1,54,365	1,835	1,56,200
8. Kushtia	1,175	26,400	27,575	2,335	67,490	69,825
9. Bakerganj ..	21,165	24,475	45,640	75,310	90,490	1,65,800
10. Khulna	5,805	14,945	20,750	19,445	47,935	67,380
11. Sylhet	36,885	20	36,905	1,21,520	65	1,21,585
12. Chittagong Hill Tracts	795	705	1,500	2,625	2,470	5,095
13. Chittagong ..	265	10	275	760	35	795
Northern Jute areas :						
14. Rangpur	1,89,760	30,435	2,20,195	6,41,350	1,01,750	7,43,100
15. Bogra	34,395	25,235	59,630	1,14,880	77,155	1,92,035
16. Rajshahi	25,325	43,910	69,235	69,725	1,23,895	1,93,620
17. Dinajpur	60,770	3,110	63,880	2,06,335	9,615	2,15,950
Total ..	11,96,370	4,38,120	16,34,490	41,31,790	14,60,485	55,92,275

Source : Jute Directorate (as per Government final forecast).

APPENDIX D

TABLE VII(*l*)

District-wise Acreage and Yield of Capsularies and Olitorius Jute in East Pakistan in 1958-59

District	Acreage			Yield (in bales of 400 lbs).		
	Capsularies	Olitorius	Total	Capsularies	Oiltorius	Total
Jat Jute areas						
1. Mymensingh	3,38,000	80,500	4,38,500	14,14,857	3,49,693	17,64,550
2. Dacca	1,31,920	33,280	1,65,200	5,53,645	1,47,969	7,01,614
3. Comilla	1,42,100	10,200	1,52,300	5,95,259	44,324	6,39,583
District Jute areas						
4. Faridpur	66,050	42,000	1,08,050	2,54,385	1,72,145	4,26,530
5. Pabna	50,425	30,100	80,525	1,92,898	1,21,490	3,14,388
6. Jessore	12,480	41,345	53,825	37,382	1,36,894	1,74,276
7. Noakhali ..	32,560	500	33,060	1,27,836	2,000	1,29,836
8. Kushtia	2,675	17,500	20,175	7,730	61,558	69,288
9. Bakerganj ..	22,215	12,500	34,715	73,618	43,765	1,17,383
10. Khulna	4,131	15,819	19,950	11,984	52,335	64,319
11. Sylhet	32,050	..	32,050	99,446	..	99,446
12 Chittagong Hill Tracts	1,250	..	1,250	2,500	..	2,500
13. Chittagong ..	280	20	300	504	36	540
Northern Jute areas						
14. Rangpur	2,00,200	15,400	2,15,600	7,85,320	62,544	8,47,864
15. Bogra	35,200	30,000	65,200	1,27,436	1,17,900	2,45,336
16. Rajshahi	25,475	42,000	67,475	71,156	1,38,996	2,10,152
17. Dinajpur	59,575	600	60,175	1,90,682	2,567	1,93,249
Total ..	11,56,586	3,71,764	15,28,350	45,46,638	14,54,216	60,00,854

Source: Jute Directorate (as per Govt. final forecast)

APPENDIX D

TABLE VII(*m*)

District-wise Acreage and Yield of Capsularies and Olitorius Jute in East Pakistan in 1959-60

District	Acreage			Yield (in bales of 400 lbs.)		
	Capsularies	Olitorius	Total	Capsularies	Oiltorius	Total
Jat Jute area						
1. Mymensingh ..	3,20,013	1,06,671	4,26,684	12,80,052	4,69,352	17,49,404
2. Dacca	1,50,239	37,559	1,87,798	6,00,956	1,65,260	7,66,216
3. Comilla	1,56,865	13,640	1,70,505	6,11,774	58,652	6,70,426
District Jute areas						
4. Faridpur	87,308	58,206	1,45,514	3,23,039	2,27,003	5,50,042
5. Pabna	41,427	27,618	69,045	1,53,278	1,07,472	2,60,750
6. Jessore	1,854	46,352	48,206	5,933	1,66,867	1,72,800
7. Noakhali ..	25,429	2,422	27,851	89,002	9,203	98,205
8. Kushtia	77	759	836	200	2,277	2,477
9. Bakerganj ..	15,189	7,594	22,783	48,605	27,338	75,943
10. Khulna	1,913	3,967	5,880	5,366	12,694	18,060
11. Sylhet	16,036	..	16,036	54,512	..	54,512
12. Chittagong Hill Tracts	..	..	..	..	..	..
13. Chittagong ..	..	..	..	..	..	..
Northern Jute areas						
14. Rangpur	1,39,590	10,738	1,50,328	5,16,493	41,868	5,58,371
15. Bogra	33,264	22,010	55,274	1,23,077	85,839	2,08,916
16. Rajshahi	18,155	30,250	48,405	68,096	1,08,9	
17. Dinajpur	..	..	..	..	..	..
Total ..	10,07,359	3,67,786	13,75,145	38,80,373	14,82,7	

Source : Jute Directorate (as per Govt. final forecast).

32. Khulna Sadar	1,524	9,785	11,309	4,559	33,438	37,997
33. Bagerhat	369	2,215	2,584	1,159	6,677	7,836
34. Satkhira	2,238	3,819	6,057	6,266	12,220	18,486
Total for Khulna District ..	4,131	15,819	19,950	11,984	52,335	64,319
35. Sylhet District	32,050	*Nil*	32,050	99,446	*Nil*	99,446
36. Chittagong Hill Tracts District	1,250	*Nil*	1,250	2,500	*Nil*	2,500
37. Chittagong District	280	20	300	504	36	540
38. Rangpur Sadar	62,686	5,500	68,186	2,25,875	22,200	2,48,057
39. Gaibandha	49,219	3,540	52,759	1,95,954	14,268	2,10,222
40. Kurigram	31,907	2,300	34,257	1,30,578	9,430	1,40,008
41. Nilphamari	56,388	4,060	60,448	2,32,913	16,646	2,49,559
Total for Rangpur District ..	2,00,200	15,400	2,15,600	7,85,320	62,544	8,47,864
42. Bogra District	35,200	30,000	65,200	1,27,436	1,17,900	2,45,336
43. Rajshahi Sadar	3,618	12,051	15,669	10,092	39,868	49,960
44. Naogaon	13,564	16,892	30,456	37,879	55,942	93,821
45. Natore	7,584	9,467	17,051	21,200	31,341	52,541
46. Nawabganj	709	3,590	4,299	1,985	11,845	13,830
Total for Rajshahi District ..	25,475	42,000	67,475	71,156	1,38,996	2,10,152
47. Dinajpur Sadar	18,726	396	19,122	59,966	1,693	61,659
48. Thakurgaon	40,849	204	41,053	1,30,716	874	1,31,590
Total for Dinajpur District ..	59,575	600	60,175	1,90,682	2,567	1,93,249
Total for the Province	11,56,586	3,71,764	15,28,350	45,46,638	14,54,216	60,00,854

Source : Jute Directorate.

APPENDIX D

TABLE VIII(*a*)

Acreage under Important Crops in East Pakistan (1947-48 *to* 1958-59)

(Figures in Thousand acres)

Corps	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
Aman ..	133,47	138,59	140,33	139,47	140,27	144,42	148,45	144,45	129,78	133,77	136,32	131,46
Aus ..	49,00	47,53	46,73	52,59	54,48	54,99	63,24	60,33	58,20	59,92	57,87	46,46
Boro ..	7,59	8,12	8,42	8,01	8,26	8,37	8,41	8,58	6,88	6,86	8,16	8,52
Total paddy ..	190,06	194,24	195,48	200,06	203,00	207,78	220,10	213,36	194,86	200,55	202,35	186,44
Wheat ..	85	95	96	94	96	98	98	1,03	94	1,33	1,07	99
Jute ..	20,59	18,77	15,61	17,11	17,79	19,07	9,65	12,43	16,34	12,30	15,63	15,28
Sugarcane ..	2,14	2,25	2,27	2,26	2,29	2,46	2,62	2,64	2,59	2,55	2,54	244
Tobacco ..	1,31	1,26	1,28	1,28	1,30	1,30	1,31	1,35	1,13	1,09	1,07	1,11
Rape & Mustard ..	4,32	4,63	4,77	4,88	5,02	5,07	5,05	5,21	5,43	4,68	3,98	5,45
Til (summer) ..	85	79	81	94	95	98	99	1,01	1,02	1,07	77	90
Til (winter) ..	52	48	49	50	49	49	50	51	51	45	47	50
Linseed ..	69	68	74	60	61	62	65	65	62	48	20	78
Gram ..	2,08	2,06	2,01	2,00	2,00	2,02	2,03	2,16	1,79	1,65	1,36	1,41
Mung ..	1,77	1,10	1,09	1,11	1,09	1,11	1,20	1,14	66	57	41	40
Masur ..	1,61	2,64	2,64	2,50	2,51	2,52	2,56	2,67	2,04	2,09	1,79	1,90
Mashkalai ..	1,64	1,08	1,13	1,31	1,32	1,35	1,34	1,39	1,26	1,22	1,35	1,43
Other pulses (Rabi)	2,04	2,89	2,89	3,02	3,07	3,15	3,16	3,51	3,10	2,43	2,62	3,08

Source : Food and Agriculture Department, Government of East Pakistan.

APPENDIX G

TABLE VIII(*b*)

Production of Important Crops in East Pakistan (1947-48 *to* 1958-59)

(Figures in Thousand tons)

Crop	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59
Aman ..	49,85	59,97	57,45	52,73	51,11	53,29	57,48	52,64	42,56	57,80	51,54	49,70
Aus ..	14,32	14,08	12,54	17,90	15,93	16,55	21,52	19,57	17,94	21,59	20,85	15,60
Boro ..	3,19	2,68	3,79	2,80	3,30	3,51	3,45	3,69	3,33	2,37	3,59	3,91
Total paddy ..	67,36	76,73	73,77	73,43	70,34	73,35	82,45	75,89	63,84	81,85	75,98	69,21
Wheat ..	20	19	23	20	23	24	24	26	22	23	22	25
Sugarcane ..	32,70	34,11	30,97	33,35	34,25	36,75	39,67	36,96	39,75	39,11	36,94	38,34
Tobacco ..	45	45	42	43	45	49	49	53	40	40	35	42
Rape & Mustard ..	78	83	86	89	1,00	1,03	1,00	1,05	1,04	93	67	1,05
Til (summer) ..	16	13	11	17	17	18	18	18	19	17	11	18
Til (winter) ..	12	11	10	10	12	12	12	11	11	10	10	10
Linseed ..	12	11	12	9	11	11	11	12	11	8	3	13
Gram ..	51	49	52	47	52	53	54	63	43	31	35	38
Mung ..	48	29	31	29	31	31	31	34	18	15	11	12
Masur ..	44	74	74	63	71	73	75	85	59	59	49	56
Mashkalai ..	45	32	31	36	39	39	40	51	36	37	38	44
Other pulses (Rabi)	56	81	80	77	86	92	93	1,09	83	67	69	89

Source : Food and Agriculture Department, Government of East Pakistan.

