

Chapter - 6

JUTE DIVERSIFIED PRODUCT (JDPS) MARKET

Jute industry during the period 1950 to 1970 (Ahmed, 1992; Talukdar, 1987; Goyal; 1990). However, since 1980 bulk handling techniques and synthetic substitutes to jute products has entered the market and jute started losing its predominant position in global market. The constant decline in markets for traditional jute products forced the government and jute industry to take up steps for diversification of jute products over the last decades. International agencies viz., IJSG, UNCTAD, FAO and government have supported research and development (R&D) efforts in developing new products from jute. Traditionally, jute has been used only as packaging materials like hessian, sacking, carpet backing cloth etc. In order to overcome the declining market of these conventional products of jute, new technologies have been evolved for bulk use of jute (Pratihari, 2007; Pandey, 2009; Pal and Chakraborti, 2011).

Today, jute can be defined as an eco-friendly natural fibre with versatile application prospects ranging from low value geo-textiles to high value carpet, apparel, composites, decorative, upholstery furnishings, fancy nonwovens for new products, decorative colour boards etc. Among such various diversified jute products, floor coverings, home textiles, technical textiles, geo-textiles, jute nonwovens, jute reinforced composites, pulp and paper, particle boards, shopping bags, handicrafts, fashion accessories; apparels etc. have potential for wider use of application. These products for new, alternative and non-traditional use of jute are generally termed as *Diversified Jute Products (JDPS)* (<http://jute.org/jutediversifiedprod.htm>).

The National Centre for Jute Diversification (NCJD) was registered in January 1992, under the Societies Registration Act, 1860 and established in June 1994, under the Chairmanship of Secretary (Textiles) to give a focused attention to the diversification efforts of the jute sector. NCJD consolidates R&D results of various

institutes in jute and textiles and transfer these to the entrepreneurs for commercial production. It co-ordinates with various agencies and helps the entrepreneurs in arranging, technical, financial and infrastructural support and encourages them to take up production and marketing of jute diversified products.

The JPM Act provides an assured market to the jute used in packaging due to which, 60 per cent of the market for jute products is sacking. The government shall endeavour to reduce the dependence of the industry on sacking by on one side gradually reducing the level of reservation, while on the other promote and develop markets for non-traditional products such as geo-textiles, composites etc. The government shall further promote marketing of jute diversified products such as carry bags, furnishings, etc. In the interest of equity, inclusive growth to the rural economy and artisans, the government shall intensify its support to Small and Micro-enterprises, NGOs and SHGs that produce and market jute diversified products. They would be developed to be substantial consumers of non-sacking jute products, and thus provide alternate market for jute products (Annual Report, 2010-11).

The industry, which in the past mainly focused on packaging sacks used by the foodgrains and sugar industries, is gearing up for a complete makeover, with a range of designer merchandise, including school bags carried by millions of children. More emphasis has been given in manufacture of JDPs, being biodegradable and renewable natural fibre jute made handicrafts and novelties are in great demand both in domestic and export market.

6.1 Product Portfolio

The use of jute fibres in manufacturing of traditional products globally from very long time only for use of packaging has resulted to erosion of 'golden fibre' from world market. For the survival of the industry development of new products have become urgent to compete with giant synthetic sector. UNCTAD in a study on jute and hard fibres had categories diversified jute products in two broad categories for development of jute sector worldwide (a) non- traditional products for technical uses; and (b) non-traditional products consumer products.

a) Diversified jute products or Non-traditional jute products for technical uses

- **Geo-textiles:** Geo-textiles are jute cloths helps to prevent soil erosion and landslides. The Geo-textiles are laid along the river embankments, sides, hill slopes etc. to prevent soil erosion. Moreover, their residues are a beneficial, adding substance which improves the structure of the soil.
- **Chemical Products:** Cellulose derivatives of jute are used in various applications like medicine, toiletries, chemicals for food products, etc. Micro Crystalline Cellulose (MCC) and Carboxy Methyl Cellulose (CMC) of jute help in producing these.

MCC of various grades are used in pharmaceutical formulations like tablet, capsule and suspension. In textile industry it is used as a thickener. CMC, produced from jute cellulose is used in the preparation of detergents and as preservatives of some food items.

- **Paper and Pulp:** Jute/Kenaf is containing cellulose like any other raw materials used for paper pulp, has been found to be excellent raw material for making good quality of pulp and paper.
- **Nursery Sheet or Nursery Pot:** A simple technology has been developed for the modification of light weight hessian into nursery sheet, which is used in agro-textile as mulching and pot culture in horticulture farm. These are increasingly being used to replace polythene nursery pots in various agricultural and forest departments.

b) Diversified jute products or Non-traditional jute products for consumer use

- **Floor Coverings:** The industry has moved from producing conventional Carpet Backing Cloth (CBC) to make attractive floor coverings. A traditional jute mat is known as '*Satranji*'. Consumer preference is also shifting and received response in global market. Floor coverings like piled/tufted carpet, rugs, runners, mats, mattings, braided mats, durries etc. of jute alone or blended with other textile fibres are now increasingly being used.
- **Jute Handicrafts, Novelties and Decorative items:** A large number of tiny units especially in rural areas are engaged in creating beautiful handicrafts, novelties

and gift items made of jute. Being a bio-degradable and renewable nature fibre, jute handicrafts and novelties are in great demand. Jute based handicrafts and novelties vary from toys, table lamp, wall painting, pencil box, and innumerable splendid gift items. They have a huge export potential.

- **Bags:** Shopping Bags are made from hessian or sacking cloths with handles, straps, chains in different shapes and dimensions. They are used specially for marketing. They are bleached and decorated with different artistic designs. Promotional bags are generally sample bags to promote items for sale. Polylined / Poly laminated bags are hessian or sacking bags with a coated polythene film.

A wonderfully designed handbag can draw a natural attention of the people around. Only a branded logo is no more capable of attracting other's attention. Rather craftily woven handmade bags are there in trend these days. They are most eye-catching accessories hanged under your arm. A handbag that has been crafted in skin friendly material exquisitely designed and having a stylish look with affordable prices is what every fashion freak desires. Nowadays in the markets various varieties of these bags are available at reasonable rates.

The versatile Jute fibre is now being used to create exciting new products, the most popular one are Hand Bags, Shopping Bags, Luggage Bags, Wallets, Casual Bags and Fashion Bags.

- **Decorative Items:** Several decorative items, toys, wall hanging, paper, decorative bags, table lamps, furniture, and many more is made from jute fabrics.
- **Home Textiles:** Table cloth, cushion covers, sofa covers, bed covers, curtain cloth, table mats, prayer mats, napkins, aprons, blankets etc. are made of jute or jute in combination with other textile fibres. The fabrics are strong, durable, light and colour-fast, attractive and cheaper than most fabrics made from other fibres.

Jute fibre can also be used along with cotton or wool for manufacturing fabrics which are suitable for blankets and apparel such as suiting materials, shirting, wrappers, jeans, cardigans and jackets (UNCTAD, 1996; Banik and Shil, 2014; <http://jute.org/jutediversifiedprod.htm>).

The following table represents the production of major traditional jute goods in India from 2000-01 to 2012-13.

