

JUTE INDUSTRY IN WEST BENGAL: RISKS, RESILIENCE, AND FUTURE PROSPECTS

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INTRODUCTION

The jute textile industry often referred to as the “Golden Fiber Industry” stands as a pioneer in producing eco-friendly products, holding a crucial position in India's national economy. Despite its potential for growth, several jute companies are facing closure due to various challenges. However, ample opportunities for expansion exist with the support of public and government initiatives. The industry's contribution as a raw material supplier is indispensable, providing employment to over 400,000 individuals and significantly contributing to the country's foreign exchange earnings. As consumer preferences continue to shift towards sustainable choices, the jute industry remains poised to play a vital role in India's eco-friendly future.

The jute industry in West Bengal, once a cornerstone of the region's economy, now faces multifaceted challenges. These challenges include fluctuating market demands, environmental sustainability concerns, evolving global trade policies, and technological advancements that reshape production methods. The research delves into these challenges, aiming to understand their impact on the industry's stability and growth. By identifying the specific vulnerabilities and hurdles encountered by jute businesses, the study aims to offer nuanced insights into the complex issues hampering the industry's progress.

Moreover, the research problem extends to exploring how these challenges have compelled the jute industry to develop resilience strategies. Understanding the innovative approaches and adaptive measures implemented by businesses and the support provided by the government in response to these challenges is crucial. The study investigates the industry's future prospects, analyzing emerging market trends, potential growth areas, and the transformative initiatives that could pave the way for sustainable development.

This study holds significant importance in the realm of economics. It provides insights into economic dynamics, trade stability, and employment trends. Understanding the jute industry's risks and resilience is crucial for economic policy formulation, sustainable development strategies, and fostering resilience in similar sectors. Additionally, analyzing its future prospects contributes valuable data for economic forecasting, aiding businesses, policymakers, and researchers in making informed decisions.

RESEARCH METHODOLOGY

The current research methodology employed is Descriptive Research, aiming to gather precise data regarding the jute industry in West Bengal. It allowed for a deep exploration, offering valuable insights into its challenges, resilience strategies, and future trajectories.

Both primary and secondary data was collected in an effort to make the findings more authentic and up to date. In-depth interviews were conducted with key stakeholders, including jute mill owners, industry experts, and government officials. These primary sources provided invaluable insights into the challenges faced by the industry, the strategies implemented for resilience, and the vision for its future. Further, extensive literature reviews and analysis of industry reports, scholarly articles, and government publications were conducted to supplement the primary data. This secondary data provided a contextual background and supported the primary findings.

A purposive sampling method was employed to select participants for the interviews. Key industry figures, including representatives from prominent jute mills, industry associations, and government bodies, were chosen to ensure diverse perspectives.

Qualitative data obtained from interviews were analyzed thematically. Patterns and themes related to risks, resilience strategies, and future prospects were identified and coded for systematic analysis. The qualitative analysis provided nuanced insights into the industry dynamics.

It is essential to acknowledge the limitations of this study. One of the main constraints was availability of comprehensive and updated data and participation of industry stakeholders. The jute industry is often influenced by government policies and subsidies. The depth of information that could be gathered is also limited by sensitive information regarding finances and trade agreements, which industry insiders are not always willing to disclose. Sudden policy changes can significantly impact the industry. Studying the industry at a specific policy juncture might not reflect its true potential under different policy scenarios. Environmental factors, such as climate change and natural disasters, can impact jute cultivation. These unpredictable elements can affect the industry but might not be controllable or predictable during the study. Considering these limitations is crucial for researchers to design the study effectively, acknowledge potential constraints, and interpret the findings within the appropriate context.

Ethical guidelines were strictly adhered to during the research process. Informed consent was obtained from all participants, ensuring their anonymity and confidentiality. The research aimed to uphold the highest ethical standards in data collection, analysis, and reporting.

BACKGROUND OF THE JUTE INDUSTRY

a) Historical Overview

The Jute Industry, recognized as the backbone of Indian fiber production, encompasses both raw jute and a diverse range of jute products. As jute is an abundant crop in Eastern India (especially West Bengal), India's inaugural jute industry took root in 1855 in Rishra, near Kolkata, with subsequent mills emerging along the banks of the Hooghly River in Kolkata. Despite facing significant challenges during the Great Depression of the 1930s, the industry experienced a resurgence during World War II.

This eco-friendly and fully biodegradable fiber which had been primarily utilized for making sacks and cordage is gaining several diverse uses and emerging as a preferred eco-friendly resource.