APPENDIX D

TABLE IX(*a*)

District-wise Distribution of Acreage under Important Crops in East Pakistan in 1958-59

(Figures in thousand acres)

Crops	Mymen-Singh	Dacca	Comilla	Faridpur	Pabna	Kushtia	Jessore	Khulna	Baker-ganj	Noa-khali	Sylhet	Dinaj-pur	Rangpur	Bogra	Raj-shahi	Chitta-gong	Ctg. H.T.
Aman	1582·8	900·0	1054·3	678·2	449·7	223·7	493·7	770·4	1562·0	579·0	1146·4	706·6	947·9	505·7	767·5	671·0	107·5
Aus	878·9	300·0	499·7	317·6	332·5	307·7	442·4	59·4	298·0	313·0	266·2	159·0	640·7	146·0	334·8	270·3	79·4
Boro	277·9	63·8	35·0	32·0	2·9	·5	·6	5·9	5·7	5·0	385·3	2·0	1·4	·6	30·5	2·4	...
Wheat	4·3	4·9	3·0	6·2	12·0	12·0	3·0	...	...	·1	...	3·9	24·0	3·0	22·1	...	...
Jute	418·5	165·2	152·3	108·1	80·5	20·2	53·8	20·0	34·7	33·1	32·1	60·2	215·6	65·2	67·5	·3	1·3
Sugarcane	18·9	17·0	1·2	20·9	5·2	24·6	11·9	2·1	18·0	2·5	4·3	44·1	20·4	12·0	36·1	3·8	1·1
Tobacco	10·7	3·5	·8	5·7	1·1	·6	·7	2·2	5·1	·2	6·7	2·9	64·3	1·7	1·0	2·1	1·4
Rape & Mustard	102·7	45·2	29·5	44·5	35·2	13·5	36·0	6·1	1·8	·5	13·5	60·0	85·0	30·3	39·1	1·7	9·0
Til (summer)	8·5	7·5	9·7	22·2	6·6	·6	12·6	2·3	12·0	·3	·6	·6	1·0	·6	4·6	·1	...
Til (winter)	2·8	1·5	·1	2·8	1·0	1·3	3·2	·1	...	...	·1	1·0	1·0	·5	1·7	...	32·4
Linseed	2·0	4·5	5·0	8·0	15·0	18·0	5·0	...	·5	7·0	6·0	·5	1·2	·6	5·0	...	...
Gram	7·3	4·3	·8	12·1	12·7	56·0	8·0	·5	1·6	·3	·2	2·2	8·2	5·1	22·0	·1	...
Mung	6·3	3·0	2·7	2·9	·6	·7	4·3	1·0	5·7	1·8	·3	2·1	4·5	2·6	·1	·9	...
Masur	13·5	4·7	4·9	15·4	24·8	17·4	21·5	3·3	4·0	2·1	·2	9·4	25·3	14·1	28·4	1·1	·1
Mashkalai	29·8	12·3	8·4	12·8	23·5	15·3	2·8	·4	·1	2·1	2·0	4·2	13·2	6·7	8·0	1·5	·2
Other pulses (Rabi)	28·0	40·0	38·0	31·8	45·9	3·7	24·6	1·9	27·8	7·6	·3	2·5	15·3	8·7	24·0	7·7	...

Source : Food and Agriculture Department, Government of East Pakistan.

APPENDIX D

TABLE IX(*b*)

District-wise Distribution of Production of Important Crops in East Pakistan in 1958-59

(Figures in thousand tons)

Crops	Mymen-singh	Dacca	Comilla	Farid-pur	Pabna	Kush-tia	Jessore	Khulna	Baker-ganj	Noa-khali	Sylhet	Dinaj-pur	Rang-pur	Bogra	Raj-shahi	Chitta-gong	Ctg. H.T.
Aman	667·3	350·7	386·8	171·6	134·3	61·7	158·6	300·2	608·7	212·4	472·8	304·3	326·2	231·6	246·6	292·0	44·3
Aus	280·2	87·2	119·3	56·7	66·1	73·5	96·8	17·8	95·0	81·0	84·9	38·0	235·0	37·8	79·9	80·8	31·1
Boro	124·8	25·5	15·7	11·2	1·0	·2	·2	2·1	2·1	2·0	192·3	·8	·5	·3	11·4	1·1	...
Wheat	1·0	1·0	·8	1·6	3·6	2·6	·8	...	...	...	...	1·1	6·8	.9	5·1	...	...
Sugarcane	303·5	273·0	15·9	335·6	73.7	348·5	191·1	25·8	289·1	40·1	73·1	708·2	308·3	192·7	579·7	57·4	18·7
Tobacco	3·3	·9	·2	1·9	·3	·2	·2	·5	1·2	...	2·4	·7	28·1	·5	·2	·5	·4
Rape & Mustard	15·6	9·1	5·2	7·8	6·6	2·5	6·8	1·0	3·6	·1	2·5	9·8	20·1	5·0	6·9	·3	1·8
Til (summer)	1·7	1·7	1·7	4·8	1·3	·1	2·7	·4	2·2	·1	·1	·1	·2	·2	·8	...	...
Til (winter)	·5	·3	...	·6	·2	·2	·6	...	...	...	...	·2	·2	·1	·4	...	6·7
Linseed	·3	·8	·8	1·3	2·5	3·0	·8	...	·1	1·2	1·0	·1	·2	·1	·8	...	...
Gram	2·1	1·2	·2	3·3	3·4	14·1	2·2	·1	·4	...	·1	·6	2·7	1·7	5·9	...	...
Mung	1·9	·9	·9	·8	·2	·2	1·3	1·3	1·5	·4	·1	·6	1·6	·9	...	·3	...
Masur	4·0	1·2	1·9	3.9	7·3	4·4	6·8	·8	1·1	·5	·1	2·8	8·4	5·0	7·8	·3	...
Mashkalai	8·8	4·1	2·3	3·8	7·0	4·5	·9	·1	...	·5	·7	1·2	4·4	2·4	2·2	·5	·1
Other pulses (Rabi)	8·3	11·9	10·6	9·5	12·7	·9	7·8	·5	7·2	1·8	·1	·7	5·2	3·1	6·2	2·3	...

Source : Food and Agriculture Department, Government of East Pakistan.

APPENDIX D

TABLE X

Production, Mill Consumption, Export & price of Raw Jute in India (1909-10 *to* 1946-47)

Year	Price per pucca bale (Firsts)	Production of raw Jute	Mill consumption of raw Jute	Export of raw Jute
	Rs.	Thousand bales		
1909-10	32-2	7,932	4,459	4,009
1910-11	42-6	7,932	3,980	3,531
1911-12	50-8	8,235	3,756	4,626
1912-13	62-8	9,843	4,435	4,942
1913-14	81-3	8,981	4,374	4,193
1914-15	42-9	10,531	4,805	2,967
1915-16	51-15	7,424	5,609	3,107
1916-17	50-12	8,345	5,520	2,809
1917-18	36-10	8,929	5,296	1,726
1918-19	69-7	7,019	4,997	2,193
1919-20	76-7	8,486	5,082	3,359
1920-21	71-11	5,978	5,467	2,343
1921-22	69-7	4,065	4,236	2,968
1922-23	66-7	5,486	4,615	2,902
1923-24	75-5	8,474	5,004	3,771
1924-25	58-6	8,121	5,519	3,822
1925-26	87-11	9,000	5,344	3,517
1926-27	106-15	12,188	5,374	4,449
1927-28	62-1	10,238	5,633	4,887
1928-29	65-5	9,956	5,879	4,828
1929-30	54-14	10,385	6,246	4,447
1930-31	30-7	11,255	4,437	3,426
1931-32	32-12	5,567	4,150	3,114
1932-33	28-1	7,097	4,245	3,515
1933-34	26-12	8,012	4,197	4,250
1934-35	29-8	8,526	4,454	4,384
1935-36	34-6	7,240	4873	4,144
1936-37	34-9	9,636	5,893	4,882
1937-38	33-13	8,681	6,502	3,727
1938-39	41-6	6,844	6,053	3,883
1939-40	65-12	9,750	7,015	2,963
1940-41	37-2	13,186	5,384	1,349
1941-42	54-7	5,475	6,841	1,546
1942-43	68-15	9,061	6,731	1,316
1943-44	82-10	7,004	5,401	953
1944-45	80-5	6,204	5,778	1,050
1945-46	83-1	7,991	6,518	2,189
1946-47	149-6	5,648	6,081	1,502

Source : The Jute Balers' Association, Calcutta, Golden Jubilee Souvenir, 1959.

APPENDIX D

TABLE XI

Average Monthly Prices of Raw Jute Ruling at the Baling Centres of East Pakistan

(Price in rupees per maund)

Season July—June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June	Weighted annual average*
1947-48	26-12	24-2	24-10	25-5	25-8	25-14	26-3	26-10	26-5	26-4	28-10	29-11	24-14
1948-49	30-2	32-12	30-14	30-3	30-11	32-11	34-2	34-8	33-14	33-6	33-10	33-0	31-7
1949-50	24-11	26-13	27-0	20-14	17-5	21-12	21-7	21-5	21-15	21-6	22-2	22-11	21-13
1950-51	21-5	20-14	18-13	17-14	19-6	20-7	23-12	29-7	37-10	49-6	50-13	53-8	22-11
1951-52	38-15	29-14	28-13	30-3	29-11	31-6	34-4	29-12	22-15	22-10	22-6	22-4	26-15
1952-53	14-7	11-10	11-7	9-13	9-14	10-12	10-15	10-8	10-14	10-8	13-9	15-5	11-0
1953-54	14-8	17-14	15-11	14-5	18-1	18-4	18-5	17-0	16-2	16-11	16-4	14-14	16-6
1954-55	10-14	11-0	13-6	15-7	17-10	18-12	19-4	20-2	18-0	16-10	15-2	12-9	16-12
1955-56	12-1	17-5	16-11	16-13	18-8	18-9	21-6	25-0	25-14	24-9	23-14	23-6	20-0
1956-57	23-2	22-11	23-9	23-9	26-9	30-3	30-0	26-11	26-11	26-4	28-12	29-2	26-0
1957-58	27-5	24-2	23-14	21-6	21-14	21-12	21-9	19-10	21-10	23-2	22-1	20-11	22-0
1958-59	20-13	21-5	18-0	16-11	16-2	16-8	17-4	16-3	17-3	18-9	19-2	18-11	17-8
1959-60	19-15	20-6	19-13	17-4	19-7	22-1	23-8	21-15	23-13	27-0	36-6	35-11	20-6

*Weights given by monthly volumes of imports into baling centres.

Source : Jute Directorate.

