

# **CHAPTER -VI**

## **JUTE MARKETING NETWORK IN NORTH BENGAL**

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## 6.1 Introduction

The comprehensive scope of marketing of a commodity is considered to be one of the important ingredients of the production process itself. The movement of the agricultural commodities from the place of production to the house of consumer in adequate quantities at a minimum incidental cost and at a reasonable margin of profit to the trader encompasses all the chief characteristics of an efficient marketing system (Sing & Pandey, 2005) The economy of North Bengal is growing in the sense of increased production and marketing facilities. Efficiency should be attained not only in production activities but also in marketing of produces. Efficient marketing plays an important role in the development of farm economy. Jute is principal cash crop in North Bengal which is grown in the vast areas of Coochbehar, Jalpaiguri, Uttar Dinajpur, Dakshin Dinajpur and Malda district. Marketing of this crop plays a significant role in shaping the economy of the region.

The main functionaries involved in marketing of jute in the region are local small traders, farias, aratdars and jute balers. Farias and small traders purchase jute from growers in the primary market. Then they sell jute to aratdars. Aratdars sell to balers and from balers it reaches ultimately to jute mill in Calcutta. Most of the jute produce in this area is marketed through unorganised marketing system. The unorganised marketing system prevents these producers from the benefit of favourable price fluctuations in the primary market. The jute growers of the region have got little effective control over marketing of their produce. Traders especially farias are the main functionaries in the primary market. They dominate the market and ignore the interest of jute producer. Most of the farmers sell their produce just after harvest. Only small numbers of jute growers retain jute for post harvest sale to get the advantage of higher price. The existence of long chain of middlemen and imperfection of market as discussed earlier (Chapter-V), jute growers of North Bengal are suffering and deprived of getting remunerative price.

Hence, it was found necessary to investigate the prevalent marketing system, channels of marketing, marketing costs and margins, price spread and marketing efficiency of jute in the region. These analyses are of vital importance because the net returns realized by the producers determine to a great extent the choice of the channel and the place where they

should sell their produce. The present study seeks to make a modest attempt to identify major marketing intermediaries, marketing channels, marketing costs and margins, price spreads, producer's share in consumer (jute mill) rupee, efficiency of marketing channels and the constraints of the jute marketing in the selected villages of Dinhata-II block of Coochbehar district.

## **6.2 General characteristics of sample farmers**

The general characteristics of farmers defined in terms of holding size, family size, income, age group and literacy level are presented in tables 6.1, 6.2 and 6.3. Land holding pattern is a feature basic to understanding the economy of the sample farmers depending primarily on agriculture for livelihood. Table-6.1 throws light on this aspect among the other things. Farmers of the study area are classified broadly in three categories according to land holding viz. small (up to 1 hectare), medium (1 hectare to 2 hectares) and large (above 2 hectares). In the study area among the 260 farmers 53.24 percent that is 191 farmers belong to small holding category, 18.46 percent that is 48 farmers belong to medium holding category and 8.08 percent that is 21 farmers belong to large holding category. It can be seen from the table-6.1 that average land holding size of the sample farmers are 0.57 hectare, 1.23 hectares and 2.31 hectares in small, medium and large category respectively. Average size of holding increases as the farm size increases. Table 6.1 reveals that the average family size of the sample farmers is 5.5, 6.41 and 9 in small, medium and large farms respectively. Again the average yearly household income varied from Rs.44463.00 in small farmer's category, Rs.73229.00 in medium farmer's category and Rs.88333.00 in large farmer's category (table-6.1). Table-6.2 depicts the literacy level of family members of the sample farmers. Among the all sample household members of small farm category, 72.48 percent farmers are literate and 27.52 percent are illiterate. In the case of medium and large farm category literacy levels are 68.83 percent and 64.55 percent respectively. The details of age of sample farmers are described in table-6.3. The table shows that 21.92 percent of sample farmers belong to below the 40 years of age. 42.69 percent comes under 40 years to 60 years of age group and remaining 35.39 percent belongs to above the 60 years of age. It is observed that highest number of sample farmers come under 40 years to 60 years of age group.

**Table-6.1: General characteristics of sample farmers**

Particulars	Small	Medium	Large	Total
Total no of Sample Farmer	191 (53.24)	48 (18.46)	21 (8.08)	260 (100)
Average Holding Size(ha)	0.57	1.23	2.31	--
Average Family Size	5.5	6.41	9	--
Yearly Average Income (Rs.)	44463	73229	88333	--

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

**Table-6.2: Distribution of literacy level among the sample farmers family members**

Literacy Level	Small	Medium	Large
Literate Family Member	761 (72.48)	212 (68.83)	122 (64.55)
Illiterate Family Member	289 (27.52)	96 (31.16)	67 (35.45)
Total Family Member	1050 (100)	308 (100)	189 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

**Table-6.3: Age group wise distribution of sample farmers**

Age Group	Small	Medium	Large	All Category
Below 40 Years	46 (24.08)	10 (20.83)	1 (4.76)	57 (21.92)
40-60 Years	85 (44.50)	22 (45.83)	4 (19.05)	111 (42.69)
Above 60 Years	60 (31.42)	16 (33.33)	16 (76.19)	92 (35.39)
Total	191 (100)	48 (100)	21 (100)	260 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

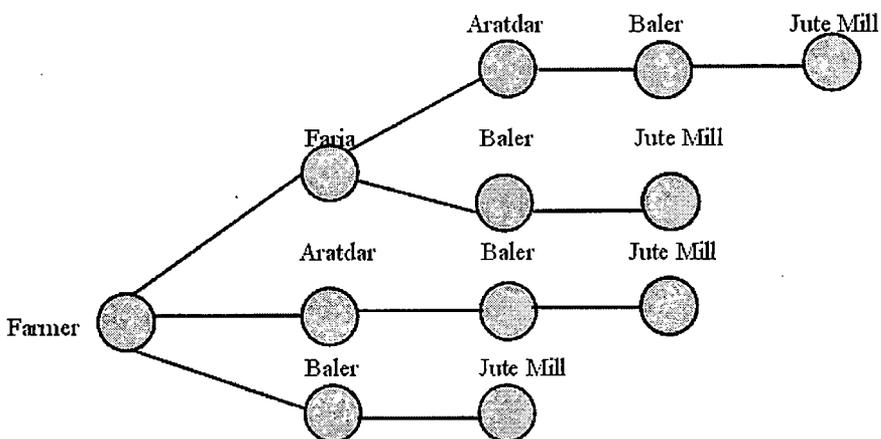
### 6.3 Marketing intermediaries and channel structure

In the present study it is observed from the selected villages of Dinhata –II block of Coochbehar district that farias, aratdars and balers are the dominant intermediaries in the marketing of raw jute by which jute reaches to consuming point at jute mills. Though JCI (Jute Corporation of India) and co-operative societies are also one of the functionaries in the jute marketing process but no sample farmers sell their produce to JCI and co-operative societies in the study area and maximum number of sample farmers have not heard the name of any cooperative society and also no cooperative society really purchase jute from the farmers.

From the survey conducted in study area it is observed that marketing of jute from the producer to consumer (Jute Mill) is done mainly through following four channels.

- Channel I Farmer - Faria - Aratdar - Baler - Jute Mills
- Channel II Farmer - Faria - Baler - Jute Mill
- Channel III Farmer - Aratdar - Baler - Jute Mill
- Channel IV Farmer - Baler - Jute Mill

Jute Marketing channels are exhibited in tree diagram 6.1



**Tree Diagram 6.1**

Table-6.4 shows channel-wise and different farm size wise distribution of sample farmers in the study area. It is observed from the table-6.4 that 71.72 percent of total farmers have followed marketing channel-I that is sold through faria, aratdar, baler and jute miller. This can be stated that marketing channel-I is the commonest channel followed by farmers. Then 15.77 percent farmers have followed marketing channel-II that is sold

through faria, baler and ultimately to jute mill. Next channel is the marketing channel-IV that is sold through baler and jute mill which is followed by 6.54 percent of the farmers. The remaining 5.77 percent of farmers follow marketing channel-III that is sold through aratdar, baler and jute mill. Table- 6.4 further describes the percentage of different categories of farmers who have followed different marketing channels. The table states that under the small category farmers 79.58 percent farmers follow channel-I, 19.38 percent farmers follow channel-II and very negligible percent follow channel-III and channel-IV. Again in the case of medium category farmers 62.50 percent follow channel-I and 25.00 percent follow channel-III. Under large category farmers 23.81 percent follow channel-I and 61.91 percent follow channel-IV. From table- 6.4 it is clear that maximum numbers of small and medium farmers have sold jute through channel-I and a major portion of large farmers have sold jute through channel-IV.

It is observed that sample farmers have sold different quantity of jute through different marketing channels. Table-6.5 depicts the quantity-wise pattern of disposal of jute through different marketing channels. From table- 6.5 it is clear that highest quantity that is 67.78 percent of total produce of the sample farmers is sold through channel-I followed by channel-II (13.97 percent), channel-III (9.25percent) and channel-IV (9.00 percent). It is clear that channel-I is most important channel through which major portion of raw jute is being marketed.

