

**THE JUTE INDUSTRY IN INDIA: EXPORTS AND PRODUCT  
DIVERSIFICATION**

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## **ABSTRACT**

Jute is a valued natural fibre with exceptional characteristics and long standing end-use applications. It played an even stronger role in the post second world war recovery and growth with traditional end-uses such as sacking, hessian and carpet backing requiring larger volumes. Increasing production was, in fact, unable to meet the needs of rapidly expanding demand, resulting in shortages and for which manufacturers of synthetic substitutes were able to compete with a far larger potential capacity, budgets for promotion and lower prices. The demand for jute in export markets for the traditional products declined in the face of this competition.

In the longer term there are known potential markets for substantial quantities of jute in plastic composites, of higher value fabrics in apparel and household furnishings, in niche market applications and others that are yet to be developed.

This paper attempts to study the export pattern of the jute industry in India and the role of product diversification in improving the exports. It also outlines how India's jute industry is different from that of Bangladesh and compare the export pattern of both the countries.