APPENDIX D

TABLE XII(*a*)

Monthly price of White Bottom (loose) Jute per maund ruling at different centres of the province
(Season 1950-51)

Sl. No.	Centres	July	August	September	October	November	December	January	February	March	April	May	June
		Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
Jat Jute													
1.	Narayanganj	22 6	23 0	21 0	18 15	20 5	21 8	24 4	31 8	40 4	52 14	55 9	58 13
2.	Narsingdi	19 8	18 14	20 8	18 0	20 8	21 10	23 12	32 10	39 10	50 3	50 0	N.T.
3.	Chandpur	21 0	19 6	19 8	18 0	19 8	20 3	23 12	31 4	40 2	54 2	51 0	52 0
4.	Mymensingh	19 0	N.R.	17 11	N.T.	16 8	17 14	24 10	30 10	39 12	52 3	50 0	49 0
5.	Jamalpur	20 0	18 13	20 12	18 13	20 0	21 0	26 4	32 10	39 4	50 10	48 12	53 5
6.	Kishoreganj	N.R.	N.R.	22 8	N.T.	22 8	21 13	25 5	30 12	39 6	50 2	48 3	50 4
7.	Netrakona	15 0	14 3	18 14	14 6	18 14	20 0	23 4	29 12	34 0	42 10	44 8	44 8
District Jute													
8.	Madaripur	17 0	16 3	18 10	16 3	18 10	19 4	22 0	29 12	37 14	49 10	46 0	49 0
9.	Serajganj	19 8	17 0	18 8	16 8	18 8	19 10	24 2	28 12	37 5	41 0	43 5	43 0
10.	Khulna	21 0	18 0	20 8	17 14	20 8	21 5	22 15	27 10	31 12	50 10	53 15	N.T.
11.	Jessore	17 8	17 10	19 8	17 10	19 8	19 8	19 8	23 12	31 12	40 2	41 8	41 0
12.	Kushtia	19 0	17 13	20 8	18 5	18 12	18 8	22 0	29 0	N.T.	N.T.	N.T.	N.T.
Northern Jute													
13.	Naogaon	21 2	18 2	18 14	18 2	18 14	19 10	22 4	28 12	35 14	47 4	47 9	48 12
14.	Gaibandha	20 0	18 3	18 8	18 3	18 6	18 14	21 15	27 14	39 15	47 8	51 12	55 14
15.	Kurigram	18 0	20 0	18 4	20 6	18 6	18 9	19 7	22 1	32 1	42 4	47 7	50 13
16.	Dinajpur	18 0	18 8	18 12	16 10	19 0	N.T.	23 4	27 4	34 4	45 3	46 4	50 2
17.	Bogra	18 0	16 5	18 2	15 14	18 2	19 5	23 8	27 5	34 8	44 6	45 10	53 0

Source : Jute Directorate.

APPENDIX D

TABLE XII(*b*)

Monthly price of White Bottom (loose) jute per maund ruling at different centres of the province

(Season 1951-52)

Sl. No.	Centres	July	August	September	October	November	December	January	February	March	April	May	June
		Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
Eat Jute													
1.	Narayanganj	42 5	32 14	32 15	32 8	31 15	33 6	35 14	33 12	24 1	24 2	23 0	23 0
2.	Narsingdi	42 0	33 10	32 3	32 0	32 0	33 0	35 8	30 0	24 4	23 0	N.T.	N.T.
3.	Chandpur	42 0	34 8	30 3	31 4	30 13	31 8	35 2	30 14	22 7	23 0	23 0	23 0
4.	Mymensingh	39 0	30 0	26 13	29 2	30 0	31 2	34 2	30 13	23 11	23 0	23 0	23 0
5.	Jamalpur	39 13	29 0	30 3	31 4	31 0	32 3	33 0	33 11	23 7	23 4	22 8	22 0
6.	Kishoreganj	35 15	30 4	29 9	31 12	30 7	31 11	35 0	30 12	24 10	23 0	23 0	23 0
7.	Netrakona	36 15	29 12	27 10	29 8	28 12	30 10	34 4	30 8	22 0	23 0	23 0	23 0
District Jute													
8.	Madaripur	41 2	29 12	28 13	30 8	29 6	31 6	33 12	27 0	20 3	21 6	22 4	22 0
9.	Serajganj	35 2	29 15	27 16	28 9	29 4	31 8	32 14	29 5	23 7	22 11	21 3	21 4
10.	Khulna	31 10	28 14	26 13	28 0	27 12	29 10	32 0	29 6	22 0	N.T.	N.T.	22 8
11.	Jessore	36 8	27 12	28 3	30 0	29 8	30 9	33 0	29 0	23 0	22 0	22 0	22 0
12.	Kushtia	N.T.	29 4	27 15	27 0	28 0	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.
Northern Jute													
13.	Naogaon	34 5	26 11	26 10	28 0	28 9	28 3	33 4	29 8	20 15	21 14	19 1	20 0
14.	Gaibandha	34 11	26 1	24 13	27 10	27 15	28 10	31 10	28 3	21 5	21 10	21 0	20 14
15.	Kurigram	35 2	28 0	24 3	26 0	26 5	27 2	30 12	27 0	19 10	20 4	22 7	21 15
16.	Dinajpur	34 0	27 8	27 7	28 14	29 4	29 11	32 15	29 12	23 8	21 4	22 5	21 8
17.	Bogra	33 0	28 9	26 5	29 4	27 12	30 14	33 12	30 12	22 9	22 1	21 0	21 0

APPENDIX D

TABLE XII(c)

Monthly price of White Bottom (loose) jute per maund ruling at different centres of the province

(Season 1952-53)

Sl. No.	Centres	July	August	September	October	November	December	January	February	March	April	May	June
		Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
'at Jute													
1.	Narayanganj	17 0	15 0	13 4	12 0	12 8	13 11	13 8	13 13	14 0	13 13	17 4	18 12
2.	Narsingdi	N.T.	10 4	11 12	10 0	10 13	12 8	12 8	12 4	12 10	12 15	15 10	17 12
3.	Chandpur	16 0	12 10	12 13	8 6	9 3	10 8	10 0	10 0	10 0	10 4	13 5	17 4
4.	Mymensingh	16 13	10 6	11 8	9 8	9 3	10 2	10 4	11 0	11 2	10 4	15 5	16 10
5.	Jamalpur	17 2	15 7	11 10	10 6	9 8	11 1	11 0	9 14	10 6	10 5	11 14	16 1
6.	Kishoreganj	13 0	11 13	10 12	9 14	8 13	10 14	10 8	9 6	11 4	10 0	14 11	15 12
7.	Netrakona	13 15	11 10	11 8	9 4	9 6	11 0	10 0	10 0	9 12	9 0	13 13	15 12
District Jute													
8.	Madaripur	15 0	11 5	10 13	8 13	9 14	10 13	11 6	11 2	11 4	11 2	13 14	16 1
9.	Serajganj	14 7	12 5	11 3	9 10	10 3	11 12	11 10	10 0	10 2	10 8	14 4	15 1
10.	Khulna	15 8	12 14	10 11	9 8	8 0	38 4	9 10	10 0	10 6	10 0	10 13	12 4
11.	Jessore	15 0	13 0	15 12	8 4	8 5	9 10	11 4	12 6	12 5	10 12	11 10	13 10
12.	Kushtia	N.T.	N.T.	10 5	10 0	8 6	N.T.	8 0	8 0	8 0	7 8	7 7	7 12
Northern Jute													
13.	Naogaon	14 7	11 7	14 4	10 3	9 5	11 7	11 3	10 6	11 2	11 6	11 13	15 12
14.	Gaibandha	14 10	11 3	10 5	9 13	10 3	8 5	8 8	8 8	9 4	9 2	12 15	14 8
15.	Kurigram	15 0	12 0	10 2	8 3	7 4	6 15	6 13	6 13	6 14	6 10	11 10	13 10
16.	Dinajpur	13 4	11 0	11 2	11 4	10 2	N.T.	N.T.	8 4	8 5	9 0	10 10	13 0
17.	Bogra	16 0	13 0	12 10	11 10	9 8	9 8	9 6	9 8	9 8	9 8	12 14	15 2

APPENDIX D

TABLE XII(*d*)

Monthly price of White Bottom (loose) jute per maund ruling at different centres of the province

(Season 1953-54)

Sl. No.	Centres	July	August	September	October	November	December	January	February	March	April	May	June
		Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
Jat Jute													
1.	Narayanganj	17 4	21 13	19 8	18 3	22 6	22 3	22 0	21 2	20 12	22 4	20 9	19 3
2.	Narsingdi	15 8	20 10	18 10	16 12	20 6	20 4	19 13	18 12	18 8	19 10	18 8	16 8
3.	Chandpur	16 4	16 13	16 8	14 9	17 0	17 4	18 5	17 10	17 0	17 8	17 3	16 4
4.	Mymensingh	16 0	18 13	15 15	14 14	16 12	19 8	18 14	16 15	16 6	16 0	16 0	16 0
5.	Jamalpur	16 0	18 0	15 9	13 8	17 8	16 4	18 0	16 10	16 0	16 10	16 8	14 14
6.	Kishoreganj	15 4	20 10	16 8	15 0	18 5	18 10	18 0	17 4	17 0	17 4	17 0	N.T.
7.	Netrakona	14 8	19 2	16 0	12 12	18 0	18 5	18 0	17 0	14 4	16 12	16 10	14 12
District Jute													
8.	Madaripur	14 8	19 15	17 1	16 7	21 0	19 6	19 10	19 2	17 0	18 8	18 2	17 0
9.	Serajganj	15 2	18 5	17 0	12 12	17 11	18 12	19 13	16 10	16 0	16 14	17 4	15 0
10.	Khulna	11 0	14 0	15 0	14 0	17 14	18 0	17 10	16 4	15 0	14 10	16 6	14 14
11.	Jessore	11 8	15 3	17 0	14 0	17 3	17 10	16 12	15 14	14 12	14 0	14 0	14 0
12.	Kushtia	9 11	14 4	14 5	12 14	17 14	17 14	16 13	17 0	N.T.	N.T.	N.T.	N.T.
Northern Jute													
13.	Naogaon	14 9	16 15	16 3	13 13	16 12	19 12	19 12	17 2	17 0	17 12	18 0	15 12
14.	Gaibandha	13 0	17 4	14 14	13 11	17 7	17 11	17 11	15 12	15 1	16 4	15 10	13 12
15.	Kurigram	12 15	16 5	14 0	12 14	16 3	16 4	16 12	15 6	14 11	15 8	15 2	12 0
16.	Dinajpur	12 4	17 5	15 6	12 10	17 13	17 10	17 2	16 0	15 8	14 10	15 0	14 8
17.	Bogra	12 12	16 0	15 10	13 4	16 14	17 4	16 13	15 10	15 0	15 12	19 8	13 10

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TABLE XII(*e*)

