

The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987

(ACT NO. 10 OF 1987)

[*As on the* 1*st July*, 2026]

LIST OF ABBREVIATIONS USED

G.S.R.	*for*	General Statutory Rules.
S.O.	,,	Statutory Order.
Notifn.	,,	Notification.

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THE JUTE PACKAGING MATERIALS (COMPULSORY USE IN PACKING COMMODITIES) ACT, 1987

ARRANGEMENT OF SECTIONS

SECTIONS

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THE JUTE PACKAGING MATERIALS (COMPULSORY USE IN PACKING COMMODITIES) ACT, 1987

ACT NO. 10 OF 1987

[9*th* *May*, 1987.]

An Act to provide for the compulsory use of jute packaging material in the supply and distribution of certain commodities in the interests of production of raw jute and jute packaging material, and of persons engaged in the production thereof, and for matters connected therewith.

BE it enacted by Parliament in the Thirty-eighth Year of the Republic of India as follows:—

1. Short title, extent and commencement.—(*1*) This Act may be called the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987.

(*2*) It extends to the whole of India.

(*3*) It shall come into force of such date[1] as the Central Government may, by notification in the Official Gazette, appoint.

2. Definitions.—In this Act, unless the context otherwise requires,—

(*a*) "commodity" means—

(*i*) any essential commodity;

(*ii*) any article manufactured or produced by any scheduled industry;

(*b*) "essential commodity" shall have the same meaning as in the Essential Commodities Act, 1955 (10 of 1955);

(*c*) "jute packaging material" means jute, jute yarn, jute twine, jute sacking cloth, hessian cloth, jute bags or any other packaging material containing not less than seventy-five per cent., by weight, of jute;

(*d*) "scheduled industry" shall have the same meaning as in the Industries (Development and Regulation) Act, 1951 (65 of 1951);

(*e*) "Standing Advisory Committee" means the Standing Advisory Committee constituted under section 4.

3. Power to specify commodities which are required to be packed in jute packaging material.—(*1*) Notwithstanding anything contained in any other law for the time being in force, the Central Government may, if it is satisfied, after considering the recommendations made to it by the Standing Advisory Committee, that it is necessary so to do in the interests of production of raw jute and jute packaging material, and of persons engaged in the production thereof, by order published in the Official Gazette, direct, from time to time, that such commodity or class of commodities or such percentage thereof, as may be specified in the order, shall, on and from such date, as may be specified in the order, be packed for the purposes of its supply or distribution in such jute packaging material as may be specified in the order:

Provided that until such time as the Standing Advisory Committee is constituted under section 4, the Central Government shall, before making any order under this sub-section, consider the matters specified in sub-section (*2*) of section 4, and any order so made shall cease to operate at the expiration of three months from the date on which the Standing Advisory Committee makes its recommendations.

1. 14th May, 1987, *vide* Notifn. No. S.O. 467(E), dated 14th May, 1987, *see* Gazette of India, Extraordinary, Part II, sec. 3(*ii*).

(*2*) Every order made under sub-section (*1*) shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the order or both Houses agree that the order should not be made, the order shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

4. Constitution of Standing Advisory Committee.—(*1*) The Central Government shall, with a view to determining the commodity or class of commodities or percentages thereof in respect of which jute packaging material shall be used in their packing, constitute a Standing Advisory Committee consisting of such persons as have, in the opinion of that Government, the necessary expertise to give advice in the matter.

(*2*) The Standing Advisory Committee shall, after considering the following matters, indicate its recommendations to the Central Government, namely:—

(*a*) the existing level of usage of jute material;

(*b*) the quantity of raw jute available;

(*c*) the quantity of jute material available;

(*d*) the protection of interests of persons engaged in the jute industry and in the production of raw jute;

(*e*) the need for continued maintenance of jute industry;

(*f*) the quantity of commodities which, in its opinion, is likely to be required for packing in jute material;

(*g*) such other matters as the Standing Advisory Committee may think fit.

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5. Prohibition of packing in any material other than the jute packaging material.—Where an order has been made under section 3 requiring any commodity, class of commodities or any percentage thereof to be packed in jute packaging material for their supply or distribution, such commodity, class of commodities or percentage thereof shall not, on and from the date specified in such order, be supplied or distributed unless the same is packed in accordance with that order:

Provided that nothing in this section shall apply to the supply or distribution of any commodity, class of commodities or percentage thereof for a period of three months from the aforesaid date if immediately before that date such commodity, class of commodities or percentage thereof, were being packed in any material other than jute packing material.

6. Power to call for information and samples.—The Central Government may, by order, require any person, who is required to use jute packaging material for packing under section 5, to furnish, for the purposes of this Act,—

(*a*) such information in his possession, with respect to any commodity or class of commodities or percentage thereof which requires such packing, to any officer specified by it, in such form and within such period as may be specified by that Government in the order;

(*b*) such samples of jute packaging material for inspection by such officer at such places and within such period as may be specified by it in the order.

7. Power to enter and inspect.—Any officer authorised by the Central Government (hereinafter referred to as the authorised officer) may enter, at all reasonable times, any place, premises or vehicle where any commodity packed in jute packaging material is stored or kept for supply or distribution, and may require its production for inspection and ask for any information relating thereto.