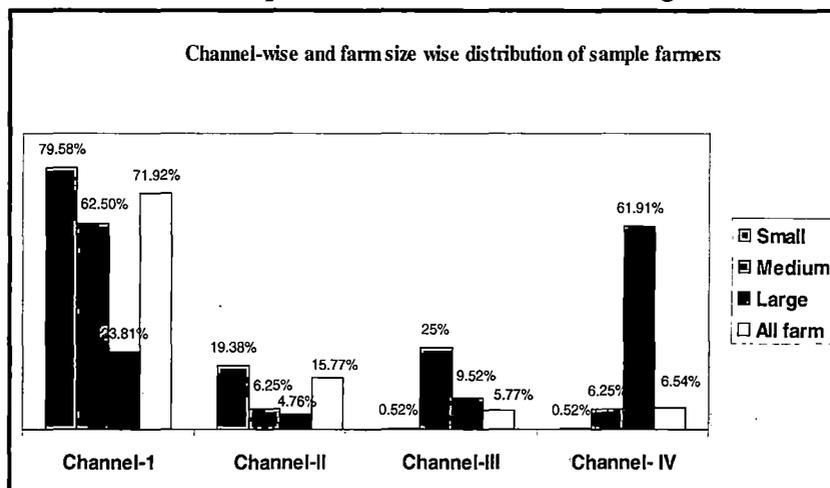
**Table-6.4: Channel-wise and different farm size wise distribution of sample farmers**

Farm Size	Channel-I	Channel-II	Channel-III	Channel- IV	Total
Small	152 (79.58)	37 (19.38)	1 (0.52)	1 (0.52)	191 (100)
Medium	30 (62.50)	3 (6.25)	12 (25.00)	3 (6.25)	48 (100)
Large	5 (23.81)	1 (4.76)	2 (9.52)	13 (61.91)	21 (100)
All farm	187 (71.92)	41 (15.77)	15 (5.77)	17 (6.54)	260 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Table 6.4 is represented in the form of bar diagram 6.1



**Bar diagram 6.1**

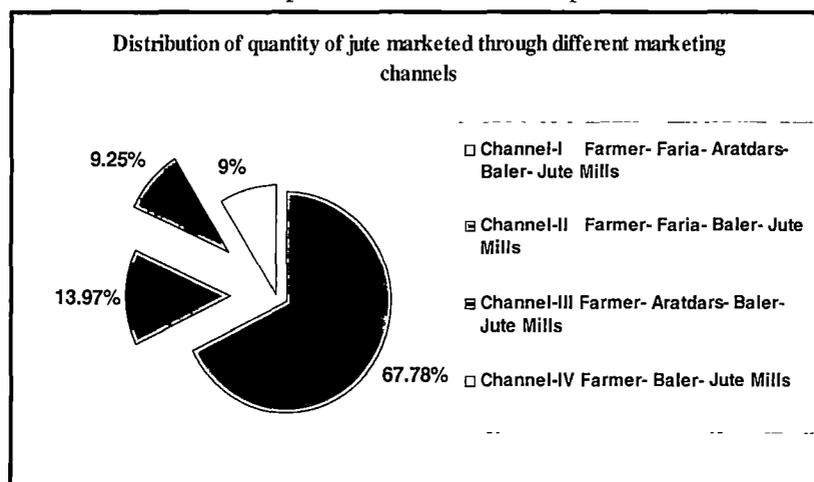
**Table-6.5: Distribution of quantity of jute marketed through different marketing channels (Quintals)**

Particulars	Quantity Marketed
Channel-I Farmer- Faria- Aratdars- Baler- Jute Mill	2087.6 (67.78)
Channel-II Farmer- Faria- Baler- Jute Mill	430.3 (13.97)
Channel-III Farmer- Aratdars- Baler- Jute Mill	284.8 (9.25)
Channel-IV Farmer- Baler- Jute Mill	277.3 (9.00)
Total	3080 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Table 6.5 is represented in the form of pie-chart 6.1



**Pie-chart 6.1**

## 6.4 Place of sale

In marketing of jute farmers generally sell their produces in two different places. These places are primary village market or in doorstep of farmers and secondary market. In the study area it has been observed that a major portion of the jute growers have sold their produces in the village primary market or their doorstep. The disposal pattern of jute by different category of farmers at different places is stated in the table-6.6. The table-6.6 shows that among the all farm category 91.54 percent of growers have sold their produce in the primary village market and remaining 8.46 percent have sold through secondary market. Most of small category of farmers (98.48 percent) have sold their produce in the village primary market. Same fact is happened in the case of medium category of farmers, more than 80 percent of them have sold their produce in the primary village market (table-6.6). But a major portion of large category farmers near about 61 percent of them have sold jute in secondary market.

Again most of jute grown by the sample farmers in the study area is disposed by the growers at the primary village market and a very negligible percent of produce is sold through doorstep of the farmers. Table-6.7 shows the quantity of jute sold by different category of farmers at different places. A maximum quantity (99 percent) of jute produced by small category farms is disposed through primary village market. About 82 percent of the jute produced by medium category of farms is sold through village primary market. On the other side about 58 percent of jute produced by large category farms is sold through secondary market (table-6.7).

**Table-6.6: Category-wise number of farmers disposed jute in different places.**

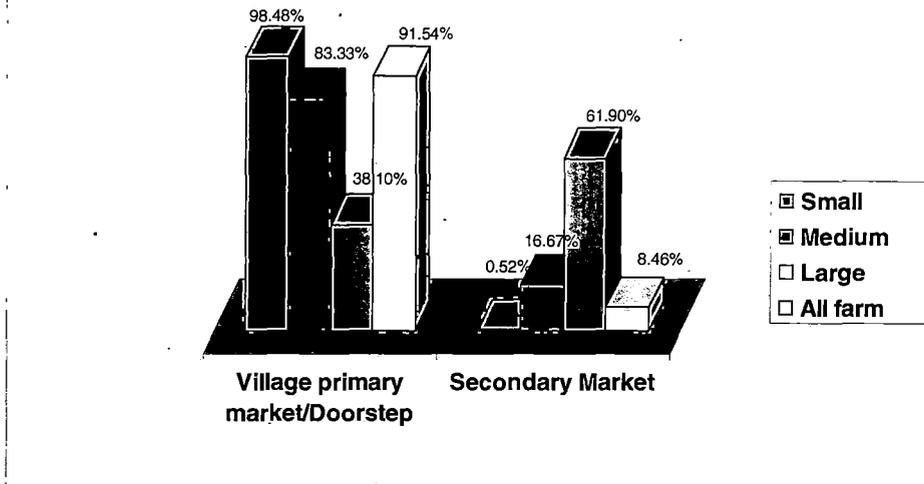
Places of Sale	Farm Size			
	Small	Medium	Large	All farm
Village Primary Market/ Doorstep	190 (98.48)	40 (83.33)	8 (38.10)	238 (91.54)
Secondary Market	1 (0.52)	8 (16.67)	13 (61.90)	22 (8.46)
Total	191 (100)	48 (100)	21 (100)	260 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Jute disposal pattern is being exhibited in diagram 6.2

Category-wise number of farmers disposed jute through different places



Bar Diagram 6.2

Table-6.7: Category-wise quantity of jute disposed in different places

(Quintals)

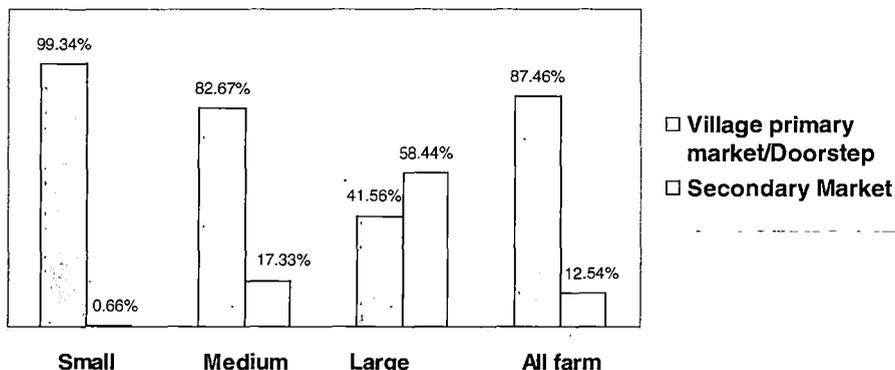
Places of Sale	Farm Size			
	Small	Medium	Large	All farm
Village Primary Market/Doorstep	1805.70 (99.34)	731.20 (82.67)	157 (41.56)	2693.90 (87.46)
Secondary Market	12 (0.66)	153.3 (17.33)	220.80 (58.44)	386.10 (12.54)
Total	1817.70 (100)	884.50 (100)	377.8 (100)	3080 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Table- 6.7 is exhibited in bar diagram 6.3

Category-wise quantity of jute disposed through different places



Bar diagram 6.3

## 6.5 Intermediaries in selling jute

Intermediaries are the important aspect in the distribution process. Different marketing channels of jute consist of different chain of intermediaries, as this has been discussed in the paragraph 6.3. From the field survey it has been observed that sample farmers have sold their produces through various intermediaries. These intermediaries are farias, aratdar and jute baler. Table-6.8 shows category wise number of farmers who have disposed jute through different intermediaries. From the table-6.8 it is obvious that most of the sample farmers (87.69 percent) of all categories have sold their output through farias followed by balers and aratdars. It has been described categorically in table-6.8 that most of the small and medium category farmers have sold jute through farias whereas a major portion (about 61.90 percent) of large farmers prefer to sell their output through balers. Form the above discussion it is clear that farias are the dominant intermediaries in jute marketing process. On other hand, table-6.9 shows the quantity of jute disposed by different category of farmers to different intermediaries. A maximum quantity (81.75 percent) of jute produced by sample farmers is sold to farias followed by aratdars and balers. Again table-6.9 describes categorically that small and medium farmers have sold their major portion of output through farias but large farmers have preferred to sell their maximum quantity of output through balers.