A summarized study of the history of the jute industry from its inception to its present phase has been made in 4 major phases:

- **From Inception to First World War i.e., from 1855 - 1914**

In 1855, the inaugural jute mill was established in Rishra, located on the River Hooghly near Calcutta, by Mr. George Acland. Acland imported jute spinning machinery from Dundee, and within four years, the first power-driven weaving factory was established. Over time, the industry found a receptive market for its products. By 1869, there were five jute mills equipped with 950 looms. Although initially confined to Dundee and Kolkata until 1880, the jute industry experienced rapid expansion. By 1910, there were 38 operational jute mills, boasting 30,685 looms.
- **From First World War to Independence i.e., from 1914 - 1947**

Over the subsequent thirty years, the jute industry in India experienced significant growth, reaching a dominant position by 1939 with a total of 68,377 looms. These mills were primarily located along the River Hooghly near Calcutta and were capable of meeting global demand. Initially, jute products woven in Dundee were coarse bagging materials. Bengal held a monopoly on raw jute production. In the year 1921-22, West Bengal alone accounted for over 88% of India's total jute production. By 1945-46, this figure had decreased to approximately 60% of the country's overall jute production.
- **From Post-Independence Era to Pre-liberalization Era i.e., from 1947 - 1990**

In the post-independence era, the jute industry, once known as the "Golden Fibre," faced significant challenges due to the Partition of India. A major portion, 83% of the total jute cultivable area, went to East Pakistan (now Bangladesh), leaving only 110 jute mills in India and causing a raw material shortage. To address this crisis, efforts were made to increase productivity per acre and expand jute cultivation areas. Despite these challenges, India managed to achieve independence in raw jute production, although the desired quality standards were not fully met. The jute mill belt expanded along the Hooghly River, contributing to 90% of India's jute production. However, India's share in global jute exports fluctuated, declining from 57% to 41% in 1970-71 but later increasing to 56%. Various issues such as power cuts and labor disputes led to the closure of jute mills, reducing the number from 111 in 1947 to 78 in 1990. During this period, exports and imports experienced instability, and both the workforce and

the number of looms declined steadily. Efforts were made to stabilize the industry, but challenges persisted, impacting the jute sector's growth and stability.

Post liberalization Era

Currently, the primary global jute producers include India, Bangladesh, China, and Thailand. India stands as the largest producer of both raw jute and jute goods worldwide, contributing to over 50% and 40% of the global production respectively. Despite facing tough competition from synthetic and plastic products, jute and its derivatives continue to gain significance on the global stage. Indian jute manufacturers maintain a distinctive position due to the fiber's cost-effectiveness and durability. India has embraced advanced technologies for jute production, securing a substantial market share in global production, consumption, and export.

In India, the major jute-producing states such as West Bengal, Assam, Bihar, and Orissa are instrumental in the industry's success. Among these, West Bengal plays a pivotal role, contributing to over 75% of the nation's total jute production.

b) West Bengal - Dominance and Advantages

Several factors contribute to West Bengal's dominance:

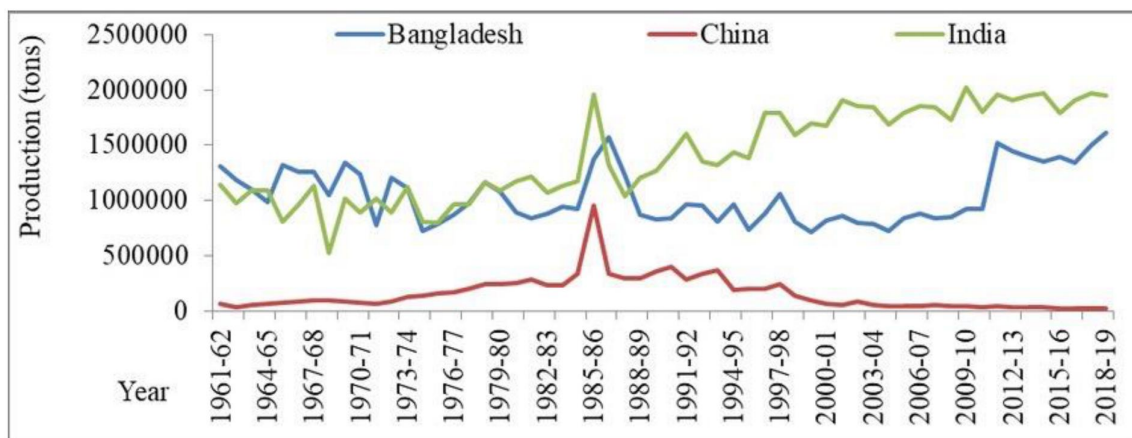
- **Fertile Nutrient Soil:** The Hooghly region offers fertile soil ideal for jute cultivation.
- **Port Facilities:** Extensive port facilities provide access to both domestic and international markets, enabling efficient exports.
- **Industry Development Efforts:** Ongoing initiatives by management agencies and foreign corporations foster industry growth, attracting entrepreneurs and investments.
- **Coal Accessibility:** Proximity to the Damodar Valley region ensures a consistent supply of coal, a vital resource for jute production.
- **Water Transportation:** The Hooghly River enables cost-effective transportation of raw materials, bolstering manufacturing efficiency.
- **Abundant Labor:** Bihar and Orissa supply a ready workforce, supporting the industry's labor needs.
- **Efficient Communication Network:** A well-developed communication network facilitates the transportation of raw materials and export of finished goods.
- **Financial Infrastructure:** Comprehensive financial and banking services provide crucial support to the industry's operations, ensuring smooth financial transactions and investments.