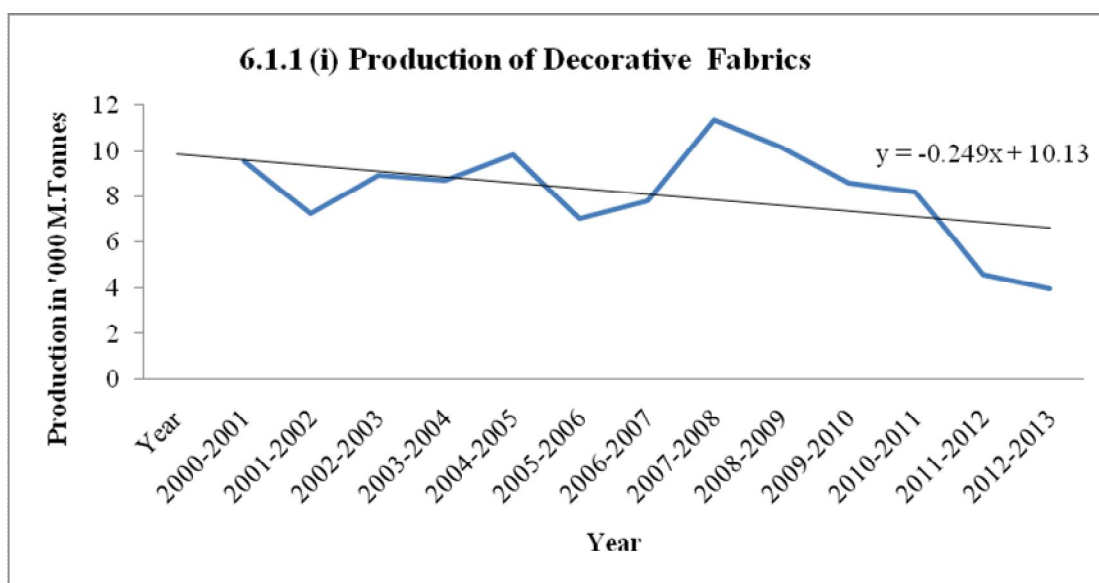
6.1.1 Production of Decorative fabrics during 2000-01 to 2012-13

Quantity in '000 M. Tonnes

Year	Decorative Fabric
2000-2001	9.52
2001-2002	7.24
2002-2003	8.95
2003-2004	8.68
2004-2005	9.83
2005-2006	7.04
2006-2007	7.83
2007-2008	11.33
2008-2009	10.14
2009-2010	8.57
2010-2011	8.21
2011-2012	4.53
2012-2013	3.94

Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

The production of Decorative Fabrics in India can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was depicted from the above Table that the production of Decorative Fabrics in India has shown a declining trend during the period of 2000-01 to 2012-13. In 2000-01 production of Decorative Fabrics accounted for 9.52 Th. M. Tonnes. In, 2007-08 there was little hike in production accounted with 11.33 Th. M. Tonnes. Moreover, it has decreased to 3.94 Th. M. Tonnes in 2012-13.

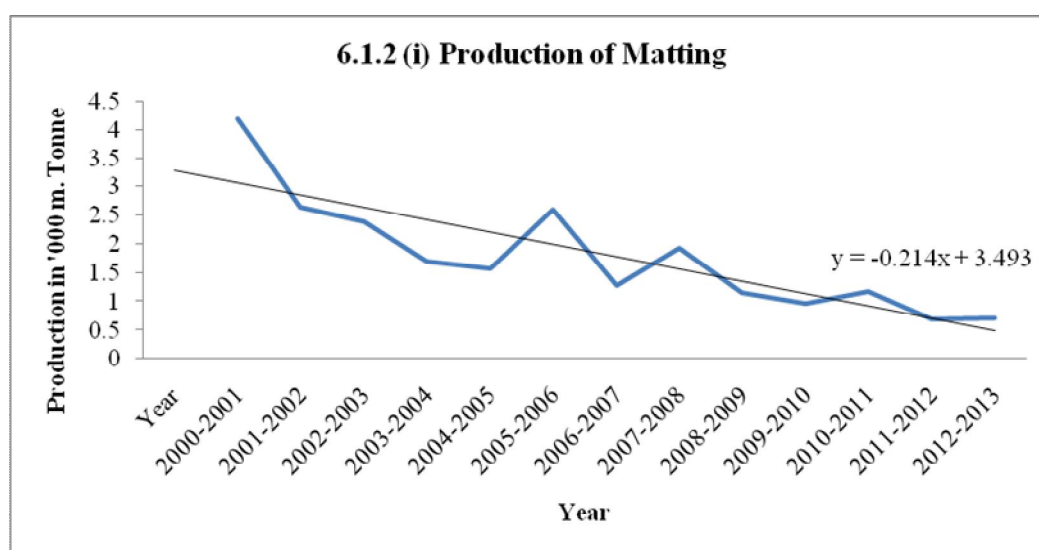
6.1.2 Production of Matting during 2000-01 to 2012-13

Quantity in '000 M. Tonnes

Year	Matting
2000-2001	4.19
2001-2002	2.65
2002-2003	2.40
2003-2004	1.71
2004-2005	1.57
2005-2006	2.60
2006-2007	1.28
2007-2008	1.94
2008-2009	1.17
2009-2010	0.98
2010-2011	1.19
2011-2012	0.70
2012-2013	0.72

Source: National Jute Board, Annual Report, Kolkata, India, Various Issues
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues

The production of Matting in India can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

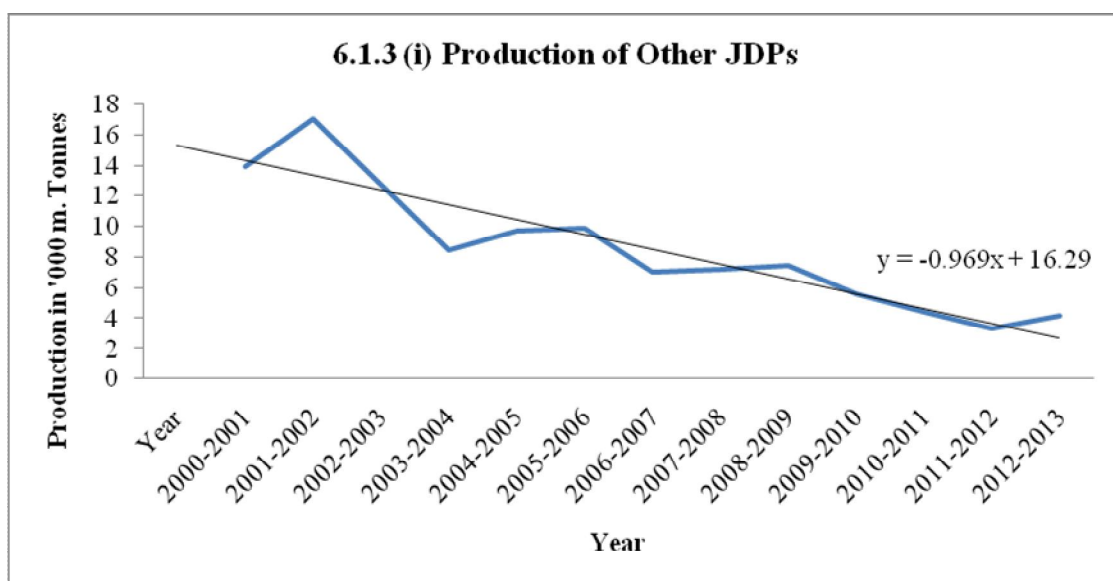
It was depicted from the above Table that the production of Matting in India has shown a declining trend during the period of 2000-01 to 2012-13. In 2000-01 production of Matting accounted for 4.19 Th. M. Tonnes. Moreover, it has decreased to 0.72 Th. M. Tonnes in 2012-13.

