

Chapter - 2

REVIEW OF LITERATURE

Jute industry in India is one of the important textiles industries in our country. A large number of studies have been conducted in India and in other jute producing countries covering different aspects. The review of the studies have been undertaken to earmark the problems of jute industries in India. The review of literature helped in identifying research gaps.

2.1 National level Studies

Ahmed (1992) found some evolutionary changes which highly impact on the growth of management structure, marketing, production and finance areas of the strategic management of both the Indian and Bangladeshi jute firms. He also finds that the product diversification of jute made goods is gaining momentum in both the markets for both India and Bangladeshi jute firms. He further suggested that the promotional measures would have to more impressive in both the domestic as well as in export market.

Talukdar (1987) is his study discussed about the marketing structure of raw jute in Barpeta district of Assam. He found that there is huge difference in the pricing of raw jute in primary market and in the secondary market and observed that the price difference is not only because of transportation cost alone. There is something else in the form of exploitation of the growers that is why cultivators are not getting what they have to be. Furthermore in his study he also finds that the condition of village haat, which are only the transaction point for the 90 percent of the farmers are very poor.

Singh (1985) in his study opined that Indian jute industry mainly based on raw material. He further suggested that it is necessary to produce lighter jute made goods to battle with or to avoid the existence of synthetics in the packaging market. The jute industry has the bright future if the situations in future remain unchanged. He further

suggested that, the diversification in production of jute goods will help the industry in bright continuation of the industry even in changed situation in future.

Ghosh and Jethi (2013) found that production growth rate of jute has declined during the period 1992-2010 as compared to the period of 1970-1991 mainly because of fluctuations of area under jute cultivation. The fluctuations in production for both India and Bangladesh have been found to be stabilized in the second sub-period, but for the other producer's viz. China, Thailand, Pakistan it shows high fluctuations due to heavy fluctuation of area under cultivation. However, overall variability in jute production in the world has been reduced during the second sub-period. Further they suggested that the indication is likely good for both India and Bangladesh have a very good opportunity to take the advantage of this international market.

Bagchi and Das (2014) has discussed about the history of the rise of the Indian jute industry, and its stagnation in later years, and tried to figure out the ways in which technical helped the revival or growth of the industry. They found that diversification of products and the adoption of new products allowed big firms to overcome the fall in productivity and increase their market share. They further found that the contribution of labour to output growth was significantly higher than that of capital. This was achieved partly by increasing the workload of the ordinary workers without technological up-gradation of machinery.

Pal and Chakraborti (2011) found that the Indian Jute sector was one of the important manufacturing sectors, mainly concentrated in the Eastern region of the country due to its favourable agro-climatic condition for raw Jute production. He further finds that since mid sixties the industry started losing its world market to its synthetic substitutes. In the era of globalization, the world market situation seems to reflect a demand reversal for jute goods since the last 5 years due mainly to the environmental sanction of the product. The demand for jute goods, especially the new varieties, has been growing fast. The world trade in jute has increased by 1.5 percent per annum. The trade in developing countries has increased by 2.4 percent where as in the developed countries it has reduced by 1.1 percent. This signifies that the jute market has recently been concentrating in developing regions. For India the world market share has remained almost stagnant, nearly to 28 percent, in the last 10 years.

Karthik and Ramya (2012) depict from the study that Jute Industrial sector is an important segment of Indian economy. The study also discussed about the SWOT analysis of Indian jute industry. It has found that there are a lot of strengths and lots of opportunity to grasp them.

Goswami (1988) opined that jute mill has been facing difficulties for want of materials in sufficient quantity and marketing of its products. Though during the sixth plan period proposals for establishing four other mills in different places in Assam were drawn up but not much progress has been made in this regard. Unless the supply of raw material is assured, marketing of products outside Assam is geared up, working capital is enhanced and the management of the factories are improved, the prospects success to be desolate.

Mohanty and Misra (1995) suggested that jute fibre is an important agricultural product. It is one of the most common natural fibres in Third World countries such as India, China, Bangladesh, etc. The jute industry has special importance in the economy of India and continues to be a major traditional earner of foreign exchange. However, it is facing tough competition from the synthetic fibres. Jute fibres find use in sophisticated fields like decorative and furnishing materials such as lamp shades, wall covers, curtains, upholsteries, etc. Today it is the least expensive fibre of mass consumption, at only a fraction of the cost of glass fibres; in terms of volume, jute is now the second most important fibre in the world, next to cotton. In the traditional applications in carpets, ropes, sacks, etc., jute fibres have been partially replaced by synthetic fibres which have some advantages compared to jute. In order to ensure a reasonable return to farmers, non-traditional outlets have to be explored for the fibre. One such avenue is in the area of fibre-reinforced composites.