ECONOMIC IMPACT

Jute is a versatile material having expansive usage. It plays a pivotal role in packing and packaging agricultural and industrial products. The major conventional jute products include Hessian Fabric and Bag, Sacking Bag, Poly-lined/Poly-laminated Bag, Yarns, Twines, Carpet Backing Cloth, Canvas & Tarpaulin, Scrim Cloth, Mat, Soil saver, Webbing, Fire proof fabric, Odorless Bag, and Bulk Packaging Bag.

Diversified usage for just products is constantly emerging. Some of these include Carry Bag and Shopping bag, Floor Covering, Decorative Fabric, Food Grade Packaging bag, Jute Agro-Textiles, Jute Geo-Textiles, Wall hanging, Jute Blanket, Handicrafts, Blended Products, Pulp and Paper, Products from jute seed oil, Jute jewelry, and bangles, hair clips etc.

Beyond its ecological benefits, the jute industry serves as a major employment provider, offering job opportunities to a substantial number of people. As per the latest data, the jute industry engages 350,000 industrial workers and 4,000,000 farmers (*Source: Indian Jute Manufacturers Association*). Moreover, it contributes significantly to the country's economy by generating foreign exchange through exports. In 2022-23, the value of export of jute goods from India stood at 438.41 Mn USD which is about 37% of total global export value of total jute products. This makes it a vital component of the Eastern part of India's economic landscape, balancing environmental sustainability with economic growth.



Source: https://www.researchgate.net/figure/Jute-production-in-Bangladesh-China-and-India-over-the-years-FAOSTAT-2020_fig2_344041105

RESEARCH OBJECTIVES

Following are the questions that the research project intends to answer:

1. To examine the key factors influencing the evolution and sustainability of the Jute Industry.
2. To identify the challenges faced by the Indian Jute Industry in the present day.
3. To gauge the future prospects of the Indian Jute Industry, particularly in context of new technological innovations.

OBJECTIVE ANALYSIS AND FINDINGS

a) Jute Packaging Materials Act

The Jute Packaging Materials Act of 1987 holds immense importance for the jute industry in India due to its direct impact on market demand and the overall sustainability of the sector. It is the primary reason behind the sustenance of the Indian Jute Industry given the onslaught of cheap, synthetic fibers. Enacted with the primary objective of promoting jute products, especially jute bags, this legislation focuses on specific sectors, primarily food grains.

1. **Promoting Jute Usage:** By making it mandatory to use jute bags for packaging certain essential commodities, the act ensures a consistent market for jute producers. This mandatory usage promotes the jute industry, sustaining jobs for millions of workers involved in jute cultivation, production, and trade.
2. **Economic Impact:** The act has a significant positive economic impact by providing stability to the jute industry. It ensures a steady demand for jute products, thereby stabilizing prices and incomes for jute farmers and manufacturers. This stability contributes to the overall economic growth of the regions where jute cultivation and production are prevalent.
3. **Employment Generation:** The jute industry is a significant source of employment, especially in rural areas. The act, by ensuring a consistent market, indirectly supports employment generation. From jute cultivation to processing and manufacturing, the industry provides jobs to a diverse workforce, thereby uplifting livelihoods in these regions.
4. **Boosting Rural Economy:** Many jute-producing regions in India are rural and economically underprivileged. The act provides a steady income source for farmers and small-scale entrepreneurs in these areas. This financial stability, in turn, contributes to the growth of the rural economy, providing opportunities for education, healthcare, and infrastructure development.