6.1.3 Production of Other JDPs during 2000-01 to 2012-13

Year	Quantity in '000 M. Tonnes
2000-2001	13.91
2001-2002	17.03
2002-2003	12.78
2003-2004	8.48
2004-2005	9.71
2005-2006	9.87
2006-2007	7.01
2007-2008	7.20
2008-2009	7.47
2009-2010	5.63
2010-2011	4.40
2011-2012	3.32
2012-2013	4.13

Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

The production of Decorative Fabrics in India can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was depicted from the above Table that the production of Other JDPs in India has shown a declining trend during the period of 2000-01 to 2012-13. In 2000-01 production of Other JDPs accounted for 13.91Th. M. Tonnes. In, 2001-02 there was little hike in production accounted with 17.03 Th. M. Tonnes. Moreover, it has decreased to 4.13 Th. M. Tonnes in 2012-13.

Table 6.1.4: Production of JDPs during 2000-01 to 2012-13

Quantity in '000 M.Tonnes

Year	Deco. Fab.	AGR (%)	Matting	AGR (%)	Others	AGR (%)	Total	AGR (%)
2000- 2001	9.52	--	4.19	--	13.91	--	27.62	--
2001-2002	7.24	-24.02	2.65	-36.71	17.03	22.47	26.92	-2.54
2002-2003	8.95	23.70	2.40	-9.57	12.78	-24.96	24.13	-10.36
2003-2004	8.68	-3.03	1.71	-28.93	8.48	-33.63	18.87	-21.81
2004-2005	9.83	13.28	1.57	-8.04	9.71	14.49	21.11	11.90
2005-2006	7.04	-28.37	2.60	65.88	9.87	1.59	19.51	-7.59
2006-2007	7.83	11.23	1.28	-50.75	7.01	-29.00	16.12	-17.37
2007-2008	11.33	44.57	1.94	51.52	7.20	2.74	20.47	26.95
2008-2009	10.14	-10.50	1.17	-39.72	7.47	3.71	18.77	-8.27
2009-2010	8.57	-15.50	0.98	-16.58	5.63	-24.65	15.17	-19.20
2010-2011	8.21	-4.21	1.19	22.23	4.40	-21.72	13.80	-9.01
2011-2012	4.53	-44.74	0.70	-41.58	3.32	-24.71	8.55	-38.08
2012-2013	3.94	-13.06	0.72	3.73	4.13	24.46	8.79	2.87
CAGR	-6.56	--	-12.65	--	-8.92	--	-8.43	--

Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.

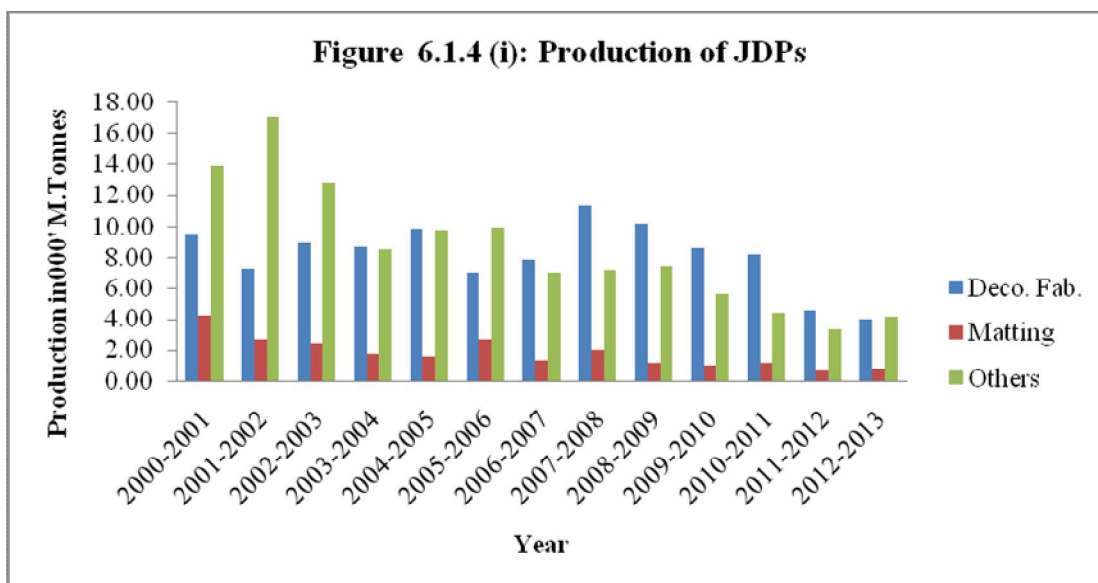
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

Descriptive Statistics of Table 6.1.4: (Deco. Fab., Matting, Others, Total)

Mean	8.14	1.78	8.53	18.45
SD	2.10	0.98	4.08	5.99
Maximum	11.33	4.19	17.03	27.62
Minimum	3.94	0.70	3.32	8.55

Note: Calculated.

The production of Jute Diversified goods in India can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
 Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was depicted from the above Table 6.1.4 that the production of Jute Diversified Products (JDPs) in India has shown a waning trend during the period of 2000-01 to 2012-13. In the financial year 2000-01, total production of JDPs was 27.62 Th. M. Tonnes, out of which Decorative Fabrics, Matting and Others accounted 9.52, 4.19 and 13.91 Th. M. Tonnes respectively. In 2001-02 (-) 2.54, 20002-03 (-) 10.36 and 2003-04 (-) 21.81 Annual Growth Rate (AGR) of total JDPs production has declined. In 2007-08 production of JDPs has shown some increase in production with AGR of 26.95; since then production of JDPs has drop down continuously till 2011-12; and ended with little hope in 2012-13 with AGR of 2.87. During the study period all the products has shown negative Compound Annual Growth Rate (CAGR) product wise accounted with Decorative Fabrics (-) 6.56, Matting (-) 12.65 and Other JDPs accounted with (-) 8.92.

Moreover, it is observed that during the study period average production of JDPs accounted 18.45 Th. M.Tonnes; having a SD of 5.99 (i.e., fluctuation from the average value during the period of the study), average of Decorative Fabrics, Matting and Other JDPs accounted with 8.14, 1.78 and 8.53 Th. M.Tonnes; having SD of 2.10, 0.98 and 4.08 (i.e., fluctuation from the average value during the period of the study) respectively. During the period it showed a great difference in highest and lowest production of JDPs.

6.2 Domestic Consumption of JDPs

The following table represents the domestic consumption of JDPs in India from 2000-01 to 2012-13.