Datt and Sundaram (2007) observed that the Indian jute industry is being competed out of international markets because of high prices. The high prices of Indian jute goods are explained by the use of obsolete machinery, the existence of inefficient and uneconomic units, high price of raw jute and highly unreliable supply position with regard to raw jute. It is the high time that measures are taken to reduce the cost of production. Fortunately for India, the price of synthetic substitutes is ruling higher than jute manufacturers giving the later a price advantage. It is imperative that

the government does not burden industry through the imposition of heavy export duties.

Thus, in the last few years, the output of jute textiles had either declined or had remained stagnant and exports to have been declining since 1980-81. This fall in exports was owing to recession in the developed countries, competition from synthetic substitutes and other major jute goods producing countries particularly Bangladesh which was offering lower prices in the context of global static demand.

Pandey (2009) observe that apart from having huge export potential, the jute manufacturing companies cater to the domestic market only. However, the industry is facing some big challenges in its growth such as high production cost and poor supply chain management. With markets and competition going global, India is still practicing the primitive methods of manufacturing jute products. The products made are costlier and are exported at higher rates as compared to other Asian countries, especially Bangladesh which is the biggest threat to Indian Jute Industry. Multi unionism is one of the problems faced by the industry and engages major concentration of routine management in resolving labour dispute. Despite being a mother Industry, Indian jute industry has emerged as a huge decentralized and unorganized sector in the current scenario.

Rao and Ramaswamy (1974) found that marketing of raw jute has suffered from long several inadequacies. A number of Commissions and Committees have examined jute marketing problems and suggested remedial measures. The participation of jute growers in the marketing of the crop is very poor. A variety of reasons contribute to this situation. The small quantity of raw jute available for sale, insufficient production credit, location of marketing centre away from the producing area, etc, are some of them. As a result, the intermediaries between the jute grower and the consumer continue to appropriate a disproportionately large percentage of the consumers' price for the services they perform. Although co-operative marketing of jute has not made much headway, that seems to be the only solution in the existing conditions. This has assumed greater importance with the establishment of a public sector agency in the form of the Jute Corporation to undertake purchases from the jute growers. Integrated development of marketing, processing and credit functions by jute growers' co-operatives alone can solve the problem. Domestic supplies continue to

fluctuate from year to year, jute growers do not feel secure about getting a remunerative return for their investment and the marketing system is beset with several imperfections. It is in respect of this handicap that the price differential between Calcutta and up-country markets in the operation of the support price is being gradually reduced.

Rai (1978) found from the study that in mid sixties jute industry has been faced with a prolonged recession and, except for a brief reversal of the declining trend mainly because of dislocation of the economy of Bangladesh. The study mainly done with the objective of showing the trends in the historical evolution of the jute industry since Independence; isolate the operation of IJMA's working and establish that this industry is in a state of crisis and analyze the nature of this crisis in terms of the trends in and impact on wages, employment, and so on. It was found that from the study that because of monopolistic practices of the jute barons employment in the went down continuously, it has also shown during the period there has been an increasing trend in the number of closures, lock-outs, lay-offs (without retrenchment) affecting jute workers in West Bengal. The argument developed above which attempts to relate the stagnation in the jute industry in the post-independence period to the restrictions policies followed by IJMA suggests that the 'crisis' in this industry has left relatively untouched the industrialists at the expense of the poor peasants and the working class in the jute industry.

Dewett, Varma and Sharma (1990) suggested that the key to the industries future lies in the regular supply of raw materials at reasonable rates and product diversification. It is really a pity that after development over one country the jute industry is still grouping around for its raw materials and is at the mercy of both nature and political development.

Thus for the jute industry stability is conspicuous by its absence. Discover of new uses and manufacture of new obviously constitute the best strategy for the Indian jute industry. Common strategy and mutual cooperation between India and Bangladesh is of vital importance. Being leading producers and exporters of jute goods, they should formulate a common strategy, particularly regards production, research and export based on mutual cooperation rather than cut-throat competition. Such measures can, however, only put of its doom.