In summary, the Jute Packaging Materials Act of 1987 is a linchpin for the Indian jute industry. It ensures the livelihoods of millions and supports economic growth. By maintaining a demand for jute products, this legislation plays a pivotal role in sustaining the jute industry's legacy and relevance in the modern world.

b) Change in the Overall Dynamics of the Industry

Examining the evolving structure of the Indian Jute Industry, this study focuses on five factors derived from unstructured interviews with industry officials. These factors are elaborated upon below:

- 1. Change in Ownership Pattern:** The ownership structure of the Indian Jute Industry has undergone several transformations since its establishment in 1855. Initially, it was predominantly under private ownership, but gradually, it transitioned into partnerships, private limited, or public limited companies. In 1884, the former Indian Jute Manufacturing Association, representing the majority of Indian Jute Mills, evolved into the Indian Jute Mills Association in 1902. This change aimed to maintain a harmonious relationship among its member units while safeguarding and fostering the industry's growth. Over time, the Government of India assumed ownership of certain jute mills. During the study period, numerous mills shifted hands, some transitioning into cooperative ownership, while others were acquired by a new generation of trader-turned-owners.
- 2. Change in Management Pattern:** The management landscape of the Indian Jute Industry has experienced notable shifts. Initially, under foreign management, Indians primarily provided labor. Post-independence, managing agencies like Birlas, Bangurs, and Kanorias oversaw many jute mills. After liberalization, nationalized mills came under the direct management of the National Jute Manufacturers Corporation Limited (NJMC), with some mills adopting a Workers' cooperative management system. NJMC, formed in 1980, included six mills but faced financial losses, leading to a referral to the Board for Industrial and Financial Reconstruction (BIFR) in 1992. Despite a revival scheme approved in 2011, some mills, like RBHM in Katihar and Kinmison and Khardah in West Bengal, temporarily ceased operations. Eventually, due to financial challenges, the Union Cabinet decided to close down NJMC Ltd and its subsidiary Birds Jute and Exports Ltd. (BJEL) in October 2018.
- 3. Changes in the nature of the Jute Market:** The Indian jute industry underwent shifts from foreign to domestic focus due to declining exports. Presently, jute goods like hessian, carpet backing, and sacking bags are emphasized for both export and domestic use, primarily in food grain and sugar packaging. Rising domestic demand is spurred by government mandates, obligating jute packaging for food grains and sugar. Distribution methods have transitioned to government control, managed by entities like the Directorate-General of Supplies and Disposals and later the Office of the Jute Commissioner. Pricing strategies shifted to market-oriented approaches, led by the Gunny Trade Association in the domestic market. Promotion efforts have diversified, incorporating schemes like Market Development Assistance and the Jute Packaging Material Act, alongside projects like Jute-ICARE and scholarship programs, aiming to reinvigorate the industry's vitality.
- 4. Changes in the state of competition:** The Indian jute industry faces substantial challenges, notably intense competition from synthetic substitutes both in the global and domestic markets. Rivalry from countries like Bangladesh, Brazil, the Philippines, Egypt, and Thailand further heightens the pressure. However, the industry has experienced a boost in domestic demand due to government policies mandating jute

packaging, providing a ray of hope. To effectively counter this competition, the Indian jute sector has proactively diversified its offerings. Innovative jute products, beyond traditional goods and sacks, have emerged, showcasing the industry's adaptability and creativity. Additionally, advancements in eco-friendly practices, such as organic farming techniques and sustainable manufacturing processes, have become pivotal strategies to enhance the industry's appeal both locally and internationally. These initiatives underscore the industry's commitment to sustainability and its efforts to secure a stronger foothold in the global market.