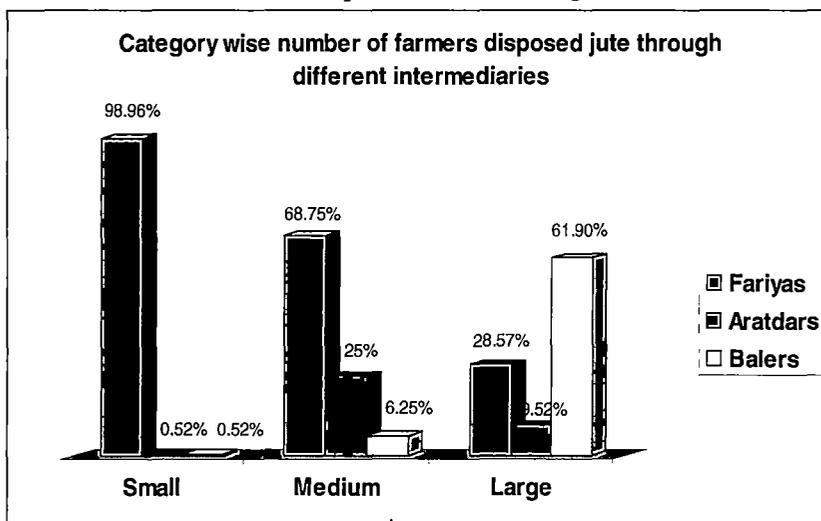
**Table-6.8: Category wise number of farmers disposed jute through different intermediaries**

Farm Size	Farias	Aratdars	Balers	Total
Small	189 (98.96)	1 (0.52)	1 (0.52)	191 (100)
Medium	33 (68.75)	12 (25)	3 (6.25)	48 (100)
Large	6 (28.57)	2 (9.52)	13 (61.90)	21 (100)
All category	228 (87.69)	15 (5.77)	17 (6.54)	260 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Table- 6.8 is represented in bar diagram 6.4



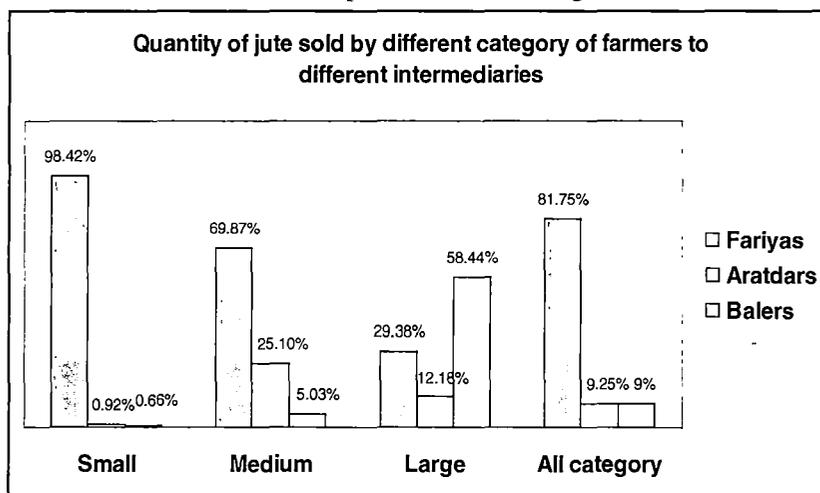
Bar diagram 6.4

Table-6.9: Quantity of jute sold by different category of farmers to different intermediaries (Quintals)

Farm Size	Intermediaries			Total
	Fariyas	Aratdars	Balers	
Small	1788.90 (98.42)	16.80 (0.92)	12 (0.66)	1817.70 (100)
Medium	618 (69.87)	222 (25.10)	44.50 (5.03)	884.50 (100)
Large	111 (29.38)	46 (12.18)	220.8 (58.44)	377.80 (100)
All category	2517.90 (81.75)	284.80 (9.25)	277.30 (9.00)	3080 (100)

(Figure in the parentheses indicate percentages to the total  
Source: Computed from data collected from field survey

Table- 6.9 is represented in bar diagram 6.5



Bar diagram 6.5

## 6.6 Seasonal pattern of marketing

The Jute crop is usually sown at the end of April and May and is being harvested between August - September. As such a major portion of jute arrivals reaches the market during the period between September and December. The peak period of marketing of jute is thus October to December (Prasad, 2005). In the present study jute marketing season has been divided in two periods namely peak period and post harvest period. Peak period starts from September to December and post harvest period starts from January and continue up to April. The table-6.10 demonstrates the pattern of disposal of jute by different category of farmers to different seasons. Table- 6.10 shows that 76 percent of total sample farmers have disposed their produce during peak period and remaining 24 percent farmers have sold in post harvest period. Table- 6.10 again describes categorically that 85.86 percent small farmers, 52.08 percent medium farmers and 42.86 percent large farmers have sold their produce in peak period where as 14.14 percent small farmers, 47.92 percent medium farmers and 57.14 percent large farmers have sold their produce in post harvest period. From the above discussion it can be said that most of the sample farmers prefer to sell their produce in peak period.

Table-6.11 represents the quantity of jute disposed by different category of farmers in different seasons. This table shows that about 68 percent of total quantities produced by sample farmers are disposed in peak season. Again the table-6.11 categorically describes that 79.82 percent produce of small farmers and 53.93 percent produce of medium farmers are sold in peak period whereas 54.16 percent produce of large farmers are sold in post harvest period.

Jute is an annual crop, harvested once in a year and consumed throughout the year. So storage of the crop must ensure the inter-temporal allocation of supplies. It is to be expected, therefore, that prices of the crop will normally be varied in different times throughout the year. The monthly price behaviour of jute is expected to allow a regular pattern reflecting seasonality in marketing of the crop. Table-6.12 states that the pattern of price received by the producers from different intermediaries in peak period and post harvest period. From table- 6.12 it is clear that all categories of sample farmers have got the higher price per quintal of their produce in peak period of marketing and lesser price

in post harvest period because in the year of study (2010-11) the price of jute declined in post harvest period.

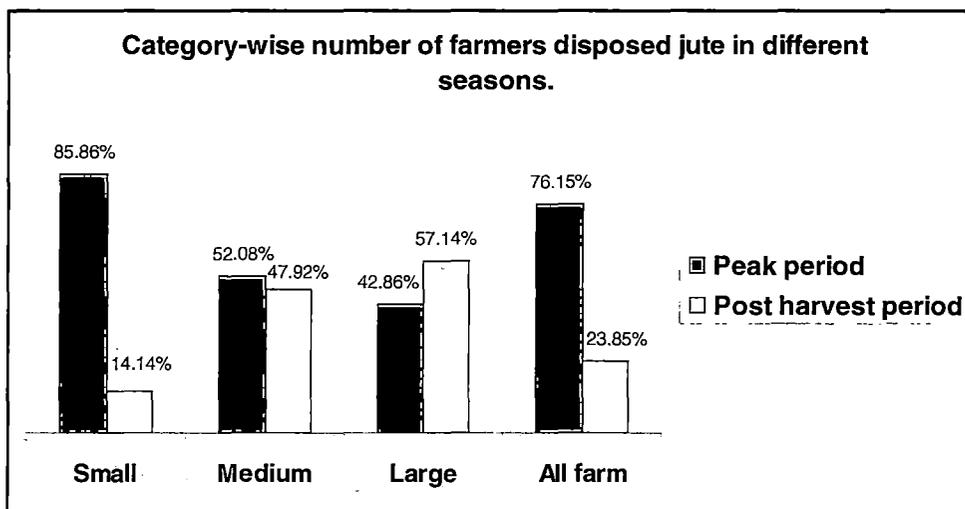
**Table-6.10: Category-wise number of farmers disposed jute in different seasons**