Monthly price of White Bottom (loose) Jute per maund ruling at different centres of the Province

(Season 1953-54)

Sl. No.	Centres	July	August	September	October	November	December	January	February	March	April	May	June
		Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
Tat Jute													
1.	Narayanganj	17 0	17 2	19 12	22 5	24 8	25 11	26 0	26 12	24 3	22 7	20 13	20 13
2.	Narsingdi	17 0	17 8	17 0	22 3	23 6	24 12	25 5	25 2	24 0	22 0	20 6	20 0
3.	Chandpur	13 12	13 13	13 6	18 0	19 0	21 4	22 8	25 0	22 0	21 8	20 0	20 8
4.	Mymensingh	15 3	15 2	14 8	19 2	22 4	22 8	23 10	23 2	21 6	20 2	18 5	18 5
5.	Jamalpur	13 10	12 14	12 11	17 14	20 12	20 12	26 0	20 12	21 4	18 0	16 13	16 13
6.	Kishoreganj	14 0	13 9	13 4	19 11	22 8	23 8	23 9	23 12	21 0	N.T.	N.T.	N.T.
7.	Netrakona	14 0	13 13	13 8	19 3	21 14	23 4	23 13	23 5	21 8	18 12	16 12	16 12
District Jute													
8.	Madaripur	15 7	14 2	13 0	17 4	21 0	22 0	22 14	23 0	20 10	20 8	18 10	18 10
9.	Sirajganj	13 4	13 4	13 8	18 7	21 0	21 11	21 1	20 5	19 2	17 8	17 0	17 0
10.	Khulna	14 2	12 10	12 12	11 14	21 2	21 10	23 0	24 2	21 12	19 7	18 13	18 13
11.	Jessore	13 12	14 2	13 12	16 12	18 8	19 4	21 5	22 4	19 12	N.T.	N.T.	N.T.
12.	Kushtia	N.T.	N.T.	N.T.	15 1	16 4	16 12	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.
Northern Jute													
13.	Naogaon	13 0	13 10	12 12	17 8	19 8	20 0	21 3	22 2	18 12	16 8	16 3	16 13
14.	Gaibandha	13 7	13 1	12 9	15 6	17 3	19 2	20 9	21 15	19 8	16 7	16 6	16 6
15.	Kurigram	12 9	13 0	13 7	15 14	16 7	14 12	20 8	22 10	19 4	17 9	16 12	16 12
16.	Dinajpur	13 14	13 10	13 4	15 11	16 0	18 12	19 11	21 8	20 9	17 15	17 7	17 7
17.	Bogra	13 3	13 11	13 0	16 14	18 4	20 4	20 8	21 10	19 2	17 8	16 10	16 10

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TABLE XII(*f*)

Monthly price of White B-Bottom (loose) Jute per maund ruling at different centres of the Province

(Season 1955-56)

Sl. No.	Centres	July	August	September	October	November	December	January	February	March	April	May	June
		Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
Jat Jute													
1.	Narayanganj	15 4	20 15	21 0	21 12	24 9	24 9	26 6	30 10	32 11	30 0	28 12	28 6
2.	Narsingdi	14 10	19 0	18 14	19 3	22 12	22 4	24 8	29 8	30 8	29 0	27 8	28 8
3.	Chandpur	12 5	18 4	18 8	16 14	20 8	20 0	23 8	27 8	26 4	23 8	22 13	22 14
4.	Mymensingh	12 3	18 7	18 11	18 0	19 0	18 14	21 14	23 6	27 12	25 3	24 4	25 12
5.	Jamalpur	12 3	17 8	17 0	18 8	19 12	18 0	21 8	27 8	26 0	25 14	26 0	24 8
6.	Kishoreganj	11 8	18 8	19 4	17 10	19 4	18 8	22 13	N.T.	N.T.	N.T.	N.T.	N.T.
7.	Netrakona	11 0	14 4	16 4	17 11	18 6	19 4	23 5	29 8	26 0	24 14	23 8	22 8
District Jute													
8.	Madaripur	13 13	18 0	20 0	18 0	21 8	20 8	22 8	27 0	27 0	25 5	25 8	25 8
9.	Serajganj	8 14	16 15	19 6	14 8	18 1	19 4	21 8	24 6	26 0	24 11	24 8	24 8
10.	Khulna	12 8	19 0	19 4	17 13	20 4	19 4	20 6	26 6	26 8	26 12	25 8	25 13
11.	Jessore	15 0	16 12	16 12	18 2	19 8	17 8	17 11	N.T.	N.T.	26 8	N.T.	N.T.
12.	Kushtia	N.T.	15 12	15 0	12 8	16 4	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.
Northern Jute													
13.	Naogaon	10 14	17 8	17 8	16 13	18 13	18 2	20 13	23 12	26 4	24 13	N.T.	N.T.
14.	Gaibandha	10 13	15 11	15 7	14 8	16 8	18 12	19 12	24 4	23 4	24 2	23 8	23 4
15.	Kurigram	10 14	15 8	16 4	14 2	16 8	16 4	18 9	25 2	25 6	23 12	24 4	23 0
16.	Dinajpur	10 14	16 9	16 9	13 3	15 8	16 2	16 4	21 6	24 9	22 11	21 13	23 0
17.	Bogra	11 11	15 14	15 12	16 3	18 4	17 2	19 8	23 8	25 10	23 14	22 13	22 8

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TABLE XII(*g*)

(Season 1956-57)

Sl. No.	Centres	July	August	September	October	November	December	January	February	March	April	May	June
		Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
Jat Jute													
1.	Narayanganj	27 0	27 8	26 7	27 8	31 4	36 0	35 12	30 12	30 8	29 10	33 4	33 0
2.	Narsingdi	27 8	24 14	25 0	25 0	28 4	34 10	34 0	29 4	29 5	29 8	31 12	31 14
3.	Chandpur	24 0	25 2	24 12	25 13	28 4	33 11	32 11	29 10	29 6	29 14	22 8	31 12
4.	Mymensingh	23 0	23 10	24 3	23 8	27 2	32 10	31 9	27 0	26 0	26 8	22 1	31 0
5.	Jamalpur	23 10	26 6	24 2	24 8	27 0	32 10	30 15	25 12	25 11	26 14	29 6	30 11
6.	Kishoreganj	25 5	23 14	25 2	23 12	28 0	32 11	33 14	29 12	29 13	28 0	N.T.	N.T.
7.	Netrakona	22 12	22 12	23 13	23 15	26 12	32 3	30 12	25 12	25 12	25 8	27 12	27 5
District Jute													
8.	Madaripur	N.R.	23 15	24 0	24 2	27 14	30 5	30 0	27 4	27 11	28 0	29 12	31 0
9.	Serajganj	21 12	22 12	23 0	22 7	24 8	29 13	29 10	24 10	25 0	24 12	26 12	28 3
10.	Khulna	24 0	23 8	25 2	24 0	27 0	31 8	29 10	28 6	30 0	28 8	29 14	28 11
11.	Jessore	N.T.	23 0	23 2	22 6	25 2	29 0	27 0	N.T.	29 4	26 0	25 8	30 0
12.	Kushtia	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.
Northern Jute													
13.	Naogaon	22 0	22 0	22 8	22 12	26 0	28 4	28 5	25 8	27 0	26 8	29 4	31 3
14.	Gaibandha	21 10	21 4	44 4	21 8	23 8	26 8	27 6	23 14	24 9	24 8	27 6	29 11
15.	Dinajpur	22 13	20 5	23 10	22 2	25 3	28 0	27 0	25 2	24 8	25 0	25 0	26 11
16.	Bogra	21 5	22 5	22 6	22 1	24 8	29 5	28 4	24 2	25 3	24 2	27 10	28 11
17.	Kurigram	22 4	21 8	21 8	22 1	23 12	29 0	27 5	23 4	23 13	23 12	27 0	28 3

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TABLE XII(*h*)

Monthly price of White B-Bottom (loose) Jute per maund ruling at different centres of the Province

(Season 1957-58)

Sl. No.	Centres	July	August	September	October	November	December	January	February	March	April	May	June
		Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
Jat Jute													
1.	Narayanganj	31 4	29 0	27 0	26 8	27 4	26 5	27 2	25 0	25 3	25 15	24 8	23 13
2.	Narsingdi	29 8	27 8	24 11	23 0	24 13	25 2	25 14	24 0	25 0	24 8	24 8	23 6
3.	Chandpur	28 10	26 8	24 10	24 4	25 8	25 9	24 10	23 8	24 0	24 8	25 10	N.T.
4.	Mymensingh	29 4	27 0	N.R.	N.R.	21 0	29 4	21 14	19 14	20 11	22 8	22 5	20 9
5.	Jamalpur	30 8	24 11	23 2	21 12	22 0	21 12	20 8	21 0	19 4	22 8	22 12	20 8
6.	Kishoreganj	27 8	24 8	21 2	20 8	20 3	20 8	20 8	19 8	21 10	22 3	21 2	N.T.
7.	Netrakona	25 8	26 8	24 11	22 14	21 8	22 2	21 4	20 0	22 11	22 3	22 8	20 8
District Jute													
8.	Madaripur	N.R.	26 0	24 12	22 12	23 4	22 8	21 6	21 0	20 12	23 4	22 14	20 8
9.	Serajganj	26 10	27 0	21 5	20 8	20 5	19 14	21 14	19 2	19 11	20 11	22 8	18 8
10.	Khulna	N.R.	27 0	24 3	23 6	23 8	23 6	22 13	21 2	22 4	23 0	23 1	20 8
11.	Jessore	N.R.	27 0	N.R.	N.R.	N.R.	N.R.	N.R.	N.R.	N.T.	N.T.	N.T.	N.T.
12.	Kushtia	N.T.	N.T.	N.T.	N.R.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.
Northern Jute													
13.	Naogaon	26 0	23 8	21 8	22 6	23 0	19 8	22 14	16 10	17 8	19 0	20 10	19 0
14.	Gaibandha	26 6	25 8	20 6	19 0	18 13	18 14	18 0	16 0	16 13	18 8	18 12	17 8
15.	Dinajpur	26 8	25 8	22 2	21 12	21 8	18 13	18 8	16 8	16 8	15 14	17 8	16 3
16.	Bogra	25 8	26 8	23 0	20 6	19 0	18 8	17 2	15 13	16 5	18 8	18 2	17 12
17.	Kurigram	N.R.	26 0	21 8	21 8	20 8	19 0	18 3	N.R.	17 10	18 10	18 14	16 8

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TABLE XII(*i*)

Monthly price of White B-Bottom (loose) Jute per maund ruling at different centres of the Province

(Season 1958-59)