- 5. Changes in Technology:** To remain competitive in both export and domestic markets, the outdated technology in the jute industry necessitates urgent modernization. In 1996, the Indian Jute Mills Association (IJMA) initiated a project in collaboration with the Government of India and UNDP, focusing on enhancing technical capabilities, upgrading existing machines, and providing affordable low-cost conversion kits and new machines. Government interventions include the establishment of the Jute Modernisation Fund in 1986, a special Jute Development Fund, and a mandatory packaging order for jute bags in food grains and sugar. The Government of India launched the Jute Technology Mission (JTM) during the 11th Plan, allocating Rs. 355.5 crores for the overall development and growth of the jute sector. Under JTM's Mini Missions I, II, III, and IV, various schemes are operational, benefiting jute growers and promoting jute production. Mini Mission I focuses on strengthening agricultural research and development in the jute sector to enhance yield and quality.

c) Post - Liberalization Policies that Positively Affected the Jute Industry

- 1. Export Promotion Schemes:** The Indian government introduced several export promotion initiatives, including the Merchandise Exports from India Scheme (MEIS), designed to incentivize jute exporters. These schemes offered financial incentives, encouraging market diversification and enabling jute industry players to explore international markets. As a result, jute exports saw significant growth, bolstering the industry's global presence.
- 2. Technology Upgradation Fund Scheme (TUFS):** TUFS was a pivotal initiative aimed at modernizing the textile sector, including jute production. Under this scheme, jute mills received substantial financial assistance and subsidies, enabling them to upgrade machinery and adopt advanced technologies. This modernization drive enhanced the industry's competitiveness on the global stage, positioning Indian jute products as high-quality offerings in the international market.
- 3. Incentives for Eco-friendly Practices:** The government extended incentives and subsidies to jute mills embracing eco-friendly practices, encompassing organic farming of jute and sustainable manufacturing processes. These incentives played a crucial role in fostering environmentally responsible practices within the industry. Moreover, innovations in sustainable production methods were encouraged, further aligning the jute sector with green initiatives.
- 4. Research and Development Support:** Policies supporting research and development within the jute sector were actively implemented. Government backing

for collaborative research projects involving research institutions and jute industry players spurred innovation. This collaborative approach led to the creation of novel jute-based products and technologies, enhancing the industry's offerings and market appeal.

5. **Financial Support and Credit Facilities:** Financial institutions were mandated to provide favorable credit facilities to jute entrepreneurs. Access to finance empowered jute mills to invest in modernization, research, and market expansion. This financial support drove industry growth, enabling jute businesses to make strategic investments and thrive in a competitive market.
6. **Customs Duty Reduction:** Strategic reductions in customs duties on essential machinery and raw materials used in the jute industry significantly lowered production costs. This reduction streamlined the supply chain, ensuring cost-effective production processes. Consequently, Indian jute products became more competitively priced, bolstering their position in both domestic and international markets.
7. **Skill Development Initiatives:** Recognizing the need for skilled labor in the industry, the government launched skill development programs. These initiatives focused on enhancing the skills of jute mill workers, ensuring they could proficiently operate modern machinery. A skilled workforce was instrumental in improving productivity and the overall quality of jute products.
8. **Promotion of Entrepreneurship:** Entrepreneurship in the jute sector was actively promoted through various schemes offering financial assistance, mentorship, and technical support to aspiring jute entrepreneurs. These initiatives encouraged the establishment of start-ups and small-scale enterprises, fostering innovation and diversification within the industry.
9. **Sustainable Procurement Policies:** To create a stable domestic market for jute goods, the government implemented policies mandating the use of jute products in specific sectors, including packaging for food grains and sugar. These mandatory procurement policies ensured consistent demand within the country, supporting the jute industry's stability and growth.
10. **Corporate Social Responsibility (CSR) Initiatives:** Companies in the jute industry were encouraged to invest in CSR initiatives focusing on community development, education, healthcare, and environmental sustainability. These socially responsible initiatives not only enhanced the industry's social impact but also bolstered its reputation, showcasing a commitment to both business excellence and societal well-being.

d) Challenges Faced by the Jute Industry in the Present Day

1. **Competition from Synthetic Fibers:** Synthetic fibers and plastics are often cheaper and more widely available than jute. The challenge lies in convincing consumers, especially in price-sensitive markets, to opt for jute despite the cost difference. The industry faces constant pressure to innovate, reduce costs, and market jute products

as environmentally friendly alternatives to synthetic fibers. R&D efforts are crucial to creating new, affordable jute-based products.