Table 6.2.1: Domestic Consumption of JDPs during 2000-01 to 2012-13

Quantity: in 000' M. Tonnes

Year	Deco. Fab.	AGR (%)	Matting	AGR (%)	Others	AGR (%)	Total	AGR (%)
2000-2001	9.36		3.49		16.08		28.94	
2001-2002	7.23	-22.84	2.80	-19.82	17.04	5.97	27.07	-6.47
2002-2003	8.47	17.25	1.82	-34.83	11.58	-32.07	21.87	-19.19
2003-2004	8.45	-0.21	1.10	-39.47	4.51	-61.01	14.07	-35.67
2004-2005	9.21	8.97	1.46	32.07	8.72	93.29	19.39	37.83
2005-2006	6.31	-31.46	2.68	84.09	9.81	12.51	18.81	-3.00
2006-2007	7.92	25.41	1.30	-51.49	6.98	-28.93	16.19	-13.91
2007-2008	10.88	37.39	1.74	33.56	6.73	-3.50	19.35	19.47
2008-2009	10.06	-7.55	1.26	-27.77	7.59	12.75	18.90	-2.31
2009-2010	8.41	-16.42	0.94	-25.56	4.46	-41.30	13.80	-27.01
2010-2011	8.17	-2.82	1.16	24.06	3.85	-13.51	13.18	-4.45
2011-2012	4.64	-43.18	0.73	-36.90	2.82	-26.78	8.19	-37.83
2012-2013	3.93	-15.28	0.74	0.68	3.83	35.91	8.50	3.77
CAGR	-6.46		-11.28		-10.44		-8.99	

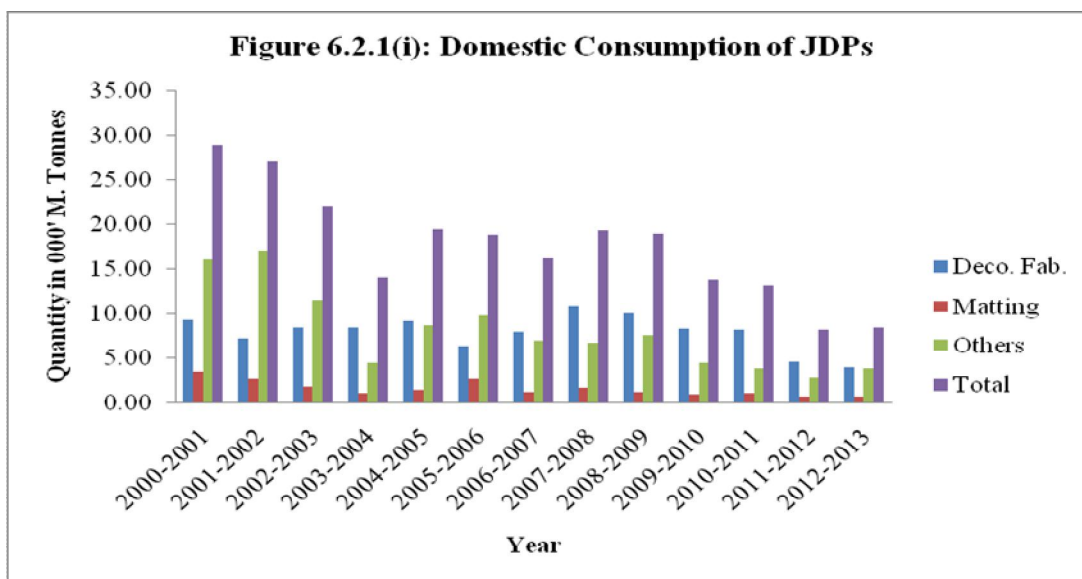
Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

Descriptive Statistics of Table 6.2.1: (Deco. Fab., Matting, Others, Total)

Mean	7.93	1.63	8.00	17.56
SD	1.99	0.86	4.59	6.23
Maximum	10.88	3.49	17.04	28.94
Minimum	3.93	0.73	2.82	8.19

Note: Calculated

The consumption of Jute Diversified goods in India can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
 Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was derive from the above Table 6.2.1 that the domestic consumption of Jute Diversified Products (JDPs) has been showing waning trend during the period, 2000-01 to 2012-13. In the financial year 2000-01, total consumption of JDPs was 28.94 Th. M. Tonnes, out of which Decorative Fabrics, Matting and Others accounted 9.36, 3.49 and 16.08 Th. M. Tonnes respectively. During the period that AGR of all JPDs has continuously showing declining trend. Also during the study period all the products has shown negative Compound Annual Growth Rate (CAGR) product wise accounted with Decorative Fabrics (-) 6.46, Matting (-) 11.28 and Other JDPs accounted with (-)10.44.

Moreover, it is observed that during the period 2000-01 to 2012-13 average consumption of JDPs accounted 17.56 Th. M.Tonnes having a SD of 6.23 (i.e., fluctuation from the average value during the period of the study); average of Decorative Fabrics, Matting and Other JDPs accounted with 7.93, 1.63 and 8.00 Th. M.Tonnes; having SD of 1.99, 0.86 and 4.59 (i.e., fluctuation from the average value during the period of the study) respectively. During the period it showed an enormous variation in highest and least consumption of JDPs.

6.3 Export of JDPs

The following table represents the export of JDPs from India during 2000-01 to 2012-13.

Table 6.3.1: Export of JDPs during 2000-01 to 2012-13

Quantity in '000 M.Tonnes

Year	Deco. Fab.	AGR (%)	Matting	AGR (%)	Others	AGR (%)	Total	AGR (%)
2000-2001	0.11	--	0.29	--	0.94	--	1.33	--
2001-2002	0.31	193.40	0.40	38.49	1.08	15.60	1.80	34.73
2002-2003	0.29	-7.72	0.37	-9.18	0.59	-45.66	1.24	-30.90
2003-2004	0.40	40.77	0.34	-7.38	3.18	440.82	3.92	216.12
2004-2005	0.61	51.49	0.26	-22.71	1.37	-56.92	2.24	-42.80
2005-2006	0.23	-61.93	0.00	-98.47	7.86	473.72	8.10	260.83
2006-2007	0.19	-16.74	0.01	200.00	0.32	-95.93	0.53	-93.50
2007-2008	0.18	-7.73	0.03	183.33	0.65	102.81	0.86	63.88
2008-2009	0.15	-15.64	0.01	-76.47	0.09	-86.44	0.25	-71.35
2009-2010	0.23	53.64	0.05	525.00	0.17	88.64	0.45	81.38
2010-2011	0.25	9.05	0.02	-60.00	0.26	59.04	0.54	19.87
2011-2012	0.19	-25.30	0.00	-100.00	0.52	97.73	0.71	32.40
2012-2013	0.09	-50.79	0.00	0.00	0.35	-33.33	0.44	-37.83
CAGR	-1.00	--	-35.36	--	-7.33	--	-8.14	--

Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.

Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

Descriptive Statistics of Table 6.3.1: (Deco. Fab., Matting, Others, Total)