Sharma, Kaushik and Chaterjee (2009) suggested that despite of its fortune on decline, jute is an emerging niche market with plenty of opportunities for growth and future of jute lies in its scope of work. For the successful revamp of Indian Jute Industry a turnaround strategy is need of the hour. The authors have endeavoured to critically analyze the strengths, weakness, opportunities and threats (SWOT analysis) of this industry.

The Indian jute industry is having lots of opportunity by its side; it is not only one of the oldest industries of India but also among the major employer of the nation. There are a lot of strengths and also much opportunity to grab them but it could only be done if it overcomes its weaknesses and threats. Jute, the golden fibre, has a potential of reaching the height where it used to be in the past, but it is only possible through constant efforts by government and a proper follow-up by the industry. After all, converting your threats into your opportunities is the success mantra for the millennium.

Kothari (1997) suggested that modernization will inevitably involve some restructuring including closures of at least those units which have no chance to being viable in any circumstances. The industry would need a realistic pricing policy to recapture export markets lost to Bangladesh, synthetics or capture new markets. There must be an export price stabilization fund to provide the necessary incentive for the mills engaged in the export trade. An export price stabilization fund scheme is being implemented for effectively utilizing a part of total collection of JMDC for subsidizing a portion of losses arising out of selective discount sales against international bulk tenders for jute goods. A few major tenders for jute goods have already been captured through the nodal agency of NJMC by offering competitive prices.

Goyal (1990) opined that the health of the jute industry is far from satisfactory. The main limiting factor which has stood in the way of full utilization of loom capacity (or weaving capacity) is the shortfall in the spinning capacity and other back processing equipments to feed the installed looms. Moreover, there has been no appreciable rehabilitation of machinery to improve productivity. There have been a number of constraints in production of jute goods besides obsolete and worn-out overworked machinery and uncertain supply of raw jute. Gradual decrease in the

exports of jute goods has adversely affected the economic viability of the Indian jute industry. But this situation may not be allowed for the development requirements to continue for a long time. So even for this sheltered domestic market, jute industries have to be price conscious for its products. The pattern of production and sales go to prove that the industry had seldom undertaken a pre-planned production and marketing drive; and often drifted along living with times as they came. A complete change in this attitude and approach is urgently needed.

Mohanty and Misra (1995) suggested that jute fibre is an important agricultural product. It is one of the most common natural fibres in Third World countries such as India, China, Bangladesh, etc. The jute industry has special importance in the economy of India and continues to be a major traditional earner of foreign exchange. However, it is facing tough competition from the synthetic fibres. Jute fibres find use in sophisticated fields like decorative and furnishing materials such as lamp shades, wall covers, curtains, upholsteries, etc. Today it is the least expensive fibre of mass consumption, at only a fraction of the cost of glass fibres; in terms of volume, jute is now the second most important fibre in the world, next to cotton. In the traditional applications in carpets, ropes, sacks, etc., jute fibres have been partially replaced by synthetic fibres which have some advantages compared to jute. In order to ensure a reasonable return to farmers, non-traditional outlets have to be explored for the fibre. One such avenue is in the area of fibre-reinforced composites.

Rao and Rao (1995) found that jute industry has occupied a dominant place in the industrial economy of India. However, in recent years, The Industry has been facing several problems, the crucial among which is the labour problem. Being a labour intensive industry, its profitability and prosperity are closely interwoven with the quality and productivity of the workers. An enquiry into the socio-economic condition of the workers is highly useful as it provides an important basis to understand the quality of labour force on the one hand and to make appropriate policy decisions aimed at increasing their performance and effectiveness on the other.

Nangia and Biswas (2009) found in his study eastern part of India has been bestowed with abundant cultivation of jute. The production of processed jute fibre in India has touched by million tonnes. Jute as a natural fibre has been naturally used for

making twines, ropes, cords, as packaging material in sack sand gunny bags, as carpet-backing and, more recently as a geo-textiles material.

Jute fibre due to its adequate tensile strength and good specific modulus enjoys the right potential for usage in composites. Jute composites can thus ensure a very effective and value-added application avenue for the natural fibre. Interest in using natural fibres as reinforcement in polymer matrices and also in certain application as partial replacement of glass fibres has grown significantly in recent years for making low cost composite building materials. Thus, new alternatives materials have emerged that could partially meet the demands of conventional materials specially wood in buildings.