2. **Fluctuating Demand:** Jute demand can be inconsistent due to changing consumer preferences, economic conditions, and government policies. Unpredictable demand affects production planning and can lead to overstocking or underutilization of resources. Jute businesses must be agile, adapting production schedules based on market signals.
3. **Technological Obsolescence:** Outdated machinery and processes hinder efficiency, affecting both production capacity and product quality. Investments in advanced technology, automation, and training are necessary but require significant capital and expertise.
4. **Labor Issues:** Skilled labor shortages and labor disputes can disrupt operations and impact productivity. Continuous training programs and initiatives to improve labor-management relations are essential. Ensuring a skilled workforce through education and skill development programs is vital for sustained growth.
5. **Market Diversification:** Over-reliance on specific products and markets makes the industry vulnerable to economic shifts. Diversifying the range of jute products (such as diversified jute textiles, handicrafts, or geo-textiles) and exploring emerging markets can reduce dependence on specific sectors and regions.
6. **Quality Control:** Maintaining consistent quality across batches is challenging due to various factors, including raw material variations and outdated machinery. Implementing stringent quality control measures, investing in testing equipment, and training staff can enhance the industry's reputation for reliability and quality.
7. **Government Policies:** Frequent changes in agricultural policies, trade tariffs, and environmental regulations can create uncertainty. Industry stakeholders must actively engage with policymakers to provide insights into the sector's needs. Being adaptable to policy changes and anticipating regulatory shifts is vital for strategic planning.
8. **Raw Material Supply:** Inconsistent or inadequate supply of raw jute affects production schedules and reliability. Developing partnerships with farmers, implementing sustainable farming practices, and establishing reliable supply chains are necessary to ensure a stable raw material supply.
9. **Global Economic Factors:** Economic downturns and geopolitical events in major export destinations can affect international trade. Businesses must closely monitor global economic trends and geopolitical developments. Diversifying export destinations and building resilient supply chains can mitigate risks associated with global economic fluctuations.

Addressing these challenges requires a collaborative effort involving industry players, government bodies, and research institutions. Continuous innovation, investments in

technology and sustainable practices, and strategic market diversification are key to the industry's future resilience and growth.

e) Future Prospects of the Jute Industry

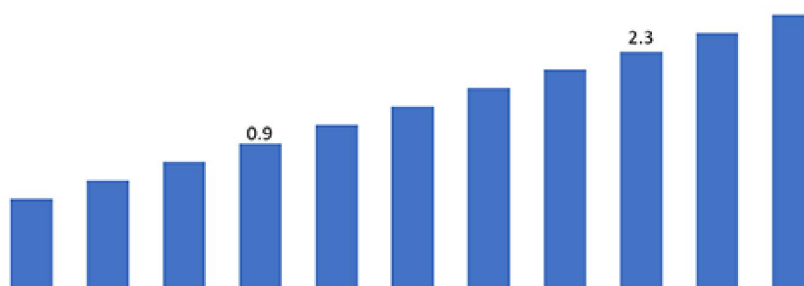
Jute Shopping Bags: The next big thing

Jute shopping bags have displayed exponentially rising demand recently. For jute manufacturers, this is the next big thing. In the future, jute shopping bags are projected to majorly replace paper shopping bags and so, it is advisable for the manufacturers to start adapting to this change. Following are the benefits of Jute shopping bags for jute manufacturers:

1. **Market Expansion, Diversification, and Revenue Generation:** The surge in demand for jute shopping bags has propelled market expansion, allowing producers to diversify their offerings to meet varying consumer needs. Increased sales and revenue provide financial stability, enabling investments in advanced technology, research, and skilled labor. These investments enhance product quality, making jute bags more appealing to consumers.
2. **Employment Opportunities and Skill Development:** The rising demand has led to significant job creation in jute cultivation, processing, and bag manufacturing sectors. Job opportunities not only provide stable incomes but also foster skill development and economic empowerment, transforming local communities, particularly in rural areas.
3. **Technological Advancements and Eco-Friendly Practices:** To meet high-quality standards, the industry is focusing on technological innovations, enhancing the durability and aesthetics of jute bags. Concurrently, the industry is adopting eco-friendly manufacturing processes, ensuring that products are not only durable but also environmentally responsible, aligning with global sustainability trends.
4. **Global Competitiveness:** The global demand for eco-friendly products has made jute shopping bags more competitive internationally.

Global Jute Bag Market

Historical Market and Forecast
USD Billion



Source: www.expertmarketresearch.com

Fashion and Lifestyle

Jute products are witnessing a renaissance in the fashion industry. Designers are increasingly incorporating jute fabrics into their collections due to their natural texture and aesthetic appeal. Jute-based apparel, handbags, and accessories are becoming fashion statements, especially among environmentally conscious consumers.

Home Décor and Furnishings

Jute's rustic charm has made it a preferred choice for home décor. Rugs, curtains, and upholstery made from jute add a touch of eco-elegance to homes. As sustainable living gains prominence, the demand for such products is escalating, creating a lucrative market niche.