Sl. No. Centres	July	August	September	October	November	December	January	February	March	April	May	June
	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.	Rs. As.
Jat Jute												
1. Narayanganj	23 10	24 8	21 0	19 10	19 14	20 12	21 12	20 15	21 14	23 7	24 7	23 7
2. Narsingdi	23 2	23 9	20 0	18 6	17 11	19 10	21 2	20 5	21 0	21 14	22 2	22 0
3. Chandpur	23 0	23 6	18 8	14 10	19 0	19 2	19 12	20 4	21 0	22 13	23 3	22 5
4. Mymensingh	22 0	23 1	17 0	17 8	18 5	18 14	17 6	18 4	18 7	19 0	20 3	21 0
5. Jamalpur	20 0	21 5	16 0	15 10	16 7	16 0	16 12	16 12	17 5	19 5	20 0	18 14
6. Kishoreganj	22 0	22 13	18 8	19 4	17 4	16 4	19 0	19 0	18 14	20 1	20 2	N.T.
7. Netrakona	22 0	22 13	17 4	18 10	17 6	18 0	18 14	18 0	18 9	18 6	18 8	18 1
District Jute												
8. Madaripur	N.R.	21 12	17 0	18 0	19 6	18 7	18 5	18 0	18 13	19 2	19 4	18 8
9. Serajganj	21 0	20 13	15 0	13 14	14 8	14 6	15 10	15 0	15 8	15 14	16 2	15 14
10. Khulna	22 0	23 5	17 3	17 0	16 2	15 0	15 1	14 2	15 14	15 10	16 10	16 10
11. Jessore	N.T.	18 0	13 0	10 0	10 11	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.A.
12. Kushtia	N.T.	N.T.	11 6	11 12	15 2	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.	N.T.
Northern Jute												
13. Naogaon	18 0	19 10	13 8	14 8	15 10	16 13	15 4	13 9	15 2	15 8	16 8	15 14
14. Gaibandha	21 0	21 0	15 14	14 0	13 4	13 2	13 9	13 0	13 14	14 0	14 4	15 0
15. Kurigram	18 8	19 4	14 0	N.R.	13 0	14 0	13 8	16 0	16 4	14 8	14 11	14 12
16. Dinajpur	17 0	19 5	15 3	12 8	11 11	12 12	14 0	13 4	13 8	N.R.	N.T.	N.T.
17. Bogra	19 0	18 12	12 13	17 5	15 14	16 4	17 0	16 0	15 13	18 9	19 7	18 14

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TABLE XIII

Monthly price of different grades of Jat White Jute (loose) per maund at Narayanganj for the period 1947-48 to 1958-59

Season	July	August	September	October	November	December	January	February	March	April	May	June
1947-48 :												
Bottom	29 2	26 2	26 12	27 7	27 12	28 0	28 7	29 0	28 11	28 4	30 13	31 13
X-Bottom	27 2	24 2	24 4	24 0	24 4	25 8	26 0	27 8	26 3	25 0	28 5	29 5
1948-49 :												
Bottom	32 0	33 8	32 14	32 1	32 10	34 5	36 2	36 0	35 6	34 12	35 4	35 6
X-Bottom	28 8	31 8	30 6	29 8	30 2	32 13	33 8	33 8	33 0	32 4	32 12	33 0
1949-50 :												
Bottom	26 0	28 0	29 0	23 8	20 0	24 4	23 14	23 12	24 8	24 4	25 8	25 8
X-Bottom	23 0	25 8	26 8	21 0	18 0	22 0	22 0	20 8	22 0	22 0	22 0	23 0
1950-51 :												
Bottom	22 6	23 0	21 0	18 15	20 5	21 8	24 4	31 8	40 4	52 14	55 9	58 13
X-Bottom	20 0	21 0	19 0	16 15	18 0	18 0	22 0	29 0	38 9	50 4	53 0	56 5
1951-52 :												
Bottom	42 5	32 14	32 15	32 8	31 15	33 6	35 14	33 12	24 1	24 2	23 0	23 0
X-Bottom	40 0	30 6	29 5	30 8	29 0	31 0	33 6	28 8	21 8	21 8	20 9	20 6
1952-53 :												
Bottom	17 0	15 0	13 4	12 0	12 8	13 11	13 8	13 13	14 0	13 13	17 4	18 12
X-Bottom	12 4	10 0	11 0	10 0	10 4	11 5	11 4	11 8	12 0	11 8	15 4	16 4
1953-54												
Bottom	17 4	21 13	19 8	18 3	22 6	22 3	22 0	21 2	20 12	22 4	20 9	19 3
X-Bottom	12 4	16 5	14 10	13 0	14 0	14 3	17 0	16 0	15 8	17 0	15 0	14 2

APPENDIX D—contd.

TABLE XIII—*contd.*

Season	July	August	September	October	November	December	January	February	March	April	May	June
1954-55 :												
Bottom	17 0	17 2	19 12	22 5	24 8	25 11	26 0	26 12	24 3	22 7	20 13	20 13
B-Bottom	14 8	14 0	17 4	20 0	22 0	23 3	23 8	24 4	21 12	20 0	18 4	18 4
X-Bottom	9 0	9 2	9 12	14 5	16 8	16 8	17 4	17 8	17 3	13 7	12 4	9 6
1955-56 :												
Bottom	17 4	22 15	22 15	23 10	26 9	26 0	28 13	32 5	33 11	32 1	30 8	29 14
B-Bottom	15 4	20 15	21 0	21 12	24 9	24 9	26 6	30 10	32 11	30 0	28 12	28 6
C-Bottom	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
X-Bottom	12 4	17 15	18 0	18 10	21 9	21 9	23 4	27 3	25 6	24 0	25 8	25 8
1956-57 :												
Bottom	29 2	29 1	28 12	30 8	32 13	38 1	37 14	32 14	31 12	31 15	35 6	35 8
B-Bottom	27 0	27 8	26 7	27 8	30 4	36 0	35 12	30 12	30 8	29 10	33 4	33 0
C-Bottom	25 0	25 8	24 0	25 0	27 8	32 8	32 8	28 0	28 0	27 12	30 0	30 8
X-Bottom	23 0	23 8	22 0	23 0	25 0	29 6	30 0	25 14	25 13	25 12	27 8	28 5
1957-58 :												
Bottom	33 6	31 2	29 0	29 3	30 12	30 6	31 1	28 12	29 1	30 3	29 7	29 0
B-Bottom	31 4	29 0	27 0	26 8	27 4	26 5	27 2	25 0	25 3	25 15	24 8	23 13
C-Bottom	27 6	26 0	25 0	23 8	24 2	23 0	23 0	21 12	21 6	22 3	21 6	20 13
X-Bottom	25 6	24 4	23 3	21 0	20 14	19 14	19 8	16 2	15 8	16 14	17 1	15 13
1958-59 :												
Bottom	27 2	28 7	26 4	25 10	25 2	25 5	26 4	25 6	26 14	28 5	28 14	27 11
B-Bottom	23 10	24 8	21 0	19 10	19 14	20 12	21 12	20 15	21 14	23 7	24 7	23 7
C-Bottom	20 15	21 5	18 5	15 12	16 6	15 12	16 9	15 10	16 2	17 0	17 6	17 3
X-Bottom	14 14	14 12	13 11	12 6	11 9	10 4	10 13	9 12	10 6	11 3	12 3	11 9

N.B.—B-Bottom grade was introduced since 1954-55 and C-Bottom since 1955-56 season.

N.A.—Not available.

Source : Jute Directorate.

APPENDIX D

TABLE XV

Monthly arrival of raw jute in baling centres of East Pakistan from 1949-50 *to* 1958-59

(Figures in 000 Bales)

Season		July	August	September	October	November	December	January	February	March	April	May	June	July—June
1949-50	Quantity	3,31	6,82	9,11	3,47	3,99	4,78	3,38	2,91	1,99	2,27	2,33	74	45,10
1950-51	,, ...	4,81	7,75	10,55	9,03	8,80	6,54	6,03	3,74	1,83	2,15	61	1,71	63,55
1951-52	,, ...	6,79	5,65	7,63	7,95	7,00	7,11	5,66	3,92	56	90	2,57	12,26	68,00
1952-53	,, ...	21	4,81	9,04	10,06	8,09	7,86	3,95	3,30	4,50	1,78	2,15	4,25	60,00
1953-54	,, ...	3,00	4,50	5,50	5,50	5,50	3,00	4,00	3,00	2,00	2,00	1,00	1,00	40,00
1954-55	,, ...	3,63	3,83	2,48	6,53	5,50	4,35	4,60	6,18	4,50	1,90	1,50	1,00	46,00
1955-56	,, ...	2,12	5,53	7,22	14,97	9,82	5,82	5,81	3,17	2,44	1,00	43	27	58,60
1956-57	,, ...	2,44	5,96	9,31	8,05	7,76	8,04	5,53	4,57	3,75	2,00	1,67	95	59,93
1957-58	,, ...	2,20	3,00	5,60	14,00	9,60	7,60	5,60	4,00	3,50	2,80	2,50	2,00	62,40
1958-59	,, ...	2,39	4,04	6,80	9,71	9,31	6,40	5,75	4,50	3,67	2,42	1,93	1,37	58,29
1959-60	,, ...	3,20	6,82	8,54	8,84	8,59	6,48	4,73	3,48	2,64	1,55	85	48	56,20

Source : Jute Directorate.

APPENDIX D

TABLE XVI

Monthly arrival of raw jute in Narayanganj from 1947-48 *to* 1958-59

(Figures in maunds)

Season	July	August	September	October	November	December	January	February	March	April	May	June	July—June
1947-48	4,74,000	9,75,000	13,13,000	5,00,000	5,78,000	6,89,000	4,87,500	4,22,500	2,86,000	3,25,000	3,43,000	1,04,000	65,00,000
1948-49	4,01,500	8,30,500	11,11,000	4,23,500	4,89,500	5,83,000	4,12,500	3,57,500	2,42,000	2,75,000	2,86,000	88,000	55,00,000
1949-50	2,19,000	4,53,000	6,06,000	2,21,000	2,67,000	3,18,000	2,25,000	1,95,000	1,32,000	1,50,000	1,56,000	58,000	30,00,000
1950-51	3,10,000	6,75,000	14,75,000	10,35,000	7,50,000	5,80,000	3,30,000	2,44,000	1,87,900	39,700	6,227	12,490	56,45,317
1951-52	5,00,000	6,00,000	8,00,000	8,25,000	6,58,410	6,57,000	4,32,000	2,43,000	1,90,500	1,50,650	1,40,600	1,10,780	53,07,940
1952-53	2,37,810	6,43,000	6,18,000	8,56,000	9,31,000	7,10,000	6,48,500	6,36,000	7,15,000	3,47,500	2,35,500	1,73,400	67,51,710
1953-54	2,28,500	4,78,950	3,15,800	2,97,000	5,64,500	2,64,000	3,57,800	2,30,500	1,33,800	1,29,000	2,25,000	1,05,200	36,30,050
1954-55	1,82,200	1,88,000	2,00,600	3,74,000	3,20,000	2,90,000	3,12,500	2,47,200	1,34,000	72,000	67,900	26,700	24,15,700
1955-56	1,80,000	6,30,000	5,25,000	9,48,250	7,35,000	5,60,000	5,97,850	3,57,150	2,25,000	97,250	50,100	1,40,200	49,14,800
1956-57	3,30,700	6,42,750	7,94,000	7,15,000	6,85,000	5,05,000	2,92,000	2,10,000	1,74,000	1,48,000	1,16,000	1,45,000	47,57,450
1957-58	2,36,950	4,24,000	7,00,000	12,75,000	7,28,000	5,50,000	4,00,000	3,45,900	4,54,000	2,00,000	1,58,000	1,46,600	56,37,450
1958-59	3,05,000	7,07,000	7,30,000	9,00,000	9,08,000	4,89,000	4,43,400	3,89,000	3,90,000	2,50,000	2,38,500	2,23,000	59,72,900

Source : Jute Directorate.