Das (2014) in his article says that, the jute industry in India has survived mainly on the basis of cheap labour and raw materials without any significant technological changes. The industry experienced a fall in factor productivities and technological efficiency during the 1980s. But both the technical efficiency and scale efficiency improved during the post- reform period, partly because of the contribution of the capital. However, the efficiency level and the capacity to utilize the plant were significantly low even after one and half decades of reforms in India. A number of jute mills much below suboptimal level and they survived, at least partly, by increasing workload of the ordinary workers without technological up gradation of machinery.

Tata Economic Consultancy (2003) suggested formulation of strategic marketing plan for increasing export of jute goods to European countries. The TEC suggestion came in view of the fact that Belgium and United Kingdom were the major importers of Indian yarn, hessian and jute geo-textiles. The suggestion has been accepted by the Jute Manufacturers Development Council (JMDC) which has proposed setting up outward sales mission to select European countries in its action plan for 2003-04.

India Annual Report-on Jute (2004) revealed that the jute sector has been playing an important role in the economy of the country in general and the eastern region in particular. About 4million farmers, most of the small and marginal are engaged in the cultivation of Jute and Mesta and about 2 lakhs workers are employed in the jute industry. Apart, from this the jute sector also provides indirect employment

to a considerable number of people. India tops the list of production of raw jute and jute goods and is 2nd in export of jute goods. For ensuring the mandatory percentage of packaging of sugar and food grains in jute bags, the governments issued an order under the Jute Packaging Materials (compulsory use in packing commodities) Act 1987 (JPM). The current order issued in 12 July 2002, provides for compulsory packing of 60% for food grains and 50% for sugar in jute bags. This order has been challenged by IJMA in Kolkata High Court. The Jute Commissioner has given option to the manufacturers, importers, processor, traders and jute and jute textiles to mark/print/brand the items of jute and jute textiles providing for origin of manufacturers and country of origin.

India Annual Report-on jute (2006) in this report government announced a comprehensive National Jute Policy in April 2005, to develop a strong and vibrant jute sector. The policy aims to revive the jute economy through supportive measures covering research and development technology up gradation, creation of infrastructure for storage and marketing of raw jute, and product and market development activities for jute and diversified jute products. The Government will ensure a reasonable market for jute products by continuing with the ongoing policy of reserving food grains and sugar packaging in jute bags. The Jute Technology Mission is the major component of the National Jute Policy and is the vehicle for implementing many programmes in jute sector.

India Annual Report-on jute (2010) suggested that the jute industry occupies an important place in the national economy. It is one of the major industries in the eastern region, particularly in West Bengal, jute, the golden fibre, a natural, renewable, biodegradable and eco-friendly product that meets all the standards for 'safe' packing. In recent years, the problems of jute industries had multiplied and it was struggling hard for survival. The problems were high labour cost, instability in the production of raw jute, demand erosion, obsolescence of machinery, uneconomic working and competition from synthetic sector.

Government has given priority to the revival and development of the jute sector in its policy matrix. The aim is to develop new generation, cost competitive and performance-effective jute and jute blended products through up gradation and spinning and weaving technology to achieve higher rate of product improvement,

modernization and diversification of product mix towards value added items. Besides attention is directed towards promotion of packaging material for conventional and new end-users with emphasis on biodegradable and eco-friendly attributes of jute as a natural fibre so that the jute industry does not depend primarily on mandatory packaging.

Pratihari (2007) has discussed about the production consumption and problems of Indian jute sector and suggested some special thrusts are to be given on development of *On Shore Capability* of jute sector encompassing from sustained supply of quality fibre of jute to manufacturing processing mills, efficient marketing of raw materials and finished products and timely delivery of increased volume of value-added Jute diversified Products in the export market. In fulfilling the objectives, the jute industry needs to reorient and revitalize its production capacity in alignment with efforts of Govt. bodies, R&D institutions, Bureau of Indian Standard and Quality Inspection Agencies.

Maheswari (2013) has opined the problems of Indian jute industry. The author has discussed about the threats and opportunity in term of industrial relations, human resource development and so on. The study examines the Industrial Dispute in Jute Mills between the top level management and between the workers association. He also discussed about the number of strikes occurred in jute mills in India in recent years and also suggested some remedial measures to stop this kind of activities which hamper the organization in a big way.

Ministry of Textiles, GOI (1999-2000) in National Textiles Policy-2000 recognizes the significance of jute in India's economy, especially for the Eastern and North-eastern parts of the country. Realizing the problems of the jute industry and the need to make it more competitive, a technology mission on jute will launched to achieve the following:

- Develop high yielding seeds to improve productivity and acceptability in markets;
- Improve retting practices to get better quality fibre ;
- Transfer cost effective technologies to the farmers;
- Create strong market linkages;

- Expand the scope of marketing of the diversified jute products within the country and abroad.