Global Market Penetration

By enhancing the quality and design of jute products, India can tap into international markets. Collaborations with global retail chains, boutique stores, and e-commerce platforms can facilitate a wider reach. Customizing products based on regional preferences and trends can further bolster exports.

Jute Geotextiles: A Sustainable Engineering Marvel

- 1. Innovative Eco-Friendly Solutions:** Jute geotextiles, a subset of geosynthetic materials, are engineered using natural jute fibers. These textiles serve a pivotal role in civil engineering and environmental sustainability. Essentially, they are permeable fabrics made from jute, a long, shiny vegetable fiber spun into coarse, strong threads. Due to their biodegradability and versatility, jute geotextiles have gained prominence as a sustainable alternative in various construction and environmental projects.
- 2. Versatile Applications:** Jute geotextiles find diverse applications in civil engineering projects. They act as erosion control blankets, preventing soil erosion on slopes and riverbanks. These textiles are used in road construction to enhance soil stability, especially in hilly terrains. Additionally, they serve as effective filters in drainage systems, allowing water to pass while retaining soil particles. Their eco-friendly nature makes them particularly valuable in environmental projects like wetland restoration and coastal protection, where minimizing ecological impact is crucial.
- 3. Environmental Impact:** What sets jute geotextiles apart is their biodegradability. Unlike synthetic geotextiles, which can persist in the environment for decades, jute geotextiles naturally decompose over time, leaving no lasting ecological footprint. This characteristic aligns perfectly with sustainable construction practices, making them an attractive choice for environmentally conscious engineers and developers.
- 4. Economic and Social Benefits:** Apart from their ecological advantages, jute geotextiles also provide economic benefits. They are often produced by local artisans, supporting regional economies. Moreover, their low production cost, combined with their effectiveness, makes them an economically viable choice for large-scale infrastructure projects, especially in developing nations where cost-efficient solutions are essential.

In essence, jute geotextiles represent a harmonious blend of sustainable engineering, environmental stewardship, and economic viability, making them a vital component of modern eco-conscious construction practices.

Technological Advancements: Pioneering the Future

1. **Automation and Industry 4.0:** Over the past decade, a significant amount of technological advancement has been brought into the jute industry from the textiles industry. Around INR 2000 crores has been spent on this process. Integration of automation, IoT devices, and data analytics into jute manufacturing processes leads to increased efficiency and reduced wastage. Smart factories equipped with real-time monitoring systems enhance production, ensuring timely delivery and customer satisfaction.
2. **Digital Printing and Customization:** Digital printing technologies enable intricate and customizable designs on jute products. This personalization capability caters to niche markets and specific client demands, fostering customer loyalty and market expansion.
3. **Biotechnology and Genetic Modification:** Research in biotechnology can lead to genetically modified jute plants that are disease-resistant and yield higher-quality fibers. This can significantly improve the raw material quality, ensuring consistent product standards.

Embracing these advancements and capitalizing on the rising global demand can position India's jute industry as a frontrunner in sustainable solutions, fashion, and technology, creating a thriving, eco-conscious economy for the nation.

INTERVIEW WITH MR. RAGHAVENDRA GUPTA

*Chairman, Indian Jute Mills Association (IJMA)
CEO, Hooghly Group of Jute Mills*



Q. The Jute industry has existed for over 175 years. What according to you are the four cornerstones of the industry that define its survival and evolution?

Ans:

1. **Jute is the only bast fiber available in such quantities**, making packaging products which are environmentally friendly, reusable, and sustainable. Since the world is looking at sustainable packaging solutions, the demand for jute products is set to increase going forward.
2. **The enactment of the jute packaging act and its continuity:** due to the onslaught of cheaper synthetic materials, the demand for jute products witnessed a sharp decline in the 1980s. For the protection of the jute industry, its workers, and its farmers, the govt of India promulgated the Jute Packaging Materials act in 1987, thereby providing an assured market for jute products by mandating certain classes of commodities to be packed in jute bags. The act continues to be enforced till date and provides almost 70% of the market for jute products in India.
3. **Technological advancements in jute mills over the last decade**, thereby making the Indian jute industry more competitive against their counterparts in Bangladesh. Almost 2000 crores of investments have been made in modernizing jute mills in India by adopting various technologies from the textiles sector thereby reducing the industry's dependence on labor requirements and higher-grade raw material.
4. **Product development:** emergence of jute diversified products such as shopping bags, floor mattings, and jute geotextiles.