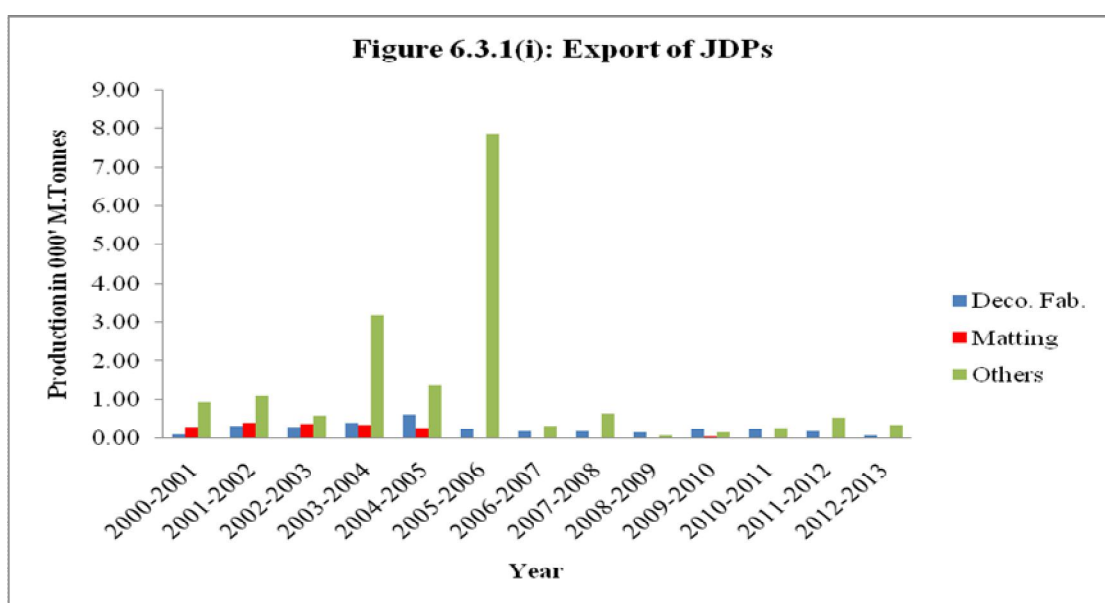
Mean	0.25	0.14	1.34	1.72
SD	0.14	0.16	2.12	2.16
Maximum	0.61	0.40	7.86	8.10
Minimum	0.09	0.00	0.09	0.25

Note: Calculated.

The above Table 6.3.1 depicts that the exports of Jute Diversified Products (JDPs) has declined during the period, 2000-01 to 2012-13. During the period of 2000-01 to 2012-13 all JDPs has shown negative CAGR with Deco Fabrics (-) 1.00, Matting (-) 35.36 and Other JDPs accounted with (-) 7.33.

Moreover, it is observed that during the period 2000-01 to 2012-13, average export of JDPS accounted 1.72 Th. M.Tonnes having a SD of 2.16 (i.e., fluctuation from the average value during the period of the study); average of Decorative Fabrics, Matting and Other JDPS accounted with 0.25, 0.14 and 1.34 Th. M.Tonnes; having SD of 0.14, 0.16 and 2.12 (i.e., fluctuation from the average value during the period of the study) respectively. During the period it showed enormous variation in highest and least export of JDPs by product.

The export of Jute Diversified goods from India can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
 Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

Pricing

Jute diversified products produced in India sold in both export and domestic market. Inroads of diversified jute products to global markets change the consumer choice in a significant manner. The characteristics like environmental benefit of JDPS attract many consumers worldwide. Many consumers start to prefer the authentic and real over the artificial products. Pricing of JDPS is generally done by the manufacturing organization according to cost plus pricing. With this approach of setting a price that covers the variable cost of producing the product or providing the service and an appropriate portion of fixed costs plus an amount added towards profit, which is usually expressed as a percentage of cost. Government didn't intervene in

pricing of JDPs; the manufacturers are free to set the price of their products for different markets. Co-operatives, NGOs, and Self Help Group are playing an important role in distribution and pricing of JDPs.

The following table represents the export earnings from Jute Diversified goods exported from India from during, 2000-01 to 2012-13.

Table 6.3.2: Export earnings from Floor covering during 2000-01 to 2012-13

Value in Rs. Crores

Year	Floor Covering	AGR (%)
2000-2001	65.28	--
2001-2002	68.11	4.34
2002-2003	124.18	82.32
2003-2004	104.37	-15.95
2004-2005	155.75	49.23
2005-2006	213.39	37.01
2006-2007	167.57	-21.47
2007-2008	182.59	8.96
2008-2009	124.24	-31.96
2009-2010	126.89	2.13
2010-2011	134.24	5.79
2011-2012	142.01	5.79
2012-2013	179.00	26.05
CAGR	8.07	--

Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.

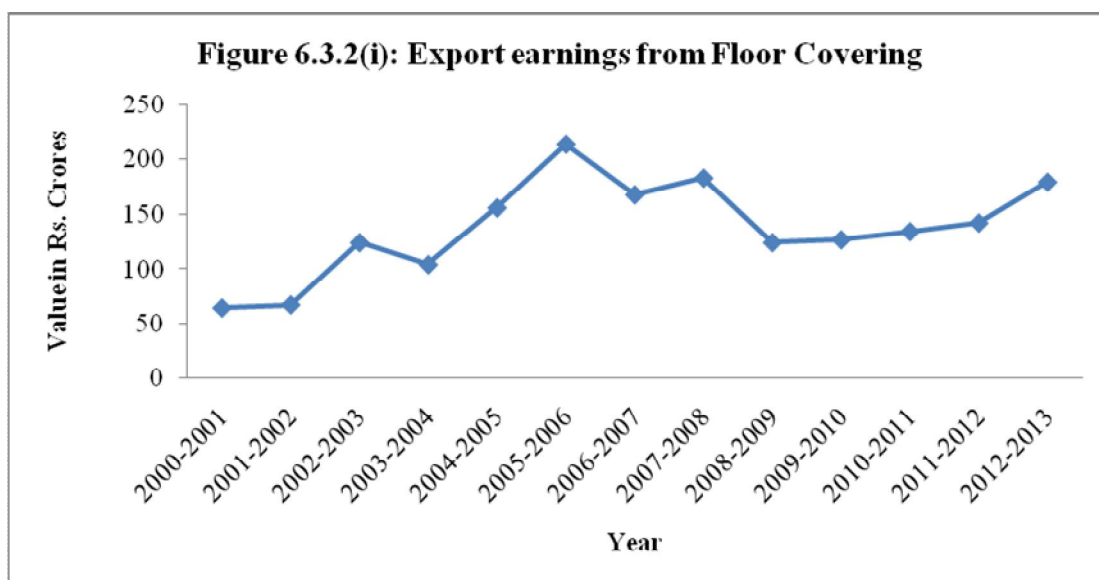
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

Descriptive Statistics of Table 6.3.2

Floor Covering	
Mean	137.51
SD	43.18
Maximum	213.39
Minimum	65.28

Note: Calculated

The export earnings from Floor Covering can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
 Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was depicted from the above table that, export earnings of Floor covering has accounted for 65.28 Rs. Crores in 2000-01 and ended with 179.00 Rs. Crores in 2012-13. Export earnings from Floor covering shown great fall in financial year 2003-04, 2006-07 and 2008-09. CAGR of Floor covering has accounted for 8.07 during 2000-01 to 2012-13.

Moreover, it is also observed that average export earnings of Floor covering during 2000-01 to 2012-13 has accounted for 137.51 having a SD of 43.18 (i.e., fluctuation from the average value during the period of the study). During the period, 2000-01 to 2012-13 Floor covering has highest export earnings of 213.39 in 2005-06 and smallest amount of 65.28 in 2000-01.

So, therefore, it is found that export earnings of Floor covering has shown very much positive trend during 2000-01 to 2012-13.