Season of Sale	Farm Size			
	Small	Medium	Large	All farm
Peak Period	164 (85.86)	25 (52.08)	9 (42.86)	198 (76.15)
Post Harvest Period	27 (14.14)	23 (47.92)	12 (57.14)	62 (23.85)
Total	191 (100)	48 (100)	21 (100)	260 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Table 6.10 is represented in bar diagram 6.6



**Bar diagram 6.6**

**Table-6.11: Category-wise quantity of jute disposed in different seasons**

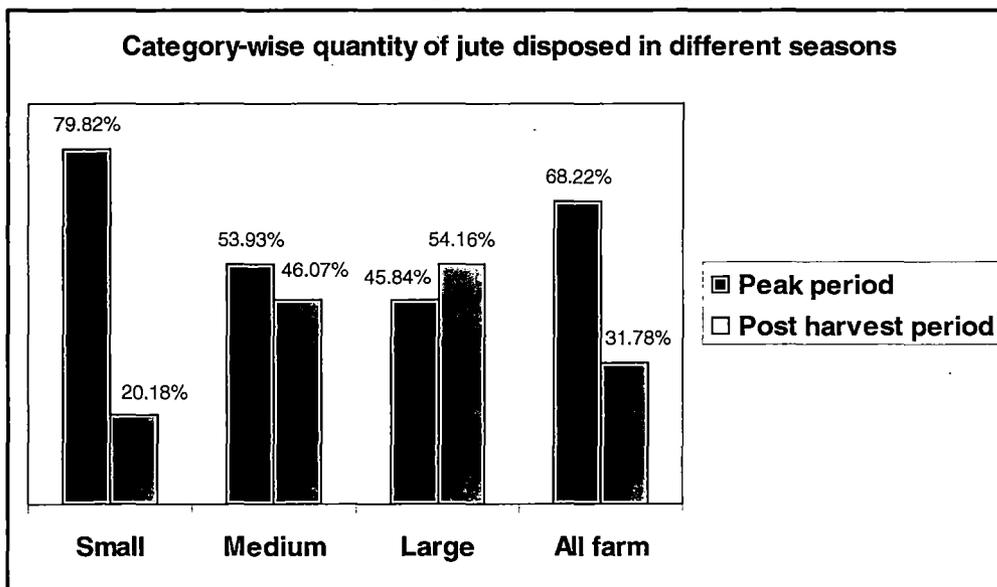
(Quantity)

Season of Sale	Farm Size			
	Small	Medium	Large	All farm
Peak Period	1450.9 (79.82)	477 (53.93)	173.2 (45.84)	2101.1 (68.22)
Post Harvest Period	366.8 (20.18)	407.5 (46.07)	204.6 (54.16)	978.9 (31.78)
Total	1817.7 (100)	884.5 (100)	377.8 (100)	3080 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Table- 6.11 is represented in bar diagram 6.7



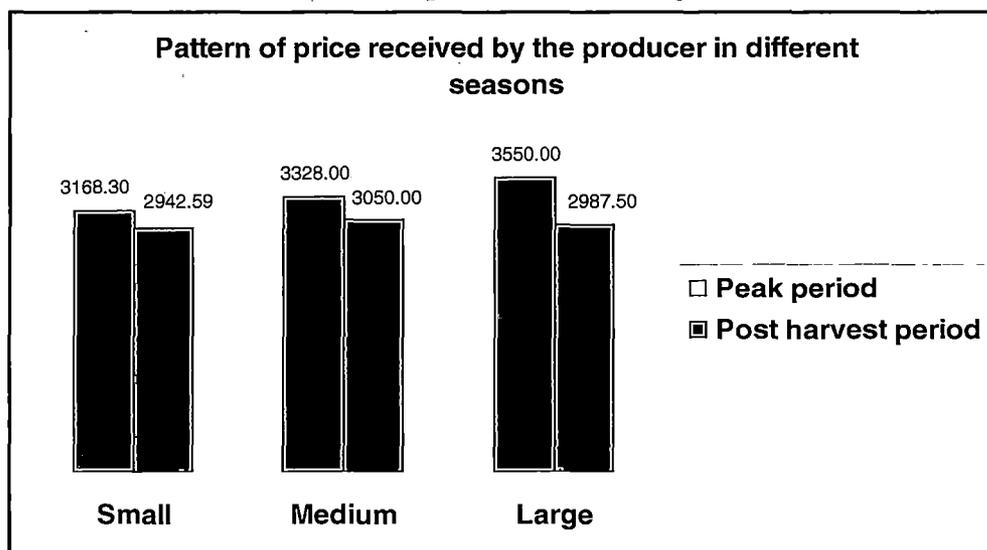
**Bar diagram 6.7**

**Table-6.12: Pattern of price received by the producer in different seasons**  
(Rs/quintals)

Farm Size	Price Received	
	Peak Period	Post Harvest Period
Small	3168.30	2942.59
Medium	3328.00	3050.00
Large	3550.00	2987.50

Source: Computed from data collected from field survey, 2010-11

Table- 6.12 is represented in bar diagram 6.8



**Bar diagram 6.8**

**Table- 6.13:Pattern of price received by the producers from different intermediaries in peak period and post harvest period.** (Rs./quintal)

Category	Intermediaries					
	Faria		Aratdar		Baler	
	Peak Period	Post Harvest Period	Peak Period	Post Harvest Period	Peak Period	Post Harvest Period
Small Farmer	3163.58	2942.59	3550	--	3550	--
Medium	3276.19	2933.33	3583.33	3188.88	3650	3125
Large	3300	2870	2950	2800	3671.42	3116.66

Source: Computed from data collected from field survey, 2010-11

## 6.7 Marketing cost and margin

Marketing costs are the expenses incurred in bringing the produce from the farm gate to market or from the point of purchase to the point of selling. In marketing of jute various marketing costs are incurred by farmers as well as different intermediaries. These costs are generally assembling cost, binding cost, loading/unloading cost, storage cost, transportation cost, weighment cost and miscellaneous cost including the personal expenses incurred by the farmers and intermediaries during their stay in the market to sell their produce. In the present study an analysis has been made with components of marketing cost incurred by the channel members.

Table-6.14 represents item-wise per quintal cost of marketing incurred by producer farmers in different marketing channels. The table shows that producer farmers have incurred marketing cost of Rs.125.60, Rs.126.68, Rs.140.89 and Rs.144.68 in marketing channel-I, channel-II, channel-III and channel-IV respectively. Cost of assembling and binding, cost of transportation and storage are the most vital cost which constitutes about 85 percent of total marketing cost. It is observed from the table that per quintal cost of marketing incurred by farmer in channel-III and channel-IV is higher compared to channel-I and channel-II. Because in channel III and IV the farmers sell their produces to

aratdars and balers in the secondary market so they have to incur more transportation cost compared to other two channels. This transportation cost depends on the distance from village to market where produce is brought for sale. Most of the sample farmers sell their produce in the village primary market and they save the transportation cost.

Distribution of marketing cost among various marketing intermediaries is very important for improving the efficiencies of marketing system (Sharma and Pant, 2006). The distribution of per quintal cost of marketing incurred by various intermediaries in different channels is presented in table-6.15, 6.16 and 6.17. Per quintal cost of marketing incurred by faria is Rs.22.47 and Rs.29.40 in channel-I and channel-II respectively (table-6.15). Farias spend lesser marketing cost compared to other marketing intermediaries. The marketing costs borne by the aratdars are Rs.66.16 and Rs.62.00 in channel-I and channel-III respectively. Aratdars spend about 85 percent of their marketing cost in transportation, commission and storage (table-6.16). Per quintal cost of marketing of jute baler in different channels is presented in table-6.17. The marketing costs incurred by them in different channels are Rs.164.15, Rs.163.87, Rs.163.2 and Rs. 147.41 respectively. Among the other expenditures, contribution of transportation cost is more than 45 percent in all channels (table-6.17). The table-6.17 depicts that balers do not bear commission charge in channel-I, channel-III and channel-IV because jute is not purchased directly from faria. Only in channel-II they have to give commission to faria.

Table-6.18 shows channel wise distribution of total marketing cost (per quintal) in different marketing channels. It is seen from the table-6.18 that total per quintal cost of marketing incurred by all intermediaries, are Rs.378.38, Rs.319.95, Rs.366.09 and Rs.292.09 in channel-I, channel-II, channel-III and channel-IV respectively. Among all channels, total per quintal cost of marketing is high in channel-I and low in channel-IV because channel-I constitutes highest number of intermediaries compared to channel-IV which constitutes the lowest number of intermediaries.