Ministry of Textiles, GOI (2001-02) in annual report on Indian jute industry recognizes that the financial year has turned a favourable year for the jute sector. There has been a favourable turn in the gunny market situation on account of the upsurge in domestic demand. Because of the heavy demand by the domestic foodgrains producer jute products demand increases. As a result of this all jute mills except few are functioning normally and taking advantage of the spurt in the demand for jute goods. Government has also supported, contributed and encouraged the manufacturers and raw jute producers. To reduce the use of plastic bags NCJD (National Centre for Jute Diversification) has initiated some measures, which includes production of low-cost jute bags for the consumers. Efforts have been taken to enhance the use of jute in the states where use of plastic bags has been banned. Government has also organized some promotional event like jute exhibition, seminars and workshops, interactive meeting with raw jute produces and jute product manufacturers for the betterment of the industry.

Ministry of Textiles, GOI (2002-03) in annual report on Indian jute industry has observed that the lower demand from jute mills has made jute prices touching the Minimum Support Price (MSP) level. However export market of jute products has displayed a notable turnaround in this financial year. NCJD has introduces Jute Entrepreneurs Assistance Capital Subsidy Scheme (JEACSS) to provide technological and financial assistance to entrepreneurs who are interested in setting up commercial units for manufacture or processing to produce value added, marketable jute diversified commodities for useful consumption.

Ministry of Textiles, GOI (2003-04) in annual report on Indian jute industry has observed that the lower demand of jute products in the domestic market. However, export market of jute products has displayed a notable turnaround. A number of innovative steps have been taken by the Government of India for giving boost to exports. NCJD has introduced various schemes to protect the manufacturers of jute products. Under NCJD's assistance, in the North East region, a new jute based fabric has been developed. This fabric, which is blended with Eri & Muga, is finding wide acceptance as furnishing material for diverse use.

Ministry of Textiles, GOI (2004-05) in annual report on Indian jute industry has observed that accept good production of raw jute in this financial year jute market has declined because of lesser demand by the domestic jute goods producers and manufacturers. In this year market support activities are organized by NCJD in association with specified marketing agencies lie Development Commissioner (Handicraft), Department of Industry and ITPO. These activities support regionally developed products getting directly into the local market and thereby enabling the producers to assess the performance of their products. NCJD introduce a project proposal on support to NGOs in the jute diversification sector for design, product development and marketing.

Ministry of Textiles, GOI (2005-06) in annual report on Indian jute industry has opined that the industry has introduced a new act to discourage speculative manipulation and hoarding by stockists, Jute and Jute Textiles Control (Amendment) Order, 2005 was issued in the Official Gazette under which the jute Commissioner has been empowered to fix the “reasonable price” for any variety of raw jute through Gazette Notification. The objective to introduce such order is to ensure availability of raw jute in the market so that the production of jute goods may continue without any interruption and government policy of food procurement should not be hampered due to shortage of supply. The performance of jute sector is not satisfactory. However export has shown some future hope for the industry.

Ministry of Textiles, GOI (2006-07) in annual report on Indian jute industry has found that, Ministry of Textiles, GOI, had issued notification which stipulated that no dealer, trader or agencies shall sell or offer to sell any person or offer to purchase or purchase any raw jute at a price exceeding the reasonable price mentioned in the schedules to the notification dated December, 12, 2005.

Ministry of Textiles, GOI (2007-08) in annual report on Indian jute industry has found that, Ministry of Textiles, GOI, had issued notification which stipulated that 100% foodgrains and sugar to be compulsorily packed in jute packaging material. The old schemes of NCJD are merged up and develop a new scheme named as “Scheme for Promotion of Jute Diversified Products”. The prime objective of the scheme is to globally establish the environmental advantage of jute products as well as boost up the sales.

Ministry of Textiles, GOI (2008-09) in annual report on Indian jute industry has observed that despite the fall in production of raw jute and less demand of jute and jute made products in the domestic market export has shown a consistent effort in recent years. Jute diversified products has energized the export market, in view of this government has also taken many steps to develop the quality of jute made products to gripe the market continuously.