APPENDIX D

TABLE XVII(*a*)

Monthly Export Sales of Jute from Pakistan (EPC Registration) 1955-56 *to* 1959-60

(Figures in lakh bales)

Months	1955-56	1956-57	1957-58	1958-59	1959-60
July	5·98662	5·14762	2·40404	5·49931	4·53730
August	6·34878	6·91876	6·78442	3·88838	3·49046
September	5·31854	5·94880	6·15284	6·59878	3·89648
October	6·87483	6·13008	6·05146	7·82284	6·94916
November	9·02035	5·19977	4·17010	2·34259	6·82785
December	6·67304	3·59295	3·94661	4·23773	5·94414
January	5·86909	2·64087	2·96251	2·36098	2·50545
February	4·70716	2·80785	2·77586	1·92091	2·13112
March	2·85756	2·12168	3·17084	4·32461	2·69248
April	1 81586	3·19174	3 15977	3 22875	2·92152
May..	1·10641	2 29857	1·98717	2·84801	2·19818
June..	2·86694	1·75323	1·67426	2·46664	0·64829

Source : State Bank of Pakistan.

TABLE XVII(*b*)

Monthly Exports of Jute from Pakistan 1954-55 *to* 1958-59

(Figures in lakh bales)

Months	1954-55	1955-56	1956-57	1957-58	1958-59
July	3·60361	2·24534	1·30349	1·72489	1·72695
August	2·78919	2·74073	2·24908	2·73002	2·54474
September	3·26895	5·34756	4·30271	4·62990	4·24161
October	5·34395	5·83692	5·53278	5·46115	5·63425
November	6·55372	7·74790	5·84559	5·60390	5·85561
December	5·67385	7·14374	5·57478	5·28002	4·37401
January	5·09510	7·03084	4·72886	4·01278	4·51346
February	5·38623	6·39988	3·42915	2·22092	3·21773
March	4·33184	5·79185	3·59441	4·45223	2·80389
April	2·70811	4 23398	2·43951	3·39823	3·06735
May..	2 57141	2 25092	3 52649	3 61491	3 48087
June..	3 44433	1·71781	3·07709	2·59963	2·48343

Source : Pakistan Jute Association.

APPENDIX D

TABLE XVIII(*a*)

Stock of raw jute held by the Jute Dealers at the end of each month during the seasons 1949-50 *to* 1958-59

(Figures in 000 maunds)

Season	July	August	September	October	November	December	January	February	March	April	May	June	Remarks
1949-50	9,84	19,04	35,41	34,92	40,59	49,08	52,81	51,09	49,21	48,42	39,28	30,20	
1950-51	28,76	38,14	52,83	65,02	80,86	85,51	87,60	80,05	67,36	48,20	25,01	14,46	
1951-52	28,50	33,54	46,82	46,73	57,83	71,93	69,27	61,64	46,74	42,21	40,84	39,47	
1952-53	86,66	93,19	1,06,91	1,16,04	1,11,72	1,18,84	1,06,19	96,81	91,82	85,57	78,32	66,64	
1953-54	66,98	73,10	80,66	94,90	1,02,15	95,40	92,95	84,81	75,69	67,58	60,90	57,65	
1954-55	54,10	60,00	55,00	70,00	65,10	60,25	55,00	52,50	50,25	44,75	34,67	16,95	
1955-56	17,43	30,16	46,92	63,79	65,00	58,04	56,84	48,54	35,00	25,00	18,00	9,00	
1956-57	19,40	38,67	53,75	75,00	85,68	78,40	55,45	54,35	51,40	39,80	34,85	23,95	
1957-58	41,21	47,00	54,80	59,80	60,80	65,11	65,20	67,85	62,5	55,00	45,65	36,00	
1958-59	37,27	45,00	60,00	71,00	71,00	70,60	75,60	72,36	63,48	57,01	44,66	44,02	

Source : Jute Directorate.

APPENDIX D

TABLE XVIII(b)

Stock of Raw Jute Held by the Jute Mills at the End of Each Month from 1955-56 to 1958-59.

(In Thousand Tons)

Months	1955-56	1956-57	1957-58	1958-59
July	15·497	7·311	9·219	29·381
August	90·397	8·867	12·287	31·953
September	8·138	13·296	19·429	28·422
October	11·445	16·898	22·496	35·104
November	8·739	23·526	26·194	46·359
December	10·954	21·527	28·940	50·146
January	10·574	21·835	28·593	52·054
February	12·978	22·170	27·206	53·579
March	13·205	22·413	28·286	51·428
April	13·713	19·759	26·851	49·781
May	7·511	16·190	28·957	50·304
June	5·764	10·043	30·368	50·989
Total ...	127·915	203·837	288·826	529·500

Source.—Pakistan Jute Mills Association.

APPENDIX D

TABLE XIX

Stocks of all India raw jute, 1947-48 to 1958-59.

Year (July-June)	Mill	(E) Moffussil	Calcutta	Total
1947-48	1611	50	101	1762
1948-49	1314	150	59	1523
1949-50	838	200	31	1069
1950-51	1013	50	43	1106
1951-52	1108	700	50	1858
1952-53	1575	1200	43	2818
1953-54	1375	800	74	2249
1954-55	1133	500	24	1657
1955-56 ...	1160	250	14	1424
1956-57	1493	200	24	1717
1957-58	1530	150	5	1685
1958-59	1827	450	100(E)	2377

(E) Estimated.

Source.—Jute Balers' Association, Calcutta.

APPENDIX D

TABLE XX

Grade-wise Distribution of Jute Export from Pakistan

1958-59

Grades	Export (bales)	Percentage of total Export	
White			
Dundee Firsts	125	0·003	
Dundee Lightnings	1,531	0·034	
Dundee Hearts	17,909	0·395	
Mill Reds	8,251	0·182	
Mill Firsts	1,49,916	3·303	
Export Reds	140	0·003	
			3·920
Export Firsts	8,45,885	18·630	
Mill Lightnings	2,95,782	6·518	
			25·148
Export Lightnings	9,53,587	21:007	
Mill Hearts	3,37,345	7·431	
			28·438
Export Hearts	2,92,296	6·439	6·439
			63·945
Tossa			
Dacca Tossa 2/3	1,803	0·040	
Dacca Tossa 4	33,387	0·735	
Crack Tossa 2/3	7,847	0·173	
Crack Daisee 2/3	22,969	0·506	
Grade Daisee 2/3	13,998	0·308	
			1·762
Dacca Tossa 5	1,27,305	2·804	
Crack Tossa 4	13,860	0·305	
Dundee Tossa 2/3	85,480	1·883	
			4·992
Dundee Tossa 4	2,66,443	5·869	
Outport Tossa 2/3	3,13,518	6·907	
			12·776
Outport Tossa 4	68,790	1·518	
Dacca Tossa 6	1,02,577	2·260	
			3·778
			23·308

APPENDIX D

TABLE XX.—*contd*

Grades	Export (bales)	Percentage of total Export	
Cuttings			
Superior N.C.	10,168	0·224	
S. N. C.	1,47,173	3·242	
D. T. C.	26,628	0·387	
N. C.	2,35,777	5·194	
T. C.	1,12,425	2·477	
M. C.	13,900	0·306	
Habijabi	5,723	0·126	
S.M. Rejection	5,685	0·125	
Cut ropes	15,530	0·342	
			12·623
Weedings			
Weeding First	1,000	0·021	
Selected Weeding	225	0·005	
Cut-Mid Weeding	525	0·012	
Cut-Low Weeding	1,125	0·025	
Cut Special Weeding	20	0·000	
Mixed Weeding	625	0 014	
Low Weeding	2,215	0·047	
			0·124
			100 000

N.B.—Based on E.P.C. Registration figures for the year 1958-59 supplied by the State Bank of Pakistan. Figures relate to Overseas export (excluding India).

APPENDIX D

TABLE XXI(*a*)

Statement showing the number of jute godowns and kutcha presses along with the storage capacity within the jurisdiction of each of the Chief Inspector of Jute.

Sl. No.	Chief Inspector of Jute	Jurisdiction (Sub-division-wise)	No. of godowns	Capacity in maunds	Capacity in sqr. ft.	No. of kutcha presses	Remarks
1	2	3	4	5	6	7	8
1.	Narayanganj	Narayanganj, Munshiganj Manikganj ..	753	65,99,580	43,33,660	90	
2.	Dacca(S)	Dacca Sadar, North, ,, South. ..	86	4,28,110	3,12,157	7	
3.	Mymensingh	Mymensingh Sadar, ,, North, South. ..	484	13,67,599	12,12,647	118	
4.	Jamalpur	Jamalpur	325	25,04,960	13,80,469	106	
5.	Kishoreganj	Kishoreganj	330	7,05,595	7,77,085	37	
6.	Netrokona	Netrokona	358	7,62,141	6,22,708	45	
7.	Tangail	Tangail	41	1,46,500	1,15,367	21	
8.	Brahmanbaria	Brahmanbaria Sylhet (Dist.) ..	325	16,26,130	12,00,708	46	
9.	Chandpur	Chandpur	118	10,60,000	8,85,850	22	
10.	Chowmohani	Noakhali, Chittagong(S) Cox's Bazar, Chittagong Hill Tracts (Dist.).	150	2,86,085	2,00,020	5	
11.	Faridpur	Faridpur(S), Goalundo, Kushtia, Meherpur, Chuadanga.	752	11,56,904	12,31,552	105	