**Table-6.14: Item-wise cost of marketing incurred by producer farmer in different marketing channels**  
(Rs./quintals)

Sl. No.	Particulars	Channel-I	Channel-II	Channel-III	Channel-IV
1.	Cost of assembling and binding (Rs/q)	37.37 (29.75)	33.68 (26.58)	33.66 (23.89)	35.88 (24.80)
2.	Transportation cost (Rs/q)	37.08 (29.52)	35.12 (27.72)	55.33 (39.27)	56.47 (39.03)
3.	Market fee (Rs/q)	2.79 (2.22)	3.09 (2.43)	2.93 (2.07)	3.44 (2.37)
4.	Storage cost (Rs/q)	33.47 (26.64)	39.88 (31.48)	35.33 (25.07)	37.06 (25.61)
5.	Weighting charges (Rs/q)	5.84 (4.64)	5.96 (4.70)	5.97 (4.23)	5.65 (3.91)
6.	Miscellaneous expenses Rs/q)	9.05 (7.20)	8.95 (7.06)	7.67 (5.44)	6.18 (4.27)
7.	Total	125.60 (100)	126.68 (100)	140.89 (100)	144.68 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

**Table-6.15: Item-wise marketing cost incurred by faria in different marketing channels**  
(Rs./quintals)

Sl. No.	Particulars	Channel-I	Channel-II	Channel-III	Channel-IV
1.	Transportation cost	6.90 (30.71)	7.56 (25.71)	--	--
2.	Loading/Unloading charge	1.39 (6.19)	1.58 (5.37)	--	--
3.	Market fee	4.07 (18.11)	4.06 (13.81)	--	--
4.	Storage cost	3.56 (15.84)	8.82 (30.00)	--	--
5.	Miscellaneous expenses	6.55 (29.15)	7.38 (25.10)	--	--
6.	Total	22.47 (100)	29.40 (100)	--	--

Source: Computed from data collected from field survey, 2010-11

**Table-6.16: Item-wise marketing cost incurred by aratdar in different marketing channels** (Rs./quintals)

Sl. No	Particulars	Channel-I	Channel-II	Channel-III	Channel-IV
1.	Transportation cost	24.13 (36.47)	--	20.23 (32.63)	--
2.	Loading/Unloading charge	3.88 (5.87)	--	3.53 (5.69)	--
3.	Commission charges	14.69 (22.20)	--	15.00 (24.19)	--
4.	Storage cost	18.15 (27.43)	--	18.00 (29.03)	--
5.	Miscellaneous expenses	5.31 (8.03)	--	5.24 (8.46)	--
6.	Total	66.16 (100)	--	62.00 (100)	--

Source: Computed from data collected from field survey, 2010-11

**Table-6.17: Item-wise marketing cost incurred by baler in different marketing channels** (Rs./quintals)

Sl. No.	Particulars	Channel-I	Channel-II	Channel-III	Channel-IV
1.	Cost of grading	12.00 (7.31)	11.56 (7.05)	11.9 (7.29)	10.6 (7.19)
2.	Cost of baling	7.40 (4.51)	6.48 (3.95)	7.28 (4.46)	7.48 (5.07)
3.	Transportation charges	79.16 (48.22)	75.16 (45.88)	78.35 (48.00)	71.43 (48.46)
4.	Loading/Unloading charges	2.36 (1.44)	2.20 (1.34)	2.30 (1.41)	2.45 (1.66)
5.	Storage charges	20.15 (12.28)	17.30 (10.56)	22 (13.48)	18.22 (12.36)
6.	Market fees	9.33 (5.68)	9.20 (5.61)	9.18 (5.63)	9.58 (6.50)
7.	Commission	--	12.30 (7.51)	--	--
8.	Brokerage	28.25 (17.21)	25.37 (15.48)	27.84 (17.06)	23.83 (16.17)
9.	Miscellaneous cost	5.5 (3.35)	4.30 (2.62)	4.35 (2.67)	3.82 (2.59)
10.	Total	164.15 (100)	163.87 (100)	163.2 (100)	147.41 (100)

Source: Computed from data collected from field survey, 2010-11

**Table-6.18: Channel-wise distribution of total marketing cost**

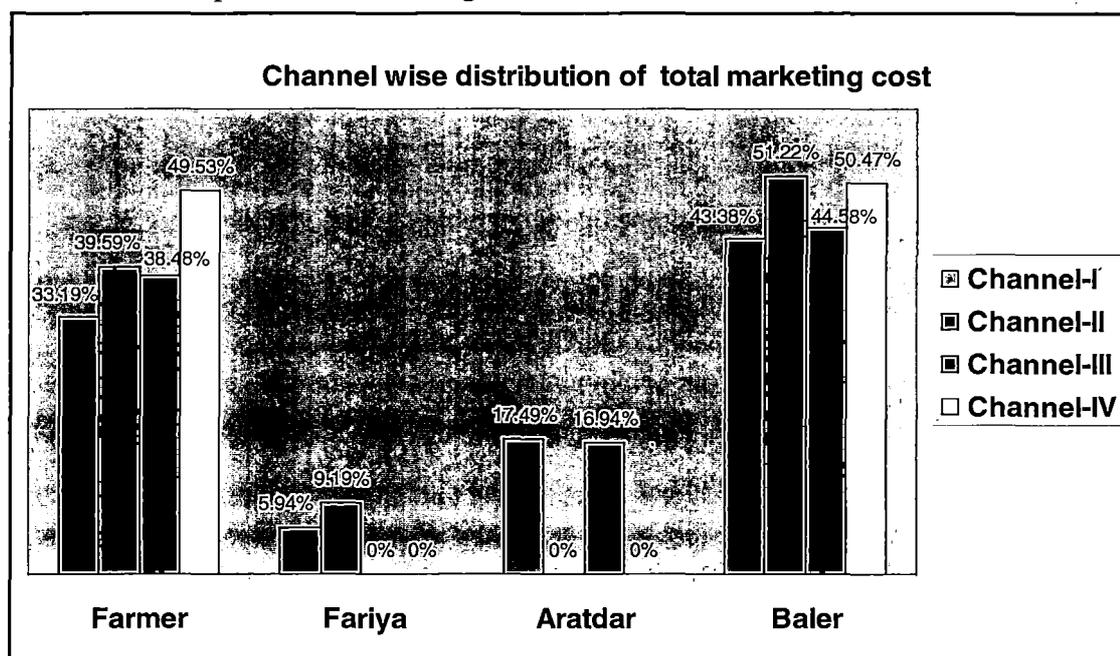
(Rs/quintal)

Sl. No.	Particulars	Channel-I	Channel-II	Channel-III	Channel-IV
1.	Farmer	125.60 (33.19)	126.68 (39.59)	140.89 (38.48)	144.68 (49.53)
2.	Faria	22.47 (5.94)	29.40 (9.19)	--	--
3.	Aratdar	66.16 (17.49)	--	62.00 (16.94)	--
4.	Baler	164.15 (43.38)	163.87 (51.22)	163.2 (44.58)	147.41 (50.47)
5.	Total	378.38 (100)	319.95 (100)	366.09 (100)	292.09 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Table- 6.18 is represented in bar diagram 6.9



**Bar diagram 6.9**

The details of marketing margins of different intermediaries in different marketing channels of jute are given in table-6.19. Table-6.19 shows total margins earned by various intermediaries are Rs.318.74, Rs.332.45, Rs.207.79 and Rs.113.76 in channel-I, channel-II, channel-III and channel-IV respectively. It is observed from the table that margins of farias are higher compared to other intermediaries.

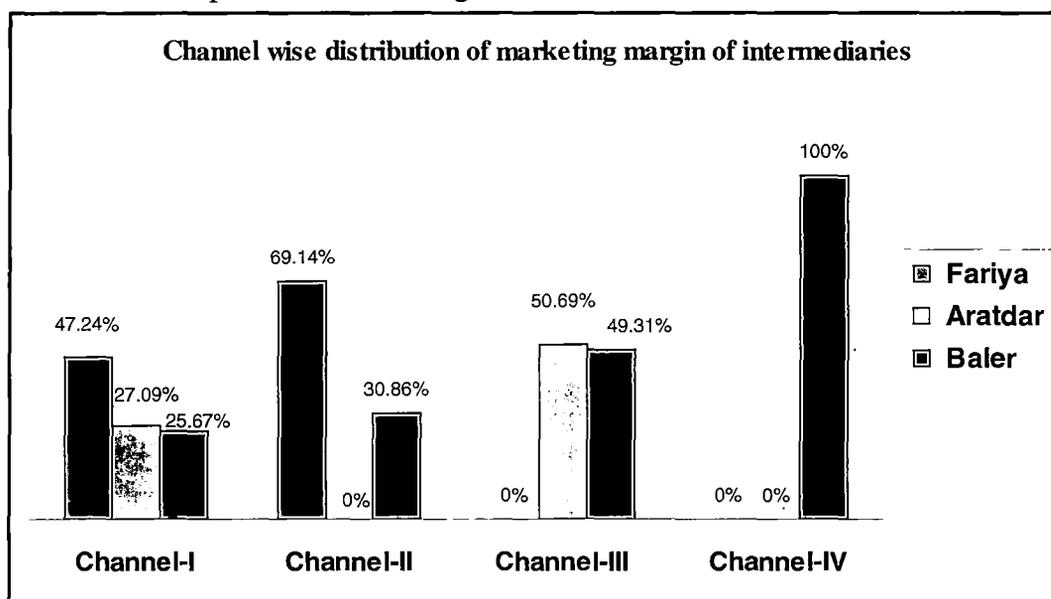
**Table- 6.19: Channel-wise distribution of marketing margin of intermediaries**  
(Rs./quintal)