Table 6.3.3: Export earnings from Hand and Shopping Bags during 2000-01 to 2012-13

Value in Rs. Crores

Year	Hand and Shopping Bags	AGR (%)
2000-2001	46.64	--
2001-2002	50.15	7.53
2002-2003	60.98	21.60
2003-2004	106.57	74.76
2004-2005	80.87	-24.12
2005-2006	88.00	8.82
2006-2007	70.31	-20.10
2007-2008	112.28	59.69
2008-2009	165.69	47.57
2009-2010	98.13	-40.77
2010-2011	126.42	28.83
2011-2012	163.66	29.46
2012-2013	169.70	3.69
CAGR	10.45	

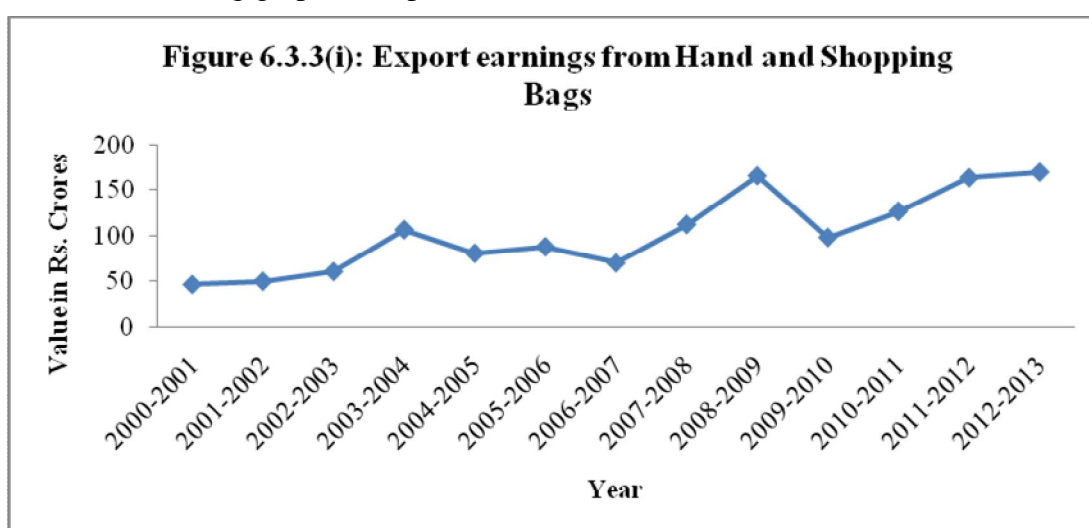
Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

Descriptive Statistics of Table 6.3.3

Hand and Shopping Bags	
Mean	103.03
SD	43.06
Maximum	169.70
Minimum	46.64

Note: Calculated

The export earnings from Hand and Shopping Bags can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was clear from the above table that, export earnings of Hand and Shopping Bags has accounted for 46.64 Rs. Crores in 2000-01 and ended with 169.70 Rs. Crores in 2012-13. Export earnings from Hand and Shopping Bags shown great fall in financial year 2004-05, 2006-07 and 2009-10. CAGR of Hand and Shopping Bags has accounted for 10.45 during 2000-01 to 2012-13.

Moreover, it is also observed that average export earnings of Hand and Shopping Bags during 2000-01 to 2012-13 has accounted for 103.03 having a SD of 43.06 (i.e., fluctuation from the average value during the period of the study). During the period, 2000-01 to 2012-13 Hand and Shopping Bags has highest export earnings of 169.70 in 2012-13 and smallest amount of 46.64 in 2000-01.

It is found that, export earnings from Hand and Shopping Bags have shown some growth during 2000-01 to 2012-13.

Table 6.3.4: Export Earnings from Wall Hangings during 2000-01 to 2012-13

Value in Rs. Crores

Year	Wall Hangings	AGR (%)
2000-2001	5.56	--
2001-2002	6.07	9.17
2002-2003	6.93	14.17
2003-2004	0.59	-91.49
2004-2005	0.64	8.47
2005-2006	0.46	-28.13
2006-2007	0.42	-8.70
2007-2008	0.22	-47.62
2008-2009	0.11	-50.00
2009-2010	0.12	9.09
2010-2011	3.00	2400.00
2011-2012	4.97	65.67
2012-2013	0.21	-95.77
CAGR	-22.28	--

Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.

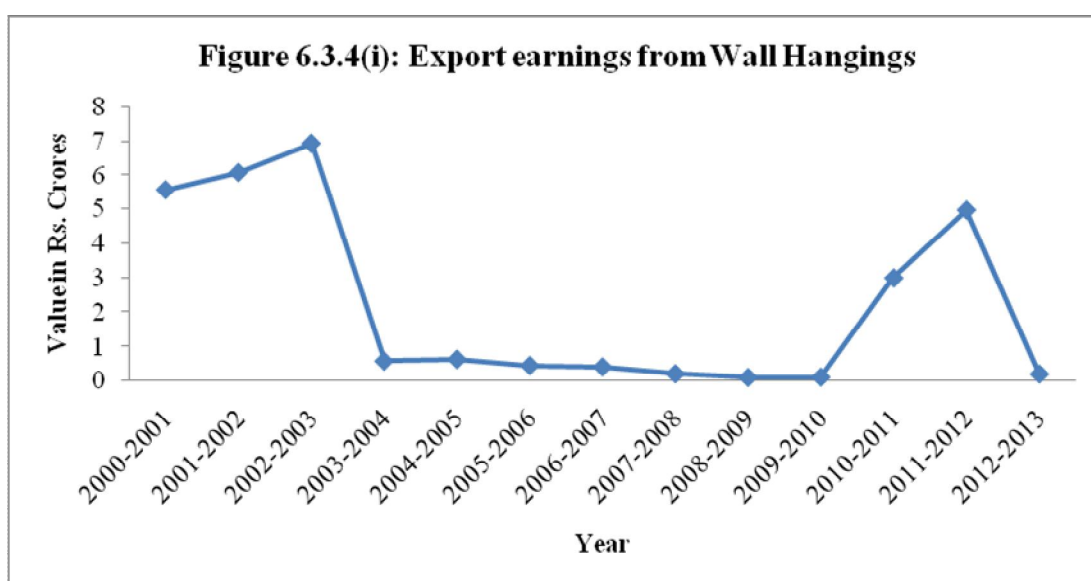
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

Descriptive Statistics of Table 6.3.4

Wall Hangings	
Mean	2.25
SD	2.66
Maximum	6.93
Minimum	0.11

Note: Calculated

The export earnings from Wall Hangings can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was evident from the above table that, export earnings of Wall Hangings has accounted for 5.56 Rs. Crores in 2000-01 and ended with 0.21 Rs. Crores in 2012-13. Export earnings from Wall Hangings shown great fall in during 2003-04 to 2009-10. CAGR of Wall Hangings has accounted for (-) 22.28 during the period 2000-01 to 2012-13.

Moreover, it is also observed that average export earnings of Wall Hangings during 2000-01 to 2012-13 has accounted for 2.25 having a SD of 2.66 (i.e., fluctuation from the average value during the period of the study). During the period, 2000-01 to 2012-13 Wall Hangings has highest export earnings of 6.93 in 2002-03 and smallest amount of 0.11 in 2008-09.

It is found that, export earnings from Wall Hangings have shown declining trend during 2000-01 to 2012-13.