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TABLE XXI(*a*)—*contd.*

Sl. No	Chief Inspector of Jute	Jurisdiction (Sub-division-wise)	No. of godowns	Capacity in maunds	Capacity in sqr. ft.	No. of kutcha presses	Remarks
1	2	3	4	5	6	7	8
12.	Madaripur	Madaripur	250	10,15,600	8,13,186	31	
13.	Khulna	Khulna, Bagerhat, Satkhira, Goapalganj..	298	35,37,027	16,26,389	45	
14.	Serajganj	Pabna, Serajganj	405	7,08,960	8,01,389	78	
15.	Jessore	Jessore(S), Narail	50	25,950	50,284	6	
16.	Magura	Magura, Jhinaidah	167	1,85,150	2,89,189	27	
17.	Barisal (Now tagged with C.I. Madaripur).	Bakerganj(S), Patuakhali Bhola, Pirojpur	104	67,217	77,073	1	
18.	Rangpur	Rangpur(S), Nilphamari, Dinajpur(S), Thakurgaon.	720	26,39,225	14,07,663	191	
19.	Gaibandha	Gaibandha	207	7,62,680	5,69,635	91	
20.	Kurigram	Kurigram	238	9,74,996	6,56,646	79	
21.	Bogra	Bogra	182	11,01,920	5,16,537	85	
22.	Naogaon	Rajshahi, Noagaon	189	4,96,849	3,82,545	67	
		Total ..	6,532	2,81,59,178 mds.	1,94,62,759 sq. ft.	1,303	

APPENDIX D

TABLE XXI (*b*)

Number of godowns, their area and capacity and number of kutcha presses within the jurisdiction of the Chief Inspector of Jute. (Detailed)

Name of C.Is.	Jurisdiction	Baling centres	No. of godown	Capacity in mds.	Capacity in sq. ft.	No. of K. Presses	Remarks
1	2	3	4	5	6	7	8
1. Narayanganj	Narayanganj, Munshiganj and Manikganj Sub-divisions.	Narayanganj ...	430	57,41,962	35,97,694	50	
		Narsingdi ...	85	3,34,050	2,95,261	13	
		Hatirdia ...	28	12,200	21,593	1	
		Gouripur ...	3	15,000	27,413	2	
		Hajipur ...	20	3,06,656	1,81,741	11	
		Dangabazar ...	2	8,300	2,773	1	
		Lohajong ...	9	50,000	43,976	3	
		Manikganj ...	4	4,000	2,510	2	
		Ghior ...	9	14,900	19,687	5	
		Shivalaya ...	4	3,300	5,579	2	
			594	64,90,368	41,98,227	90	
		Village Markets ...	159	1,09,212	1,35,433	...	
		Total ...	753	65,99,580	43,33,660	90	
2. Dacca ...	Dacca Sadar North and South Sub-divisions.	Keraniganj ...	6	1,75,000	1,14,833	7	
		Vill. Markets ...	80	2,53,110	1,97,324	...	
		Total ...	86	4,28,110	3,12,157	7	
3. Mymensingh Sadar.	Mymensingh Sadar North and South Sub-divisions.	Mymensingh ...	34	3,64,000	2,92,416	26	
		Muktagacha ...	26	84,800	78,368	11	
		Sambhuganj ...	34	1,06,200	65,527	4	
		Kishoreganj ...	3	1,500	3,073	1	
		Ramamritaganj ...	37	85,300	93,722	11	
		Gayeshpur ...	38	1,22,700	1,11,242	9	
		Kalirbazar ...	15	6,200	10,950	1	
		Gaffargaon ...	15	10,700	14,741	5	
		Piyerpur ...	2	12,000	14,812	1	
		Shyamganj ...	20	1,46,450	85,450	10	
		Nandail ...	26	19,700	31,842	1	
		Nandail Rd. ...	3	1,600	1,586	1	
		Rayerbazar ...	37	27,800	45,121	4	
		Khalballabazar ...	15	90,200	99,600	7	
		Iswarganj ...	22	83,382	46,005	10	

1	2	3		4	5	6	7	8
3. Mymensingh Sadar.—*Contd.*	Mymn. Sadar North and South, Sub-divisions.	kashiganj	...	12	5,200	10,708	1	
		Sakuaibazar	...	4	8,200	6,425	2	
		Gouripur	...	11	88,000	76,170	9	
		Atrabari	...	1	10,000	13,098	1	
		Begunbari	...	3	17,400	10,944	3	
				358	12,91,332	11,11,800	118	
		Vill. Markets	...	125	76,267	1,00,847		
		Total	...	483	13,67,599	12,12,647	118	
4. Jamalpur ...	Jamalpur Sub-division.	Jamalpur	...	70	3,67,100	2,13,803	16	
		Sarishabari	...	83	9,30,510	5,62,174	23	
		Bausi	...	12	3,20,000	1,53,231	4	
		Nandina	...	10	1,10,500	79,699	11	
		Narundi	...	4	91,000	23,355	4	
		Piyerpur	...	22	2,54,500	1,01,400	13	
		Sherpur	...	40	45,400	50,701	4	
		Dewanganj	...	21	1,37,000	87,344	14	
		Islampur	...	9	21,850	10,238	2	
		Dharmakura	...	4	19,000	11,921	2	
		Dagi	...	2	10,500	8,446	2	
		Bahadurabad	...	1	25,000	10,008	1	
		Bakshiganj	...	7	67,000	14,722	7	
		Paddyatnagar	...	2	55,000	7,121	1	
		Balijuri	...	3	23,200	8,540	2	
				290	24,77,560	13,42,703	106	
		Vill. Markets	...	35	27,400	37,766	...	
		Total	...	325	25,04,960	13,80,469	106	
5. Kishoreganj ...	Kishoreganj Sub-division.	Kishoreganj	...	41	1,17,050	81,809	4	
		Nilganj	...	14	32,550	30,799	2	
		Tarail	...	20	79,400	97,180	4	
		Matkhola	...	20	26,100	18,575	3	
		Nikli	...	22	2,62,500	2,16,260	13	
		Duldia	...	34	27,700	47,489	1	
		Katiadi	...	57	68,350	57,137	2	
		Bhairab	...	12	11,400	1,07,891	6	
		Hilachia	...	11	21,100	26,851	2	
				231	6,46,150	6,83,991	37	
		Vill. Markets	...	99	59,445	93,094	...	
		Total	...	330	7,05,595	7,77,085	37	

1	2	3		4	5	6	7	8
6. Netrakona ...	Netrakona Sub-division.	Netrakona	...	99	2,20,841	2,09,597	16	
		Mohanganj		42	1,12,950	1,00,704	6	
		Purbadhala	...	40	91,550	58,280	4	
		Jarua	...	17	1,32,000	73,921	8	
		Janjail	...	7	13,800	8,505	2	
		Madhuakhali	...	20	22,100	22,369	4	
		Fatehpur	...	5	68,200	40,578	4	
		Sarikanda	...	7	8,500	8,400	1	
				237	6,69,941	5,22,354	45	
		Vill. Markets	...	121	92,200	1,00,354	...	
		Total	...	358	7,62,141	6,22,708	45	
7. Tangail ...	Tangail Sub-division.	Jamurki	...	10	28,900	15,043	4	
		Naga	...	5	25,500	23,296	4	
		Mirzapur	...	6	15,500	16,353	3	
		Nayapara	...	3	3,000	57,22	2	
		Shabatpur	...	2	5,000	10,119	2	
		Gopalpur	...	2	12,000	9,008	2	
		Ratanganj	...	2	9,000	9,008	2	
		Other eleven Jute centres.		11	47,600	26,818	2	
				41	1,46,500	1,15,367	21	
		Vill. Markets	...	...	...	...	...	
		Total	...	41	1,46,500	1,15,367	21	
8. Brahmanbaria	B. Baria Sub-division and Sylhet Dist.	Ashuganj	...	94	11,33,000	7,67,458	21	
		Kuti...	...	32	1,46,840	1,03,086	5	
		Chandura	...	29	41,050	49,509	2	
		B. Baria	...	14	28,500	27,350	2	
		Akhaura	...	18	1,21,800	75,980		
		Manomukh	...	17	29,800	28,791		
		Fenchuganj	...	14	19,150	17,887	2	
		Primary Markets	...	48	52,230	50,292	4	
				266	15,72,370	11,20,353	46	
		Vill. Markets	...	59	53,760	80,355	...	
		Total	...	325	16,26,130	12,00,708	46	

1	2	3		4	5	6	7
9. Chandpur	Chandpur Subdivision.	Chandpur	...	85	8,00,000	7,03,000	8
		Hajiganj	...	22	2,40,000	1,62,050	10
		Daulatganj	...	2	3,000	4,000	1
		Gouripur	...	5	13,000	12,000	1
		Kangshanagar	...	3	3,000	3,800	1
		Rajapur	...	1	1,000	1,000	1
				118	10,60,000	8,85,850	22
		Vill. Markets	...	...	...	...	...
		Total	...	118	10,60,000	8,85,850	22
10. Chowmohani	Noakhali, Chittagong & Ctg. H. T. districts.	Chowmohani	...	49	83,335	62,969	3
		Sonaimuri	...	10	14,200	17,633	2
				59	97,535	80,602	5
		Vill. Markets	...	91	1,88,550	1,19,418	...
		Total	...	150	2,86,085	2,00,020	5
11. Faridpur	Faridpur (S), Goalundo Subdivisions of Faridpur & Kushtia District.	Kamarkhali	...	42	1,09,050	1,03,196	8
		Kanaipur	...	32	21,300	23,589	1
		Madhukhali	...	15	9,600	21,932	2
		Jaynagar	...	4	4,300	6,200	1
		Faridpur	...	8	16,800	20,737	2
		Tepakhola	...	5	23,000	25,010	1
		Boalmari...	...	27	48,000	48,053	5
		Ambikapur	...	4	33,500	17,175	2
		Pangsha ...	...	51	55,000	92,659	6
		Goalundo	...	14	94,300	85,321	5
		Khankhanapur	...	28	86,600	1,48,283	13
		Rajbari ...	...	15	28,000	22,253	2
		Jamalpur ...	...	17	12,590	30,454	4
		Dadpur ...	...	11	7,000	8,724	1
		Ramdia ...	...	11	10,300	17,265	4
		Ratandia...	...	14	17,900	21,523	1
		Belgachi ...	...	6	7,800	7,384	1
		Mashpara	...	2	1,500	3,114	1
		Alamdanga	...	73	1,06,900	1,05,898	9
		Chuadanga	...	54	70,450	61,947	8
		Munshiganj	...	67	32,150	32,744	3
		Bheramara	...	65	1,71,700	1,32,095	10
		Poradha ...	...	10	16,706	13,617	3
		Kushtia ...	...	39	60,850	51,487	4
		Khoksha...	...	27	22,200	15,878	7
		Gokulkhali	...	14	15,450	15,895	1
				655	10,87,946	11,32,433	105
		Vill. Markets	...	97	68,958	99,119	...
		Total	...	752	11,56,904	12,31,552	105