Sl. No	Intermediaries	Channel-I	Channel-II	Channel-III	Channel-IV
1.	Faria	150.58 (47.24)	229.86 (69.14)	--	--
2.	Aratdar	86.35 (27.09)	--	105.33 (50.69)	--
3.	Baler	81.81 (25.67)	102.59 (30.86)	102.46 (49.31)	113.76 (100)
4.	Total margin	318.74 (100)	332.45 (100)	207.79 (100)	113.76 (100)

(Figure in the parentheses indicate percentages to the total)

Source: Computed from data collected from field survey, 2010-11

Table- 6.19 is represented in bar diagram 6.10



**Bar diagram 6.10**

**Table-6.20: Channel-wise distribution of marketing cost and margin**  
(Rs./quintal)

Sl. No.	Particulars	Channel I	Channel II	Channel III	Channel IV
1.	Total marketing cost	378.38	319.95	366.09	292.09
2.	Total intermediaries margin	318.74	332.45	207.79	113.76
3.	Total marketing cost and margin	697.12	652.40	573.88	405.85

Source: Computed from data collected from field survey, 2010-11

## **6.8 Price spread analysis**

The price spread refers to the difference between the price paid by the consumer and the price received by the producer for an equivalent quantity of farm produce. This spread consists of marketing costs and margins of the intermediaries, which ultimately determine the overall effectiveness of a marketing system. “The price spread in Indian market is considerable and the cultivator’s share in consumer’s rupee is very small. Retailer and wholesaler together often grab as much as forty paise out of every rupee paid by consumer” (Dhingra, 1991). The marketing cost and profit margin of marketing functionaries and details about price spread of different channels are presented in table-6.21.

### **Channel- I**

Through this channel maximum quantity of jute produced in the study area is being marketed (table-6.5). Intermediaries namely faria, aratdar and baler are functioned in the channel. The cost incurred by producers for marketing of jute which accounts for 3.40 percent in consumer’s (jute mill) rupee (table-6.21). The marketing cost borne by the faria, aratdar and baler are 0.61 percent, 1.78 percent and 4.46 percent of consumer’s rupee respectively. The margins retained by faria, aratdar and baler in channel-I are Rs.150.58 (4.06 percent of consumer’s rupee), Rs.86.36 (2.34 percent of consumer’s rupee) and Rs.81.81 (2.21 percent of consumer’s rupee) respectively (table-6.21). The producer’s share in consumer’s rupee is 81.14 percent which is found to be lowest among all channels (table-6.22).

### **Channel- II**

The second channel found in the study area consists of two intermediaries. These are faria and baler. The marketing cost borne by producer is 4.21 percent of consumer’s rupee. The marketing cost borne by faria and baler are 0.80 percent and 4.46 percent of consumer’s (jute mill) rupee respectively. The margin retained by faria and baler are 6.26 percent and 2.79 percent of consumer’s rupee respectively (table-6.21). The producer’s share in consumer’s (jute mill) rupee is 82.23 percent (table-6.22). In this channel faria earned highest margin among all the intermediaries in all channels due to absence of aratdar they sell jute straight to balers and grab the profit of aratdar.

### **Channel-III**

The third channel found in the study area consists of two intermediaries namely aratdar and baler. Under this channel very small amount of raw jute is being marketed. The marketing cost borne by the producer is 3.83 percent of consumer's rupee. In this channel producers sell their produces direct to aratdars. Farias do not function as intermediary. The costs of marketing borne by aratdar and baler are 1.68 percent and 4.43 percent of consumer's rupee respectively. The margins retained by aratdar and baler are 2.86 percent and 2.78 percent of consumer's rupee respectively (table-6.21). The producer's share in consumer's rupee is computed as 84.42 percent (table-6.22).

### **Channel-IV**

In this channel producers directly sell their produces to the jute balers and balers sell it to jute mills. This is the shortest channel of jute marketing in the study area. The marketing cost incurred by producer is 3.94 percent of consumer's rupee. The cost of marketing borne by baler is 4.02 percent of consumer's rupee. Balers earn highest margin in their category (3.10 percent of consumer's rupee) among all the channels (table-6.21). Producer's share in consumer's rupee is 88.92 percent which is found to be highest among all channels (table-6.22). The producer's share in consumer's rupee in channel I, channel II and channel III is lower than channel-IV because the producers market their produce through the farias, aratdars who reaped away shares from the consumer's rupee.

**Table-6.21: Price Spread**

(Rs./quintal)

Particulars	Channel-I	Channel-II	Channel-III	Channel-IV
Net price received by the producer	3000.60 (81.14)	3019.66 (82.23)	3109.10 (84.42)	3258.26 (88.92)
Producer's marketing cost	125.60 (3.40)	126.68 (4.20)	140.90 (3.83)	144.67 (3.94)
Producer's selling price	3126.20	3146.34	3250.00	3402.94
Faria's purchasing price	3126.20	3146.34	--	--
Faria's marketing cost	22.47 (0.61)	29.40 (0.80)	--	--
Faria's marketing margin	150.58 (4.06)	229.86 (6.26)	--	--
Faria's selling price	3299.25	3405.60	--	--
Aratdar's purchasing price	3299.25	--	3250.00	--
Aratdar's marketing cost	66.16 (1.78)	--	62.00 (1.68)	--
Aratdar's marketing margin	86.36 (2.34)	--	105.33 (2.86)	--
Aratdar's selling price	3451.76	--	3417.33	--
Baler's purchasing price	3451.76	3405.60	3417.33	3402.94
Bale'sr marketing cost	164.15 (4.46)	163.87 (4.46)	163.20 (4.43)	147.41 (4.02)
Baler's marketing margin	81.81 (2.21)	102.58 (2.79)	102.46 (2.78)	113.76 (3.10)
Baler selling price or miller purchasing price	3697.73 (100)	3672.07 (100)	3683.00 (100)	3664.11 (100)
Price spread	697.13	652.41	573.90	405.85

(Figure in the parentheses indicate percentages)

Source: Computed from data collected from field survey, 2010-11

**Table- 6.22: Producer's share in consumer's (jute mill) rupee**

Particulars	Channel-I	Channel-II	Channel-III	Channel-IV
Baler selling price or miller purchasing price	3697.73	3672.07	3683.00	3664.11
Net price received by producer	3000.60	3019.66	3109.10	3258.26
Producer's share in consumer's rupee (%)	81.14	82.23	84.41	88.92

Source: Computed from data collected from field survey, 2010-11

## 6.9 Marketing efficiency analysis

In order to assess the marketing efficiency of various channels of jute marketing, Shepherd's Index Method (Acharya *et al.* 2004; Verma *et al.* 2004; Gauraha *et al.* 2002) and Acharya's Modified Method (Chand *et al.*, 2010) are used. The calculated values under Shepherd's Method and Acharya's Method are furnished in table 6.23 and 6.24 respectively. It is observed from table 6.23 and 6.24 that marketing efficiency of channel IV in Shepherd's Method and Acharya's Method is highest and the corresponding values are 11.54 and 8.02 respectively. This is due to the involvement of less number of intermediaries and lowest total marketing cost spend by the participating intermediaries. The poor efficiency is noticed in channel I in both Shepherd's Method and Acharya's Method and the corresponding values are 8.77 and 4.30 respectively. This is because channel-I involves highest no of intermediaries and the intermediaries spend highest marketing cost.

Composite Index Method (Rajagopal, 1986; Saravanan *et al.* 2006) is also applied to calculate the marketing efficiency. For the purpose mean score of ranks assigned based on the four indicators (price spread, producer's share in consumer's rupee, total marketing margin per rupee of consumer's price, total marketing cost per rupee of consumer's price) and results obtain are presented in table 6.25. This method reveals the same result, i.e., channel-IV is the most efficient (ranked 1) and channel-I is least efficient (ranked 4) among all the channels.