8. Power to search and seize.—(*1*) The authorised officer may, if he has reason to believe that any commodity has been packed in contravention of section 5 and is secreted in any place, premises or vehicle, enter into and search such place, premises or vehicle for such commodity.

(*2*) Where, as a result of any search made under sub-section (*1*), any commodity packed in contravention of section 5 has been found, the authorised officer may seize such commodity and any other thing which, in his opinion, will be useful for, or relevant to, any proceeding under this Act:

Provided that where it is not practicable to seize any such commodity or thing, the authorised officer may serve on the person an order that he shall not remove, part with, or otherwise deal with, the commodity or thing except with the previous permission of the authorised officer.

(*3*) The provisions of the Code of Criminal Procedure, 1973 (2 of 1974), relating to searches and seizures shall, so far as may be, apply to every search or seizure made under this section.

9. Penalty for contravention of section 5.—Whoever packs any commodity, class of commodities or any percentage thereof in any material in contravention of section 5 shall be punishable with fine which may extend to an amount equal to double the cost of the jute packaging material which should have been used in accordance with the order made under section 3.

10. Penalty for false statement, etc.—If any person, when required by any order made under section 6 to furnish any information or sample, fails to furnish such information or sample, or makes any statement or furnishes any information which is false in any material particular and which he knows, or has reasonable cause to believe, to be false or does not believe it to be true, he shall be punishable with fine which may extend to five thousand rupees.

11. Offences by companies.—(*1*) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in charge, of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(*2*) Notwithstanding anything contained in this sub-section (*1*), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation***.—**For the purposes of this section,—

(*a*) "company" means any body corporate and includes a firm or other association of individuals; and

(*b*) "director", in relation to a firm, means a partner in the firm.

12. Offences to be cognizable.—Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), every offence punishable under this Act shall be cognizable.

13. Power to delegate.—The Central Government may, by order published in the Official Gazette, direct that the powers exercisable by it under any provision of this Act, other than the power to make orders under section 3 or under section 16 or to make rules under section 17, shall, in relation to such matters and subject to such conditions, if any, as may be specified in the order, be exercisable also by—

(*a*) such officer or authority subordinate to the Central Government; or

(*b*) such State Government or such officer or authority subordinate to a State Government,

as may be specified in the order.

14. Central Government to give directions.—The Central Government may give such directions as it may consider necessary to a State Government as to the carrying into execution of the provisions of this Act.

15. Protection of action taken in good faith.—No suit, prosecution or other legal proceeding shall lie against the Central Government, State Government or any officer or employee of the Central Government or of any State Government or any authorised officer for anything which is in good faith done or intended to be done under this Act or any rule or order made thereunder.

16. Power to exempt.—(*1*) If the Central Government is of the opinion that it is necessary or expedient so to do in the public interest, it may, by order published in the Official Gazette, exempt any person or class of persons, supplying or distributing any commodity or class of commodities, from the operation of an order made under section 3.

(*2*) Every order made under sub-section (*1*) shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the order or both Houses agree that the order should not be made, the order shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

17. Power to make rules.—(*1*) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(*2*) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Initiation

STATEMENT OF OBJECTS AND REASONS

The jute industry occupies a significant position in the national economy, and more particularly, in the economy of the north-eastern region of the country. It is agro-based, labour intensive, export-oriented and its raw material input base is entirely indigenous. It provides direct livelihood to nearly four million rural agricultural families and 2.5 lakhs industrial workers.

2. The jute industry has been passing through a severe crisis in recent years, mainly on account of the stiff competition between the jute packaging materials and synthetic substitutes. Government have recognised the importance of jute industry and accordingly, a number of measures have been taken recently for increasing raw jute productivity, for modernising of the jute mills, support for the activities of research and development and product diversification in the industry. In addition to these measures, it has also been considered necessary to afford protection to the industry by specifying through legislation the compulsory use of jute packaging material in commodities declared to be essential commodities under the Essential Commodities Act, 1955 and articles produced in a scheduled industry as defined in the Industries (Development and Regulation) Act, 1951.

3. While the legislation seeks to protect the interests of the persons engaged in raw jute production and jute industry, a balanced view of the recent developments in the national economy has also been taken into account. As such, it is not proposed to make the packing in jute packaging materials compulsory for all commodities or classes of commodities or their entire production. The legislation itself is of an enabling nature under which Government would issue from time to time notified orders specifying certain commodities, class of commodities or the percentage thereof which should use only jute material in packaging for the distribution or supply of the commodities: The Bill also provides that before the issue of such notified order, it would consider the recommendations of a Standing Advisory Committee which would give its opinion on the basis of the guidelines included in the legislation itself. It is felt that these guidelines will take care of the interests of the jute economy on the one hand and the needs of end-users on the other: In addition to the above, the Bill provides for penalties for contravention of the notified order, power to enter and search and seizure and other necessary provisions.

4. The Bill seeks to achieve the above objects.

NEW DELHI;
The 10*th March*, 1987.

RAM NIWAS MIRDHA