1	2	3		4	5	6	7	8
12. Madaripur ...	Madaripur Sub-division.	Madaripur	...	8	38,600	18,776	1	
		Charmugria	...	90	7,86,900	5,47,192	20	
		Berhamganj	...	46	81,800	1,18,089	8	
		Bhojeswar	...	14	26,100	39,233	2	
				158	9,33,400	7,23,290	31	
		Vill. Markets	...	92	82,200	89,896	...	
		Total	...	250	10,15,600	8,13,186	31	
13. Khulna ...	Khulna Dist. & Gopalganj Sub-division of Faridpur Dist.	Daulatpur	...	134	21,95,252	10,81,517	28	
		Khulna	...					
		Bhatiapara	...	68	11,96,250	4,00,872	14	
				8	6,300	12,980	3	
				210	33,97,802	14,95,369	45	
		Vill. Markets	...	88	1,39,225	1,31,020	...	
		Total	...	298	35,37,027	16,26,389	45	
14. Sirajganj ...	Pabna District.	Sirajganj	...	76	2,49,300	2,47,211	20	
		Pangashi	...	10	8,400	11,496	1	
		Jamtali	...	7	3,560	4,436	1	
		Ullapara	...	76	1,06,700	1,26,244	15	
		Enayatpur	...	1	3,000	1,890	1	
		Nakalia	...	16	89,450	1,01,206	8	
		Bera	...	68	73,000	1,53,891	17	
		Bhangura	...	16	61,000	46,778	4	
		Chatmohar	...	10	3,300	5,159	1	
		Pabna	...	13	19,100	19,759	6	
		Iswardi	...	7	9,200	12,948	5	
		Dublia	...	7	4,650	3,160	1	
		Dashuria	...	7	5,800	4,108	1	
		Satbaria	...	9	8,000	8,000	3	
		Nazirganj	...	8	17,500	10,422	3	
		Sujanagar	...	5	2,950	2,292	1	
				336	6,64,910	7,59,000	88	
		Vill. Markets	...	69	44,050	42,389	...	
		Total	...	405	7,08,960	8,01,389	88	
15. Jessore ...	Jessore Sadar and Narail Subdivisions of Jessore District	Bordia ...	...	16	9,400	20,379	5	
		Nahdibazar	...	4	1,800	3,561	1	
				20	11,200	23,940	6	
		Vill. Markets	...	30	14,750	25,344	...	
		Total	...	50	25,950	49,284	6	

1	2	3		4	5	6	7	8
16. Magura	Magura and Jhenaidah Subdivision of Jessore Dist.	Nazirhat	...	4	8,000	8,235	3	
		Hatgopalpur	...	4	1,500	3,563	2	
		Kotchandpur	...	8	1,000	6,624	2	
		Sailkupa	...	4	2,500	5,283	1	
		Magura ...	...	26	49,000	91,087	7	
		Lagalband	...	25	50,450	93,788	5	
		Nakhail ...	...	5	3,200	3,369	2	
		Radhanagar	...	14	11,500	18,474	5	
				90	1,27,150	2,30,423	27	
		Vill. Markets	...	77	58,000	58,766	...	
		Total	...	167	1,85,150	2,89,189	27	
17. Barisal ...	Bakerganj District	Muladi ...	...	17	11,000	18,944	1	
				17	11,000	18,944	1	
		Vill. Markets	...	87	56,217	58,129	...	
		Total	...	104	67,217	77,073	1	
18. Rangpur ...	Rangpur Sadar & Nilphamari Subdivision of Rangpur Dist. and Dinajpur District	Alamnagar	...	41	2,64,050	1,30,140	13	
		Mahiganj	...	16	75,500	47,342	3	
		Badarganj	...	50	79,300	61,469	8	
		Pirgaeha	...	15	23,600	34,909	6	
		Choudhurani	...	5	19,000	16,231	3	
		Anandanagar	...	3	9,000	8,800	3	
		Chatrahat	...	5	14,400	10,499	2	
		Kakina	...	2	5,600	3,229	1	
		Tushbandar	...	3	5,600	2,998	3	
		Bhotemari	...	26	60,500	34,970	9	
		Kaunia	...	2	11,000	6,500	2	
		Hatibandha	...	5	5,800	9,774	2	
		Patgram	...	2	4,500	7,400	1	
		Baura	...	2	4,500	5,191	1	
		Nilphamari	...	126	2,85,750	1,90,194	28	
		Saidpur	...	148	8,22,650	3,11,176	25	
		Domar	...	15	35,100	38,807	8	
		Chillahati	...	6	19,000	14,073	5	
		Charaikhola	...	12	23,000	15,642	3	
		Panchpukur	...	4	5,500	2,946	1	
		Dinajpur	...	35	1,20,325	68,660	9	
		Phulhat	...	18	2,35,700	97,939	3	
		Chirirbandar	...	9	17,400	10,042	2	
		Manmathapur	...	5	11,700	10,898	2	
		Jasai	...	1	3,000	405	1	
		Parbatipur	...	12	28,300	19,599	4	
		Birampur	...	9	35,200	13,439	2	

1	2	3		4	5	6	7	8
18. Rangpur—*Contd.*	... Rangpur Sadar & Nilphamari Sub-division of Rangpur Dist & Dinajpur District.	Phulbari	...	12	45,500	19,691	4	
		Daudpur	...	9	9,800	7,373	2	
		Setabganj	...	15	78,500	40,807	9	
		Jharbari	...	1	2,000	1,584	1	
		Thakurgaon		8	24,700	11,924	2	
		Ruhia	...	17	84,900	36,024	8	
		Debiganj	...	8	13,800	7,501	2	
		Pirganj	...	10	30,500	21,708	5	
		Shibganj	...	17	61,800	37,936	9	
		Maderganj	...	3	3,900	3,598	1	
		Panchgarh	...	21	23,750	21,925	5	
				698	26,04,525	13,83,343	198	
		Vill. Markets	...	22	34,700	24,320	...	
		Total	...	720	26,39,225	14,07,663	198	
19. Gaibandha	... Gaibandha Sub-division of Rangpur District.	Gaibandha	...	53	4,31,324	2,60,768	28	
		Lakshmipur	...	18	40,500	29,900	5	
		Kamarjani	...	4	12,100	7,870	3	
		Badiakhali	...	4	14,000	6,189	2	
		Palashbari	...	19	25,050	21,658	9	
		Mahimaganj	...	11	30,000	46,100	10	
		Bonarpara	...	5	17,500	28,039	4	
		Bharatkhali	...	9	17,000	27,598	6	
		Naldanga	...	17	46,850	37,811	8	
		Bamandanga	...	4	31,500	21,052	7	
		Kamarpara	...	2	21,000	15,052	1	
		Sadullapur	...	6	20,800	22,324	3	
		Kalirbazar	...	5	19,600	14,020	3	
		Sovaganj	...	6	11,556	10,500	2	
				163	7,38,780	5,48,881	91	
		Vill. Markets	...	44	23,900	20,754	...	
		Total	...	207	7,62,680	5,69,635	91	
20. Kurigram	Kurigram Sub-division of Rangpur District.	Kurigram	...	42	1,70,300	1,25,475	29	
		Kanthalbari	...	2	2,000	1,398	2	
		Nageswari	...	5	9,000	5,659	2	
		Lalmonirhat	...	21	77,946	44,524	17	
		Tista	...	17	32,120	22,159	4	
		Ulipur	...	29	84,300	59,507	8	
		Chilmari	...	48	1,15,250	90,087	13	
		Bakshiganj	...	2	37,000	91,375	2	
		Rowmari	...	3	6,500	6,700	1	
		Bhurangamari	...	7	12,900	6,900	1	
				176	5,47,316	4,54,384	79	
		Vill. Markets	...	62	4,27,680	2,02,302	...	
		Total	...	238	9,74,996	6,56,646	79	

1	2	3		4	5	6	7	8
21. Bogra	... Bogra District	... Panchbibi	...	8	55,500	31,487	5	
		Joypurhat	...	33	3,04,080	1,27,149	12	
		Jamalganj	...	10	80,000	40,784	9	
		Santahar	...	3	50,900	13,765	3	
		Tilokpur	...	2	10,000	7,701	1	
		Akkelpur	...	15	71,300	42,761	10	
		Talora	...	8	23,340	15,481	2	
		Baharhat	...	2	1,000	1,260	2	
		Chanchaitara	...	7	9,500	1,00,008	2	
		Bogra	...	9	42,000	23,953	6	
		Gabtali	...	20	54,500	49,709	12	
		Sukanpukur	...	15	98,400	46,287	7	
		Sonatala	...	50	3,01,400	16,192	14	
				182	11,01 920	5,16,537	85	
		Vill. Markets	...	...	...	...	...	
		Total	...	182	11,01,920	5,16,537	85	
22. Naogaon	... Rajshahi District	Naogaon	...	19	57,250	46,471	10	
		Santahar	...	11	1,34,000	87,349	1	
		Atrai	...	20	1,04,400	74,397	10	
		Raninagar	...	7	29,000	26,691	8	
		Prosad	...	2	5,500	9,002	1	
		Jotelzer	...	5	2,500	4,277	1	
		Changdhupoil	...	3	6,500	5,292	2	
		Lalpur	...	3	1,500	2,288	1	
		Chanchokhoir	...	18	12,250	13,319	1	
		Natore	...	5	24,500	10,429	5	
		Gopalpur	...	6	19,000	12,270	3	
		Baidyabelghria	...	1	2,000	2,340	1	
		Baroghera	...	1	3,000	1,733	1	
		Noabganj	...	3	8,000	1,970	3	
		Kansat	...	1	300	338	1	
		Arani	...	15	14,500	15,833	5	
		Narayanpur	...	4	5,250	4,500	2	
		Rostompur	...	1	1,000	810	1	
		Charghat	...	4	12,500	14,844	4	
		Rajshahi	...	1	1,500	450	6	
				130	4,44,450	3,34,608	67	
		Vill. Markets	...	59	52,399	47,937	...	
		Total	...	189	4,96,849	3,82,545	67	

Source.—Jute Directorate.

APPENDIX D

TABLE XXII

Trend of Production, Export and Internal Consumption of Hessian, Sacking and other Jute Products.

Season July-June	Production		Export Overseas		Internal consumption	
	Quantity (Tons)	Index *	Quantity (Tons)	Index *	Quantity (Tons)	Index
HESSIAN						
1955-56	30,208	100	24,221	100	5,496	100
1956-57	35,682	181	26,198	108	7,847	143
1957-58	39,741	132	32,510	134	8,288	151
1958-59	51,773	171	44,299	183	5,296	96
1959-60	66,082	219	59,187	244	6,798	122
SACKING						
1955-56	94,531	100	60,715	100	29,694	100
1956-57	1,05,356	111	54,393	90	45,738	154
1957-58	1,12,481	119	70,767	117	42,964	145
1958-59	1,40,771	149	91,312	150	42,293	142
1959-60	1,78,935	189	1,32,416	218	38,061	128
OTHERS						
1955-56	5,470	100	7		5,130	100
1956-57	3,496	64	115		3,605	70
1957-58	5,638	103	384		5,688	109
1958-59	10,903	199	1,666		7,684	150
1959-60	11,261	206	5,190		6,040	118

*1955-56=100

Source.—Pakistan Jute Mills Association.

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