**Table-6.23: Marketing efficiency in different marketing channels by Shepherd's Index Method**

Sl. No.	Particulars	Channel I	Channel II	Channel III	Channel IV
1.	Value of good sold ( Jute mill purchasing price) (V)	3697.73	3672.07	3683.00	3664.11
2.	Total marketing cost (I)	378.38	319.95	366.09	292.09
3.	Shepherd's index $[(V/I) - 1]$	8.77	10.47	9.06	11.54

Source: Computed from data collected from field survey, 2010-11

**Table-6.24: Marketing efficiency in different marketing channels by Acharya's Modified Method**

Sl. No.	Particulars	Channel I	Channel II	Channel III	Channel IV
1.	Net price received by farmer ( $P_f$ )	3000.60	3019.66	3109.10	3258.26
2.	Total marketing cost (TC)	378.38	319.95	366.09	292.09
3.	Total marketing margin (TM)	318.74	332.45	207.79	113.76
4.	Modified Method of Marketing Efficiency (MME)= $P_f / (TC + TM)$	4.30	4.62	5.41	8.02

Source: Computed from data collected from field survey, 2010-11

**Table-6.25: Marketing efficiency in different marketing channels by Composite Index Method**

Sl. No.	Particulars	Channel I	Channel II	Channel III	Channel IV
1.	Price spread	697.13	652.41	573.90	405.85
	Rank	4	3	2	1
2.	Producer's share in consumer's rupee (Jute mill purchasing price) (%)	81.14	82.23	84.41	88.92
	Rank	4	3	2	1
3.	Total marketing margin per rupee of consumer's price* (Jute mill purchasing price) (%)	8.62	9.05	5.64	3.10
	Rank	3	4	2	1
4.	Total marketing cost per rupee of consumer's price** (Jute mill purchasing price) (%)	10.23	8.71	9.93	7.97
	Rank	4	2	3	1
5.	Sum of ranks in each channel ( $R_i$ )	15	12	9	4
6.	Number of performance indicators ranked ( $N_i$ )	4	4	4	4
7.	Composite Index $R = \frac{R_i}{N_i}$	3.75	3	2.25	1
8.	Rank	4	3	2	1

Source: Computed from data collected from field survey, 2010-11

\*Note: Total marketing margin per rupee of consumer's price = (Total marketing margin / Baler selling price or Miller Purchasing price) x 100 in respective marketing channels

\*\*Note: Total marketing cost per rupee of consumer's price = (Total marketing cost / Baler selling price or Miller Purchasing price) x 100 in respective marketing channels

## 6.10 Hypotheses testing

The price spread refers to the difference between the price paid by the consumer and the price received by the producer. This spread consists of marketing costs and margins of the intermediaries. This has been discussed in paragraph 6.8 and table 6.21. It is observed from table 6.20 that total marketing cost and margins of intermediaries account to be highest in channel-I, followed by channel-II, channel-III and lowest in channel-IV. This is due to involvement of highest numbers of intermediaries in channel-I compared to other channels. Table 6.21 shows jute prices at different points of marketing by different intermediaries in all the channels. From table 6.21, it is observed that in channel-I producer farmer receives net price of Rs.3000.60 for per quintal of jute whereas the ultimate point of marketing jute miller purchases per quintal of jute in Rs. 3697.73. So a price gap of Rs.697.13 per quintal jute exists in between producer farmer's net price and the jute miller's buying price. In channel-II the difference between producer farmer's net price and jute miller's buying price for per quintal of jute is Rs. 652.41 (table-6.21). Again in channel III and channel-IV this price differences are Rs.573.90 and Rs.405.85 per quintal of jute respectively (table-6.21). So it is clear that per quintal price gap of jute decreases gradually in channel-II, channel-III and channel-IV due to involvement of less number of intermediaries. So the hypothesis ( $H_1$ ) of the study that there is a significant price gap between the point of production and point of ultimate marketing of jute however appears to be accepted from the above discussion.

Farmers sell their raw jute to different marketing intermediaries namely farias, aratdars and jute balers. This has been discussed in table-6.8 which shows holding size-wise (small farmer, medium farmer and large farmer) distribution of number of farmers who sell jute through different intermediaries. From table-6.8 it has been observed that 98.96 percent small farmers, 68.75 percent medium farmers and 28.57 percent large farmers sell their produce to farias. Again Small, medium and large farmers sell their raw jute 98.42, 69.87 and 29.38 percent respectively directly to the farias (table-6.9). This clearly indicates an inverse relationship that exists between farm holding size and their percentage of produce sold through farias. On the other hand 0.52 percent small farmers, 6.25 percent medium farmers and 61.90 percent large farmers sell raw jute through balers (table-6.8). Again 0.66 percent jute produced by small farmers, 5.03 percent produced by

medium farmers and 58.44 percent produced by large farmers are sold through baler (table-6.9). This also indicates a direct relationship that exists between farm size and their percentage of produce sold to jute baler. So it is clearly understood that farm size and their percentage of produce sold to farias are inversely related and farm size and their percentage of produce sold to baler are directly related. The significance of this relationship is that larger the size of holding the higher is the incentive to sell output through balers because sale of output through baler generates higher level of price compared to that through farias (table-6.13) So the hypothesis ( $H_2$ ) is rejected and it can be said that the percentage of output sold to a particular type intermediary is determined by the farm size.

Our study shows that farmers usually sell raw jute either in primary village market or in secondary market. Among the marketing intermediaries farias mainly function at primary village market whereas jute balers function at secondary market. It has been observed from the study that a major portion of the jute grown by the farmers is sold at the primary market. Table-6.7 depicts that a maximum portion jute (87.46 percent) produced by the farmers in the study area is sold at primary market. Again it has been stated in table-6.9 that 81.71 percent jute produced by the farmers is sold through farias. On the other hand, table-6.13 clearly states that producers receive relatively lower price by selling their output through farias in both the seasons. From the above discussion it may be concluded that maximum quantity of jute is sold at primary market through farias relatively at a lower price although there prevails higher price at the secondary market. From the opinion survey it is revealed that lack of storage, immediate cash need, expensive transportation and physical hazards to reach in long distance secondary market force majority of jute growers to sell their raw jute relatively at a lower price through the farias at primary market. So the hypothesis ( $H_3$ ) of the study is rejected and it can be said that different quantity of raw jute is sold in different markets at different prices.

### **Factors affecting marketing margin**

Marketing margin is an important aspect in marketing channel. Various factors affect the marketing margin in a marketing channel. In this section an effort has been made to find out the impact of variables namely total marketing cost ( $x_1$ ), volume of produce handled

( $x_2$ ), number of marketing intermediaries ( $x_3$ ) and net price received by farmer ( $x_4$ ) on total marketing margin ( $y$ ). A multiple linear regression model with the following variables ( $y$  as dependent variable and remaining variables as the independent variable) has been developed with the help of SPSS. The result has been depicted in the tables 6.26 and 6.27.

**Table- 6.26: Model summary**

Model	R	R Square	Std. Error of the Estimate	F Change	Sig. F Change
1	.495	.245	81.4185	20.673	0.000

Predictors: (Constant), Net price received by farmer, Volume of produce handled, Number of marketing intermediaries, Total marketing cost  
 Source: Computed data collected from field survey, 2010-11

**Table- 6.27: Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Partial Correlation
	B	Std. Error	Beta			
(Constant)	207.716	84.585		2.456	0.015	
Total marketing Cost	0.206	0.195	0.085	1.053	0.293	0.066
Volume of produce handled	-3.654	0.987	-0.224	-3.702	0.000	-0.226
Number of marketing intermediaries	50.465	13.156	0.325	3.836	0.000	0.234
Net price received by farmer	-0.0237	0.022	-0.062	-1.103	0.271	-0.069

Dependent Variable: Total marketing margin  
 Source: Computed from data collected from field survey, 2010-11

From table 6.26 it is evident that the multiple regression coefficient, that is R is equal to 49.5 percent. The table also shows that on doing F test, corresponding value of F is 20.673 which is significant (the level of significance being 0.000). Thus R is significant and the model is justified. The hypothesis ( $H_4$ ) is rejected and the combination of total marketing cost, volume of produce handled, number of marketing intermediaries and net price received by farmer has an impact on total marketing margin. However the

proportion of variability in the dependent variable ( $y$ ) that is explained by the regression line is only 24.5 percent (that is the value of coefficient of determination,  $R^2$ ). This implies that apart from the independent variables considered in the study, there are other variables which may affect the marketing margin. Thus the regression equation is

$$Y = 207.716 + 0.206 x_1 - 3.654 x_2 + 50.465 x_3 - 0.0237 x_4$$

The above equation and the table 6.27 reveal that out of the four independent variables, two variables, namely volume of produce handled and number of marketing intermediaries have significant relationship (the level of significance being 0.000 in each case) with total marketing margin. The partial correlation coefficient between volume of produce handled and total marketing margin is -22.6 percent (which is significant because the  $t$  value displayed is -3.702 with significance level of 0.000). This negative partial correlation coefficient implies that for larger the quantity produced and handled, lesser is the value of total marketing margin and vice versa. This is probably due to the fact that for larger production the farmers directly approach in the secondary market without involving the intermediaries associated in the primary market. Again, the partial correlation coefficient between the number of marketing intermediaries and total marketing margin is 23.4 percent (which is significant because the ' $t$ ' value displayed is 3.836 with significance level of 0.000). This positive partial correlation coefficient implies that higher the number of intermediary in the marketing channel, higher is the total marketing margin. This is probably due to the fact that involvement of more number of marketing intermediaries increases the total marketing margin of the channel.

