

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:521

ANSWERED ON:25.11.2005

CAG REPORT ON INDIAN JUTE INDUSTRIES RESEARCH ASSOCIATION

Thakkar Smt. Jayaben B.

Will the Minister of TEXTILES be pleased to state:

(a) whether the Comptroller and Auditor General of India has observed in its report for 2004 that deficient planning and management failure of Indian Jute Industries Research Association, Kolkata delayed a Project of Jute diversification by 12 years despite an expenditure of Rs. 1.34 crore;

(b) if so, reasons therefor; and

(c) the steps taken by the Government in this regard?

Answer

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

a) to c): The Report of Comptroller & Auditor General of India (No. 4 of 2004) makes an observation that the annual accounts/information in respect of 77 bodies were not furnished by the concerned bodies, which includes Indian Jute Industries Association (IJIRA). The Report of C&AG of India (No. 4 of 2001) has an Audit Para regarding the delay in commencement of a project by IJIRA. In this regard, it has been clarified to C&AG that any development project in general and R&D project in particular, has an inherent element of risk. The risk is directly proportional to the venture interests of the industry partner in the project, who in the ultimate analysis, is the beneficiary of the project. Based on the recommendations of the several Expert Groups, the Government decided to help survival of the jute industry by taking up jute product diversification projects. IJIRA submitted a report to the Ministry in this regard. The industrial partner, which provided land etc. did not take much interest, as after trial runs, it was found by the industrial partner that the results of the research project could not take off commercially. The implementation of the project was to be undertaken in various stages. The Singeing Machine was commissioned in 1992 and Laminating machine was commissioned in 1994. The trial runs of the project were completed within time, but the results of the project were found unviable by the industry. In view of the above facts, it would not be correct to say that there was delay of 12 years in commissioning the project.