Q. What is the kind of growth that you see in the overall market for jute goods hereon?

Ans:

This is an industry where there is no linear growth. The size of the industry is limited by:

1. **Raw jute availability.**
2. **Markets for jute products**, as the upfront cost of jute bags is much higher than synthetics.

Q. What are the changes required to facilitate this growth?

Ans:

We need:

1. **Growth in agriculture**, which can only be brought by high yielding variety of seeds as cultivation area cannot particularly increase.
2. **Developed markets for an additional 5-7 lakh metric tons** to make it into a 20-lakh metric ton industry. There has to be a global change in consumer behavior to move to sustainable packaging solutions and forgo synthetic material.

Q. Is the Indian Jute industry ready for this growth?

Ans:

Aided by technological innovations and modernization of mills, there is ample scope for increasing the jute goods market in India.

Q. What is the kind of support that the industry is seeking from the government to enable this growth?

Ans:

1. **Efforts have to be made and funding needs to be increased for R&D** both, for the technology part as well as product development. Unless there is a shift to new cutting-edge technology for jute processing machinery or new diversified products where usage of jute can increase, there cannot be a linear growth at the industry stage. The industry seeks government funding on R&D projects for this sector.
2. **Continuity of Jute Packaging Materials Act (JPMA)** is essential for the industry's survival.
3. **New markets** need to be developed.

Q. What are the potential risks that could hinder the growth or even cause a decline?

Ans:

1. **Dilution of the JPMA** would be a huge deterrent that can cause a significant decline of the sector.
2. **Decline in agriculture for raw jute**, which is likely if farmers do not get fair prices for cultivation as they can easily shift to other crops.

Q. Are we technologically at par with countries around the globe?

Ans:

India is in fact much more modernized than its counterparts and even our products are more diversified than other countries.

Q. What are the other factors that make India the leading Jute producing country in the world?

Ans:

The crop size is limited in Bangladesh because of limited area. India has more area for cultivation. India has a jute production of 15 lakh metric tons annually whereas Bangladesh's production stands at 9 lakh metric tons annually.

CONCLUSION

The Jute Industry of India, rooted in its historical significance since 1855, has been a vital force in the nation's economic tapestry. From its origins in West Bengal, this industry has not only provided crucial employment to hundreds of thousands of industrial workers and farmers but has also been a significant contributor to India's economy through foreign exchange generated by exports. Over the years, the industry has faced challenges such as fluctuating demand, competition from synthetic fibers, and environmental concerns related to chemical use and water consumption.

However, amidst these challenges, the industry has displayed resilience and adaptability. The liberalization policies of 1991 ushered in a new era, offering beneficial schemes that boosted exports, provided easier access to credit, encouraged research and development, and streamlined customs requirements. Despite these positive changes, hurdles like technological lag, unstable raw material supply, and limited market diversification persisted.

Looking forward, the Jute Industry is on the cusp of a transformative period. The advent of Jute Geotextiles, with their eco-friendly properties and versatility, opens doors to innovative applications. These geotextiles find applications in soil erosion control, infrastructure development, and landscaping, positioning jute as a sustainable choice in the construction and environmental sectors. Simultaneously, the fashion and furnishing industries are recognizing jute's appeal, aligning with the global shift towards sustainable lifestyles. This growing demand not only diversifies the market but also presents an opportunity for the industry to reinvent itself.

To harness these opportunities, the Indian Jute Industry must invest in research and development, fostering innovation and improving product quality. Collaborations with educational institutions and research centers can drive technological advancements, addressing the industry's historical technological gaps. Moreover, sustainable practices and eco-friendly certifications can enhance the industry's image, appealing to environmentally conscious consumers globally.

Furthermore, strategic partnerships and collaborations with international counterparts can facilitate knowledge exchange, allowing the Indian Jute Industry to tap into global best practices and emerging trends. Market diversification efforts, focusing on both domestic and international markets, can reduce dependence on specific products and regions, ensuring stability in the face of fluctuating demand.

In conclusion, by embracing technological innovation, sustainability, and global collaboration, the Indian Jute Industry can navigate the challenges and seize the opportunities that lie ahead. With a proactive approach, this industry can not only preserve its historical significance but also emerge as a dynamic and powerful player in India's evolving economic landscape, contributing significantly to the nation's progress while setting an example for sustainable industrial practices globally.

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