Ministry of Textiles, GOI (2009-10) in annual report on Indian jute industry has observed that in recent years, the problems of jute industry had multiplied and it was struggling hard for survival. The problems were high labour cost, instability in the production of raw jute, demand erosion, obsolescence of machinery, uneconomic working and competition from synthetic sector. All these factors handicapped the industry. The Government has given priority to revival and development of jute sector in its policy matrix. The aim is to develop new generation, cost competitive and performance-effective jute and jute blended products through up gradation of technology. Besides attention is directed towards promotion of packaging material for conventional and new end users with emphasis on biodegradable and eco-friendly attributes of jute as a natural fibre so that the jute industry does not depend primarily on mandatory packaging.

Sharma (2010) has mentioned in his study that jute industry is one of the major organized industries of India. It occupies a significant position in India's national economy as an age-old agro- based energy which, in its glorious past, has been the largest earner of foreign exchange for the country. There are 73 industrial units manufacturing jute products. This industry provide direct employment to about 2.5 lakhs workers besides being a source of livelihood to about 40 lakhs families engaged in jute cultivation.

The production of jute goods gradually decreases year after year. This was mainly due to decreases in demand both in domestic and international markets, stiff competition from synthetics, decreased capacity utilization etc. and this is the prime reason of dilution of Indian jute industry.

Smriti Chand Industries (n.d) in their study found that jute industry is the second most important textile industry in India after cotton. It is an export oriented country and progresses rapidly by its part. In this study they have also discussed about

the export, production and distribution pattern, advantages and major problems faced by the Indian jute sector over the years since independence.

The study also suggested remedial measures to the aforesaid mentioned problems, Indian jute industry have to increase the raw jute production in India for which new areas are to be brought under jute cultivation. There is also an urgent need for replacing the old and obsolete machinery in order to compete quantity wise.

Shil (2014) in his study discussed in detailed about the marketing concept and practices followed by the Indian tea industry. He further discussed in detailed about 4Ps of marketing, identifying consumer segments and markets, adaptation of marketing mix for effective marketing practices regarding Indian tea. Moreover he also discussed about the marketing practices and problems of Indian Tea Industry in domestic as well as in export market during pre and post liberalization.

Sudha and Mahalaxmi (2012) in this study they analyze the customer opinion and satisfaction level over the jute made products in today's world. The study also suggested some important measures to improve the customer behaviour and choice towards jute made products. To keep the industry alive the government and others who are engaged with jute could make long lasting jute products with lots of benefit and at a cheaper price.

Bag (2016) revealed that India and Bangladesh are the two popular countries in world jute production. The objective of the study is to find out the prospects and scope of jute industry in India and Bangladesh. Further he founds that both the countries have strength in production of jute which is one of the principal foreign exchange earner for Bangladesh. he further suggested that government should take some immediate steps to protect the industry from gradual declining.

2.2 International Studies

Afroj (2012) in her study on Bangladesh jute industry found that the industry has huge potential by its side and millions of farmers in Bangladesh depend on production of jute for their livelihood. In this study the researcher suggested some important measures to survive the jute business. As because of the eco-friendly nature of jute products it has very great scope to regain its market as because people these

days around the world are very cautious about their health and wealth. The study also highlights some reasons behind declining of jute market in international scenario.

Akter (2015) found that JDPs in Bangladesh has got some impetus because of the environmental friendly awareness among consumers worldwide. In her study she discussed mainly about the strength and weakness of Bangladesh jute industry; competitive factors for Bangladeshi jute products in Australian market; and identified some proper strategies for success in Australian market. The study comes with a conclusion that because of continuous increase of multi-cultural immigrants purchasing power of consumers, geographical proximity and cultural familiarity to Bangladeshi jute products, Australia can be a promising destination for Bangladeshi JDPs.

Islam and Alauddin (2012) found that worldwide awareness on environment may lead the opportunities for the survival of jute industry in Bangladesh. They found that the growth of total world area and production of jute is decreasing with fluctuating trend. They also found that the total production of Jute of Bangladesh is increasing with fluctuating trend and the percentage of jute production of Bangladesh of world production is increasing day by day. The production of Jute and allied fibres of Bangladesh is positively increasing and production of jute of India and Nepal is steady state. But the jute and allied fibre production of other countries like China, Myanmar, and Thailand is seriously decreasing in recent years. Further they suggested that Bangladesh is in good position for producing jute and can grab the market globally in recent times.

Bharadwaj and Fenske (2012) found the economic effects of the partition of India, the impact of migration on receiving economies, and the substitutability of trade and migration. They also find that the migrations associated with partition caused massive exchanges of labour and skills, and that these altered output choices and productivity in post-partition India. They further revealed that the results highlighted a positive role played by partition's refugees in eastern India, one that has been largely overlooked.