Table 6.3.5: Export Earnings from Gift Articles during 2000-01 to 2012-13

Value in Rs. Crores

Year	Gift Articles	AGR (%)
2000-2001	10.22	--
2001-2002	8.25	-19.28
2002-2003	5.44	-34.06
2003-2004	2.24	-58.82
2004-2005	1.68	-25.00
2005-2006	2.16	28.57
2006-2007	0.96	-55.56
2007-2008	1.11	15.63
2008-2009	0.40	-63.96
2009-2010	1.76	340.00
2010-2011	2.29	30.11
2011-2012	1.46	-36.24
2012-2013	6.50	345.21
CAGR	-3.42	

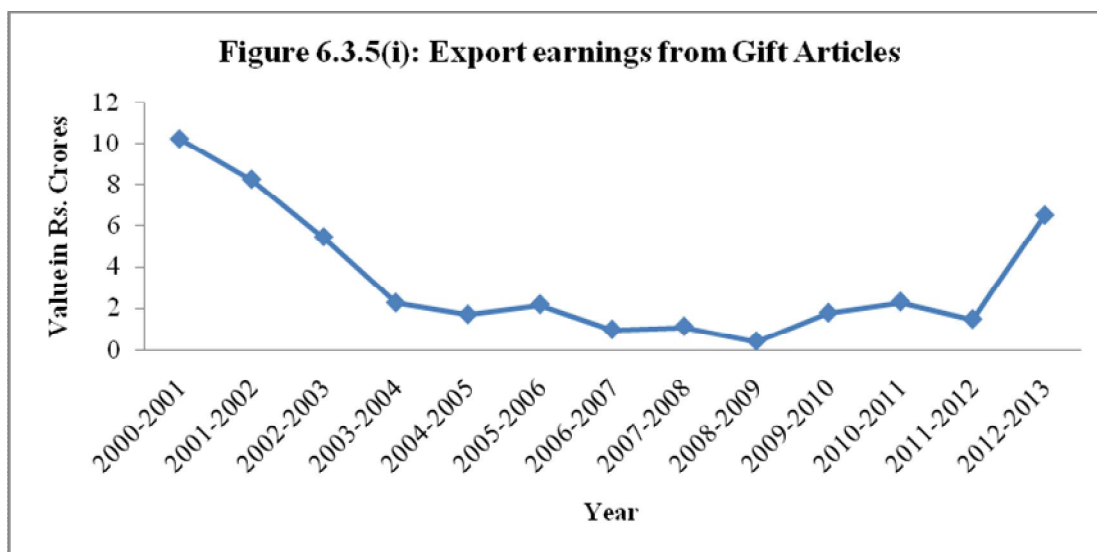
Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

Descriptive Statistics of Table 6.3.5

Gift Articles	
Mean	3.42
SD	3.13
Maximum	10.22
Minimum	0.40

Note: Calculated

The export earnings from Gift Articles can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
 Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was evident from the above table that, export earnings of Gift Articles has accounted for 10.22 Rs. Crores in 2000-01 and ended with 6.50 Rs. Crores in 2012-13. Export earnings from Gift Articles shown great fall in during 2003-04 to 2009-10. CAGR of Gift Articles has accounted for (-) 3.42 during the period 2000-01 to 2012-13.

Moreover, it is also observed that average export earnings of Gift Articles during 2000-01 to 2012-13 has accounted for 3.42 having a SD of 3.13 (i.e., fluctuation from the average value during the period of the study). During the period, 2000-01 to 2012-13 Gift Articles has highest export earnings of 10.22 in 2000-01 and smallest amount of 0.40 in 2008-09.

It is found that, export earnings from Gift Articles have shown waning trend during 2000-01 to 2012-13.

Table 6.3.6: Export Earnings from Decorative Fabrics during 2000-01 to 2012-13

Value in Rs. Crores

Year	Decorative Fabrics	AGR (%)
2000-2001	3.32	--
2001-2002	2.93	-11.75
2002-2003	2.81	-4.10
2003-2004	1.30	-53.74
2004-2005	3.86	196.92
2005-2006	2.29	-40.67
2006-2007	2.19	-4.37
2007-2008	1.68	-23.29
2008-2009	1.72	2.38
2009-2010	2.15	25.00
2010-2011	2.86	33.02
2011-2012	8.61	201.05
2012-2013	7.96	-7.55
CAGR	6.96	--

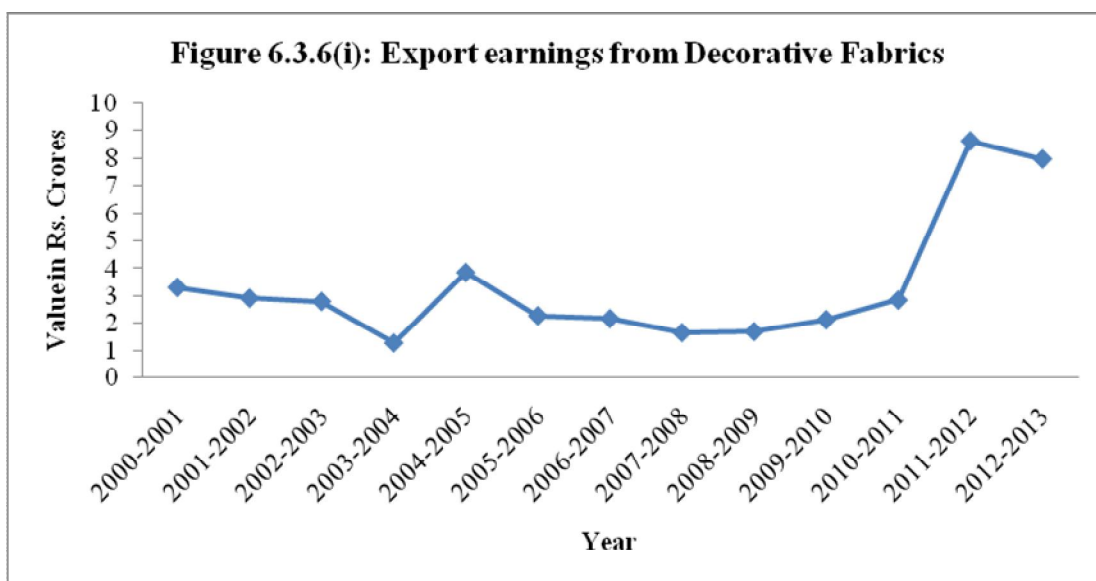
Source: National Jute Board, Annual Report, Kolkata, India, Various Issues
Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues

Descriptive Statistics of Table 6.3.6

Decorative Fabrics	
Mean	3.36
SD	2.30
Maximum	8.61
Minimum	1.30

Note: Calculated

The export earnings from Decorative Fabrics can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
 Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was clear from the above table that, export earnings of Decorative Fabrics has accounted for 3.32 Rs. Crores in 2000-01 and ended with 7.96 Rs. Crores in 2012-13. CAGR of Decorative Fabrics has accounted for 6.96 during the period 2000-01 to 2012-13.

Moreover, it is also observed that average export earnings of Decorative Fabrics during 2000-01 to 2012-13 has accounted for 3.36 having a SD of 2.30 (i.e., fluctuation from the average value during the period of the study). During the period, 2000-01 to 2012-13 Decorative Fabrics has highest export earnings of 8.61 in 2011-12 and least amount of 1.30 in 2003-04.

It is found that, export earnings from Decorative Fabrics have shown growing trend during 2000-01 to 2012-13.