### **6.11 Means of transportation used by the producers**

Different means of transportation used by the jute farmers in the study area to carry their produce in the market has been presented in the table 6.28. Farmers use the different types of transportation according to their quantity of produces. Bicycle is used by 20 percent of all the respondents. Only small farmers (27.22 percent) use bicycle as means of transportation to bring their produce in the market. Bullock cart or cow pulling van is rare to see in the study area and only 0.76 percent of all the respondents use this kind of transportation. Thela/Riksha van is used by 62.83 percent small farmers and 58.33

percent medium farmers. This type used by maximum number of respondents (59.23 percent) in all firm categories. Tractors are mainly used by medium and large category of farmers. 38.09 percent medium farmers and 18.75 percent large farmers use tractor as means of transportation. Small truck /tempo are used mainly by the Medium (22.92 percent) and large (22.92 percent) farmers. Only 4.71 percent of small farmers use small truck /tempo as a means of transportation. Again only 0.38 percent of all respondents brought their produce in market manually with the help of labour.

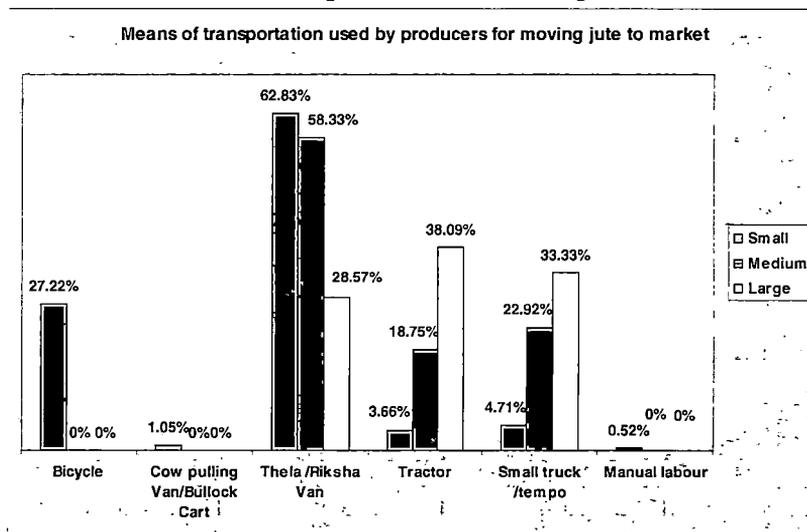
**Table- 6.28: Means of transportation used by producers for moving jute to market**

Sl. No.	Particulars	Farm Size Wise No. of Respondents			
		Small	Medium	Large	All Firm
1.	Bicycle	52 (27.22)	0 (0)	0 (0)	52 (20.00)
2.	Cow pulling van/Bullock cart	2 (1.05)	0 (0)	0 (0)	2 (0.76)
3.	Thela /Riksha van	120 (62.83)	28 (58.33)	6 (28.57)	154 (59.23)
4.	Tractor	7 (3.66)	9 (18.75)	8 (38.09)	24 (9.23)
5.	Small Truck /Tempo	9 (4.71)	11 (22.92)	7 (33.33)	27 (10.38)
6.	Manual labour	1 (0.52)	0 (0)	0 (0)	1 (0.38)
7.	Total	191 (100)	48 (100)	21 (100)	260 (100)

(Figures in parentheses represent the percentage to total number)

Source: Computed from data collected from field survey, 2010-11

Table-6.28 is represented in bar diagram 6.11



**Bar diagram 6.11**

## **6.12 Constraints of jute marketing faced by producers**

Efficient marketing requires relevant quantitative and qualitative information and that will be reliable at the lowest cost (Kohls & Uhl, 1972). Thus lack of market information, poor market structure, poor transport network, high cost of transportation, lack of storage facility etc lead to price instability and can affect marketing efficiency. The present study has revealed several problems faced by the jute growers in marketing their produce. These problems need to be tackled to enable the growers to get higher returns. A few of the major problems are given in table 6.29. It is clear from table-6.29 that there are various major problems faced by the growers in marketing their produce. The table-6.29 reveals that 54.23 percent of respondents have expressed their dissatisfaction regarding the non-availability of transportation facility. Inadequate transport has been a major barrier to the jute growers in bringing in their produce to the market. Again 78.46 percent sample growers have reported that due to higher transportation cost they are facing difficulty. Lack of link road is also one of the major marketing problems. 62.31 percent farmers have expressed their trouble regarding this concern. Grading and binding facility of jute are vital in marketing to avoid qualitative and quantitative losses. 14.23 percent sample farmers have reported their problem regarding this constraint. More than 28 percent of the farmers have reported that they are facing difficulty due to non-availability of market to sell their produce. Lack of regulated market is also a problem and 36.15 percent respondents have reported about this constraint. About 78.08 percent respondents have complained about the non availability of spacious and shaded market yard. Problem of higher labour wages is reported by 81.15 percent of total farmers. It has been found that village labours are not getting work through out the whole year and also wages according to their demand so they are forced to migrate to developed cities especially to northern and southern part of the country. Due to this scarcity, wages have increased substantially.

Adequate, proper and timely information is a prerequisite to get better price for the produces. Lack of key market information on prevailing demand, supply and prices farmers cannot take appropriate decisions to where, when, how and to whom sell their produce. About 45.38 percent sample farmers have voiced their concern on this constraint. Again 40.77 percent respondents have expressed their problem in unawareness

of market price. 73.85 percent respondents have complained about non-availability of premium price for quality graded product. The problem of collusion (secret agreement) between jute farmers and the buyers during the trading is also a problem and reported 71.15 percent of the sample farmers. Price fluctuations and crashes is a major constraint in marketing of jute. 91.92 percent respondents have expressed difficulty regarding this problem. The problem of high market charges is reported by very negligible percent (1.54) of respondents. The problem of cheating in weighing by the traders is also a constraint. 21.15 percent of sample farmers have faced this problem during the time of trading. Another problem faced by the sample farmers is non-availability of cooperative marketing society. 89.23 percent of respondents have expressed their problem regarding non-availability cooperative marketing society in the village to purchase their produce. The growers have reported that involvement of large number of marketing intermediaries is a major constraint to get the remunerative price. About 68 percent of sample farmers have voiced their concern on this constraint. Undue delay in receiving payment after the sale of their produce is reported by 17.69 per cent of sample farmers. Non-availability of adequate storage facilities of jute is another major constraint expressed by 80 percent of the sample farmers. They cannot store jute on their farm due to lack of storage infrastructure.

From the above discussion it is observed that high cost of transportation, lack of market yard, high labour wages, no premium price for quality graded product, traders collusion, price fluctuate and crashes, lack of cooperative institutes and lack of storage facilities are the major marketing bottlenecks faced by the sample farmers.

**Table-6.29: Frequency distribution of marketing problems faced by producer farmers**

Sl. No.	Problems Faced by the Farmers	Number of Respondents	
		Yes	No
1.	Lack of transportation facility	141 (54.23)	119 (45.77)
2.	High cost of transportation	204 (78.46)	56 (21.54)
3.	Lack of link road	162 (62.31)	98 (37.69)
4.	Lack of skilled labour for grading and binding	37 (14.23)	228 (85.77)
5.	Non availability of market	75 (28.85)	185 (71.15)
6.	Lack of regulated market	94 (36.15)	166 (63.85)
7.	Lack of market yard	203 (78.08)	53 (21.92)
8.	High labour wages	211 (81.15)	49 (18.85)
9.	Lack of proper and timely market information	118 (45.38)	142 (54.62)
10.	Unawareness of market price	106 (40.77)	154 (59.23)
11.	No premium price for quality graded product	192 (73.85)	68 (26.15)
12.	Traders collusion	185 (71.15)	75 (28.85)
13.	Price fluctuate and crashes	239 (91.92)	21 (8.08)
14.	High market fees	4 (1.54)	256 (98.46)
15.	Faulty weights and measures	55 (21.15)	205 (78.85)
16.	Lack of cooperative institutes	232 (89.23)	28 (10.77)
17.	Involvement of large number marketing intermediaries	179 (68.85)	81 (31.15)
18.	Delay in payment	46 (17.69)	214 (82.31)
19.	Lack of storage facility	208 (80.00)	52 (20.00)

(Figures in parentheses represent the percentage to total number of respondents)

Total number of respondents N=260

Source: Computed from data collected from field survey, 2010-11

### **6.13 Conclusion**

The present study reveals that farias, aratdars and balers are the predominant intermediaries in the marketing of raw jute in selected villages of Dinhat-II block of Coochbehar district. Jute Corporation of India and cooperative societies are not functioning as an intermediary in the study area. Farmers – farias – aratdars – balers – jute mills is the most important marketing channel through which most of the respondents move maximum portion of their produces. There are two seasons of jute marketing namely peak period which continues from September to December and post harvest period which continues from January to April. Major numbers of producers are observed to sell their produce in peak period at primary market although a higher price prevails in the secondary market. They sell maximum portion of their produce to farias due to lack of storage, immediate cash need, expensive transportation and to avoid physical hazards to reach in long distance secondary market. A small portion of jute is marketed at the secondary market to the baler. It has been observed that selling jute directly to the baler in secondary market is more remunerative to the farmers. In the present study marketing cost, margin, price spread and marketing efficiency has been estimated. Channel IV is highest efficient and channel-I is lowest efficient among all the channels. The study also reveals several marketing bottlenecks faced by the jute growers in marketing their produces.