Boyce (1995) admitted that from his study that in recent decades the international market for jute has been hard-hit by competition with polypropylene. The production of polypropylene generates considerable pollution; the environmental

impacts of jute appear to be modest by comparison. The study focuses mainly on environmental effects of jute and polypropylene made products. They suggested that it is very much necessary to extend jute market internationally is very much important for green environment.

Miah (2010) has opined that the jute industry is a significant source which provides a huge amount of foreign exchange to the government of Bangladesh. The study was incorporated in four districts of Bangladesh. The objective of the study is to find out the causes behind the decline in performance of mills incorporated in these four districts of Bangladesh. Further he found that the irregularity in raw jute collection, a large number of outdated looms, insufficient funds and mismatch in timing of getting funds by the public sector jute mills have been hampering the production. Absence of proper marketing policy, absence of trading companies to introduce the product in the world market and failure to introduce mass consumption of jute products domestically are the main constraints associated to the forward section of the industry that also constrain the production and sales of the industry.

Mahabubuzzaman et.al. (2007) suggested that blending technique is the important factor for proper blending of synthetic fibre with jute. Now a day's jute products are facing tough competition with synthetics in the world market. Industries are gradually losing their productivity due to less strength and very reasonably less effort are given to improve the productivity. The investigation was carried out to identify the blending with long jute through Breaker Card feed lattice attain higher productivity with good quality. There is a prospective market for blended jute yarn in the world. The produced yarn will be used in furnishing fabric, decorative fabric, shopping bag, blanket etc. As a result, diversified uses of jute will be amplified.

Mahmood and Williams (1981) in their study depicts that in international commodity markets fairly less attention has been given to jute. This is unfortunate given its key role in the Bangladesh economy and its importance to the economies of India, Nepal and Thailand. The objectives of the study is to, look at production consumption and trade in jute in the major producing countries with a; view to develop a jute model. The second objective is to analyze the impact of important exogenous variables on production, consumption and price of jute in the three producing countries.

They found that though world GDP growth is on higher side in recent years, but demand for jute goods showing declining trend, because of heavy demand of synthetic substitutes in the world market.

Mohiuddin (2015) in his study found that jute manufacturing sector of Bangladesh jute industry is facing major difficulties in recent years though the industry have better opportunities by its side but not able to grab the market. Bangladesh jute industry has some weaknesses but also have great advantage of producing best quality fibre. In his study he also found that the value of traditional jute products is decreasing day by day because of heavy demand of diversified jute products in the international markets. Typically jute marketing involves multiple intermediary levels but jute marketing process remains a traditional trend that is why it needs to develop jute product marketing process. Global marketing trend has changed today, so the industries have to develop their marketing strategy in accordance with global marketing process. A huge potential market of these products is created in the developed countries. To convert this potential market into real market, comprehensive market promotional activity is highly needed.

Nabi et.al. (2002) they opined that the women from both urban and rural areas are coming out of their houses and trying to get them involved in some activities for survival. Increasing landlessness and many others socio-economic problems of the survivors of Kurigram district of Bangladesh. The women are organized in working under supervision of two non government organizations working in the locality. Under the organization they are engaged in production of jute and allied fibre handicrafts products. Now it has become an important income source to support their family for survival and growth.

Rahman (n.d.) opined that jute is an important cash crop for the poor and marginal farmers who are engaged in raw jute production even though it is produced only in rainy season. Jute cultivation is a matter of culture among the farmers of Bengal in India. The jute economy impacts on social and economic development and plays a vital role in reducing poverty and hunger. Jute harvesting takes place at the time when marginal farmers and workers are faced with shortage of their food stocks. The cash derived from the sales of jute fibre and wages received by workers are an important contribution to food security for this vulnerable segment of the population.

Rahman (2011) found that jute continues to be an important commodity for employment and source of income of millions of poor people of the producing countries of south Asia. Jute deserves international support and cooperation as a natural corollary to the United Nations' Sustainable Development Programme and Millennium Development Goals for socioeconomic development, protection of environment and reduction of poverty. Jute was an important item for international trade and it still remains the preferred packaging material. As many as 45 and 62 countries of the world imports jute fibre and jute goods respectively from south Asian countries on account of its bio-degradable and environment friendly characteristics. He also suggested that the super markets and shopping outlets worldwide should be encouraged to use jute shopping bags instead of polythene/polypropylene shopping bags. Entrepreneurs may be encouraged for using jute as basic raw material for pulp and paper manufacturing industries.