Table 6.3.7: Export Earnings from Other JDPs during 2000-01 to 2012-13

Value in Rs. Crores

Year	Others	AGR (%)
2000-2001	0.00	--
2001-2002	0.00	--
2002-2003	2.82	--
2003-2004	8.30	194.33
2004-2005	10.94	31.81
2005-2006	6.28	-42.6
2006-2007	15.01	139.01
2007-2008	0.68	-95.47
2008-2009	2.37	248.53
2009-2010	1.77	-25.32
2010-2011	0.95	-46.33
2011-2012	0.07	-92.63
2012-2013	0.24	242.86
CAGR	--	--

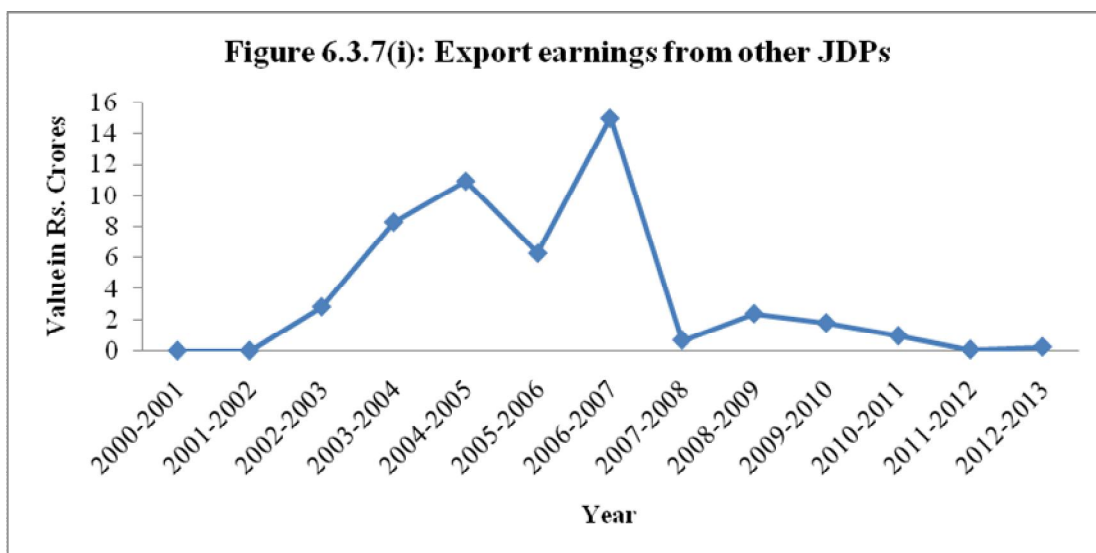
Source: National Jute Board, Annual Report, Kolkata, India, Various Issues
 Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues

Descriptive Statistics of Table 6.3.7

Other JDPs	
Mean	3.80
SD	4.86
Maximum	15.01
Minimum	0.00

Note: Calculated.

The export earnings from other JDPs can be seen more clearly from the following graphical representation:



Source: National Jute Board, Annual Report, Kolkata, India, Various Issues.
 Indian Jute Mill Association, Annual Report, Kolkata, India, Various Issues.

It was clear from the above table that, export earnings of other JDPs has accounted for 0.00 Rs. Crores in 2000-01 and ended with 0.24 Rs. Crores in 2012-13.

Moreover, it is also observed that average export earnings of other JDPs during 2000-01 to 2012-13 has accounted for 3.80 having a SD of 4.86 (i.e., fluctuation from the average value during the period of the study). During the period, 2000-01 to 2012-13 other JDPs has highest export earnings of 15.01 in 2006-07 and least amount of 0.00 in 2000-01 and 2001-02.

It is found that export earnings from diversified jute products showing fluctuating trend during 2000-01 to 2012-13.

Distribution (Place)

Diversified jute products still represent a fraction out of total production of jute products. Till today Indian jute industry is not able to produce or sell the diversified products in bulk quantity having huge potential and heavy demand in global market. JDPs are marketed in both domestic and international market. But bulk quantity of products is sold in domestic market. The main modes of marketing of jute products are mainly through government authorities, NGOs, SHGs, commission agents, direct marketing. The distribution in export market made through government authorities of NJMC and STC (State Trading Corporation) or their consortium, and direct distribution by the manufacturers.

Market feedback indicates that Indian jute goods manufacturers need to improve the quality and cost of production to boost exports. High cost and low quality products lead to dilution of Indian jute gradually. The major drawback of Indian jute industry in export market is the production of good quality jute products and its availability at lower cost. Jute products distributed by Bangladesh and other jute goods producing nations creates enormous setback for Indian jute goods.

Promotional Activities

Jute Diversified Products (JDPs) are promoted mainly on the grounds of their environmental attributes, viz., biodegradability and quick renewability. Taking advantage of biodegradability the production of geo-textiles and geo-engineering material is considered to be one of the greatest potential of JDPs. Quick renewability is one of the prominent feature in market promotion for paper made from these fibres where slogans used, such as “*paper from quickly renewable natural resources*”, “*save old forests and grow jute for making paper*” or even “*tree free paper*” (UNCTAD, 1996).

In the competitive market Indian jute follows its traditional promotional programme which may be compared with the eye-catching promotional campaigning by other competitors. Particularly noticeable was that failure of Indian jute industry to create for itself a popular ‘*brand*’ image.

Poor promotion even hits jute exports globally. Indian jute is steadily losing its ground for which, ignorance of the buyers is a significant contributory factor. Prudence demands a through introspection into promotion campaign used by India for a falling market and ignorant buyers are a failure of market promotion efforts.

Ministry of Textiles, Government of India had taken various steps for promoting the Indian jute in both domestic and export market. Some of the important steps, in this respect, were:

- a) Introduction of Jute Manufacturing Development Council (JMDC) in 1983.
The main functions of JMDC are given below:
 - i) Domestic Market Development
 - Promoting arrangements for better marketing and sale of jute products.

- Organization of domestic exhibitions and sales.
 - Collaboration with the apex state and central marketing agencies and jointly organizing show rooms, exhibitions etc.
 - Holding of seminars, workshops and live demonstration.
 - Grant of financial support to jute training institutions.
- ii) Export Market Development
- Implementation of External Market Assistance (EMA) scheme.
 - Providing trade intelligence services to the manufacturer exporters.
 - Sponsoring of market exploratory mission.
 - Organization of buyer- seller meets.
 - Carrying out of publicity and promotional campaigns (http://www.worldjute.com/organisation/organisation_index.html).
- b) Introduction of National Centre for Jute Diversification (NCJD) in 1992 to promote entrepreneurs through proper training and technological education.
- c) National Jute Policy in 2005 to encourage the establishment of professional marketing wings in the organized jute sector. To identify the tariff and non-tariff barriers against the export of jute and jute products from India, and to develop appropriate strategies to remove such barriers (Ministry of Textiles, Jute Policy, 2005).
- d) Constitution of National Jute Board in 2008 under the administrative control of the Ministry of Textiles, Government of India. The Board has been constituted by merging the two organizations, JMDC and NCJD. To promote JDPs in global market, NJB has taken some steps, these are as follows:
- Open marketing/liaison offices in key locations within and outside the country.
 - Open warehouses for JDPs at select markets.
 - Develop online information portal.
 - Organize India jute week in key markets.

- Organize workshop and seminars to provide information about the Indian jute (NJB).

In fact in the whole succession of managing of marketing mix, promotion represents the most underprivileged connection. However, these efforts, as it is indicated from data, had a little practical impact on the marketing of jute goods.

From the above analysis it is found that during the period 2000-01 to 2012-13 production of JDPs has shown downwards trend. Except hand and shopping bags and decorative fabrics all other JDPs have accounted declining during the period. Export earnings from hand and shopping bags and decorative fabrics have shown a good amount growth during the period and export earnings from all other JDPs have decreased. Because of lesser availability at time demand of JDPs are diluting not only from the domestic market but it disturbed the international market as well.