Sethia (1996) suggested that role played by the Indian jute products in facilitating the rising world trade and subsequent growth. Even during the period of "high" imperialism, the jute industry in colonial India outstripped the leading Dundee jute industry in manufacturing as well as international marketing. India as a leading producer of raw jute and leading manufacturer of jute products played a unique role in the growth of the British economy. In the role of a supplier of raw jute, India became instrumental in the growth of industrial Dundee and the global expansion of Dundee capitalism, especially to the United States. As a leading jute manufacturer and supplier of jute products, India served the cause of the British Empire and economy, including that of the Raj.

Uddin, Hossain, and Hoque (2014) in this study they found that Jute industry is one of the crucial industries in Bangladesh which plays a vital role in Bangladesh economy and earn huge amount of foreign capital. But in recent few years the continuous fall in production, manufacturing has changed the condition of the industry in a critical situation. There are different causes behind this situation. In today's world people are very cautious about environment and jute products are environment friendly product which are 100% biodegradable by nature. To regain its position a good number of researches are needed in this area. From this research, the

policy maker will get some idea about how to improve this sector. The industry needs sincere effort from the side of employee as well as from the side of Government.

Sivakkolundu (2012) has found that the jute industry is expanding really fast spanning a wide range of lifestyle consumer products, with all courtesy to the versatility of jute. Using innovative ways of bleaching, dyeing and finishing processes, the jute industry now provides finished jute products that are softer, have luster and also an aesthetic appeal. He also discussed about the export and import of jute goods and raw jute. The author also suggested that the Indian jute industry has lots of opportunities by its side. It is not only one of the oldest industries of India but also among the major employers of the nation. There are a lot of strengths and also much opportunity to grab them but it could only be done if the industry overcomes its weaknesses and threats. Jute the golden fibre has a potential of reaching the height where it used to be in the past, but it is possible only through constant efforts by the government and a proper follow-up by the industry.

2.3 Research Gap

The available literature on different aspects of Indian jute industry includes various survey reports published by the Government of India, by the Indian Jute Mill Association, National Jute Board and different associations of the industry as well as different studies conducted by individual scholars and different books and articles. Although not adequate, they furnish a good deal of information on various aspects of the industry. The literature focus on in particular on-

- i) the historical aspects of the Indian jute industry as well as the different aspects regarding the inception of jute in packaging world, cultivation of jute in the different countries, world trade of jute textiles (Gupta, 1985; Singh, 1985; Sethia, 1996);
- ii) raw jute production, early development of the industry, raw jute marketing structure, causes of decline in some regions of the country (Bag, 2002 ; Talukdar, 1987);
- iii) impact of the changing structure of the jute industry on strategic management of jute business firms (Ahmed; 1992);

- iv) production process, product quality and grade, varieties of jute plants and production related matters (Mohanty and Mishra, 1995; Tepecon India International Ltd);
- v) role of jute industry in Indian economy, projection of the future jute trade (Dutt & Sundaram, 2007 ; Goyal, 1990; Gupta, 1985; Mohanty and Misra 1995);
- vi) reforms, changing ownership patterns, investment, international competitiveness, challenges and opportunities (Pandey, 2009; Rai, 1978; Sharma, Kaushik and Chaterjee, 2009).

However, only few studies have been conducted so far on marketing aspects of Indian jute industry. A cursory glance over concerned literature indicates that the analysis so far has been wanting in at least following aspects:-

First, the analysis has been formulated along an overall scenario of the jute industry. There has not been any worthwhile attempt by the concerned investigators to trace empirically the elements of marketing mix. The principles and the concepts of marketing management and their implications for the practices followed by the jute industry have not often drawn the due attention from scholars.

Second, marketing practices of the jute industry can be divided into two segments - domestic and export. The export marketing practices and domestic marketing practices should have been examined separately, which was many a times overlooked by the concerned investigators.

Third, jute product market is divided into two different products viz., Traditional jute products and Diversified jute products. The marketing practices of both the products should have examined separately.

Fourth, due to liberalization and privatization many changes have occurred in the trade policy, government rules and regulations etc. But the changes effected in the marketing practices of the Indian jute industry in the context of the changed scenario also not been adequately addressed and studied so far.

The present study, within its specified limits, has sought to academically address some of the issues relating to the marketing practices of the Indian jute industry that so far have received scant attention.