

CHAPTER – I

THE PROBLEM

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1.1 Introduction

Indian economy is predominantly an agrarian economy with more than 75 percent of its people living in villages and depending upon agriculture and allied activities (Viswanadham, 2006). Agriculture provides the foundation for food and livelihood, security and support for the economic growth and social transformation of the country. During 2008-09 the agricultural sector contributed to approximately 15.7 percent of India's GDP (at 2004-05 prices) and 10.23 percent of total exports besides providing employment to around 58.2 percent of the work force (Govt. of India, 2010). Agriculture will continue to have the pride of place in national policies and plans, since the nation's food security depends on the performance of this sector. The increased trend in production has brought new challenges to handle in terms of huge marketable surplus. Production of food grains during 2008-09 was 234.47 million tonnes. Production of wheat, coarse cereals, sugarcane, jute & mesta achieved 80.68 million tonnes, 80.68 million tonnes, 285.03 million tonnes and 103.65 lakh bales respectively during 2008-09 (Govt. of India, 2010). The increasing rate of production reminds us of reviewing the past and the strategies to be conceptualised keeping in view the future and fast changing scenario. To manage the above situation a strong and efficient marketing system is essential in the country to administer the marketable surplus in proper manner.

Agricultural marketing system is defined as physical and institutional set up to perform all activities involved in the flow of products and services from the point of initial agricultural production until they are in the hands of ultimate consumers. This includes assembling, handling, storage, transport, processing, wholesaling, retailing and export of agricultural commodities as well as accompanying supporting services such as market information, establishment of grades and standards, commodity trade, financing and price risk management and the institutions involved in performing the above functions. Agricultural marketing system can be analysed by looking at the farmers' marketing practices, marketing channels and the structure of markets. The marketing system and farmers' marketing practices have undergone considerable changes during the last 50 years due to the expansion of the size of the market, increased availability of infrastructure and changes in the pattern of demand and consequently introduction of new methods of processing, packaging, storage and transportation.

In India agricultural produce markets have been dominated largely by private traders. Apart from traders, processors also play an important role as they enter in the market as bulk buyers and sellers. In fact, some commodities in some regions in India, producers end up making net losses at the same time when traders make substantial profits from the same crop. However, it needs to be recognized that producers' relative share in the final price of a product certainly goes down with the increase in the number of value-adding stages. Farmers' financial position will depend not only on returns they receive from a particular enterprise but, also the place where they are selling their produce for getting a remunerative price. Hence, it is important to analyse the marketing practices that are being followed and to identify the market intermediaries and channels of marketing. In a modern economy, it is inconceivable that the role of middlemen can be eliminated. This emphasizes the need to regulate the middlemen in order to make them more efficient, competitive and accountable. It is necessary to create such a situation where marketing intermediaries perform in controlled environment and balance the marketing system in the context of profit sharing and service. Agricultural marketing continues to remain the most important in the economic development of the country. The timely, quality and cost effective delivery of produces remains a challenge in the country. The farmers are not able to sell their surplus produces remuneratively. There are plenty of distress sales among farmers both in agriculturally developed as well as backward regions. There are temporal and spatial variations in the markets and the producers' share in consumers' rupee has not been satisfactory, except for a few commodities. Agricultural marketing has enormous economic and political implications. These not only bring a balance between demand and supply but also affect the distribution of income in the farm sector. In developing countries like India, where agriculture continues to provide employment and income for about two thirds of the work force and where considerable proportion of the people are poor, agricultural marketing have profound effect on maintaining livelihood and rhythm of technology adoption for increasing the farm production.

In India, the small size of farms is striking feature of farming. This creates difficulties in introducing better methods of cultivation and marketing. For the purpose, specific knowledge, skill, accuracy and thoroughness in production and marketing are required. With the gradual displacement of subsistence farming by commercialized agriculture, marketing of farm products has assumed greater importance in recent years. For the

farmer, disposal of his produce has become as important as the adoption of modern practices for improving yield from agriculture. Unless the marketing efficiency improves, no incentives to increase the production will attract the cultivators. The unfair of the price of any agricultural commodity from the theoretical point of view may largely be due to the inefficient functioning of the market for the commodity concerned. On the other side, market performance like absolute share of the producer in terms of remunerability, fluctuations in prices across seasons, large spatial price differences and lack of proper market outlets itself, are the issues which have become increasingly crucial in the present context. There are structural weaknesses of agricultural markets like unorganised farmers as against organised buyer, weak holding capacity of the producers and the perishable nature of the produce in the absence of any storage infrastructure. In the presence of these characteristics of the market, the rural producers cannot simply be left to fend for themselves so far as marketing of their produce is concerned.

An efficient marketing system can contribute to an increase in the marketable surplus by scaling down the losses arising out of processing, Storage and transportation. A well designed system of marketing can effectively distribute the marketable surplus and thereby sustain a faster rate of growth in the agricultural sector. An efficient marketing system is an effective agent of change and an important means for raising the income levels of farmers and satisfaction of the consumers. The movement of goods from producers to consumers at the lowest possible cost, consistent with the provision of services desired by the consumers, may be termed as efficient marketing. An efficient marketing system for farm products ensures an increase in the farm production get translated into an increase in the level of income, thereby stimulating the emergence of additional income. Consumers derive the greatest possible satisfaction when goods are available at the least possible cost. Thus, agricultural marketing plays an important role in accelerating the pace of economic development in addition to stimulating production and consumption.

1.2 A brief profile of North Bengal Region

The Northern most region of the state of West Bengal is known as North Bengal. The region is separated by the river Ganges from Southern part of the state of West Bengal

generally referred to as South Bengal. North Bengal lies between 24°40' and 27°31' North latitudes and between 39°53' and 87°53' east longitudes. The entire North Bengal is bounded by Sikkim and Bhutan on the North, Nepal and Bihar on the West, South Bengal on the South and Bangladesh and Assam on the East. The North Bengal region consists of six districts viz. (i) Coochbehar, (ii) Jalpaiguri, (iii) Darjeeling, (iv) Uttar Dinajpur, (v) Dakshin Dinajpur and (vi) Malda. The North Bengal is a region with varied landscapes, economic, socio-cultural characteristics, terrain and morphology. There are both diversities and disparities within the districts of North Bengal region. As per the agro-climatic regional classification the country has been divided into 15 broad agro climatic zones and the North Bengal come under two Agro climatic Regions. Agriculturally, the two broad regions are Eastern Himalayan Region (Zone II) and Lower Gangetic Plain Region (Zone III). Darjeeling district (Hills sub region), Jalpaiguri and Coochbehar district (Teri sub region) come under Eastern Himalayan Region on the other side Uttar Dinajpur, Dhakshin Dinajpur and Malda districts come under Lower Gangetic Region. The population and literacy level of the six districts of North Bengal are exhibited in table 1.1.

Table-1.1: Population and literacy rate of districts of North Bengal

District	Total Population	Males	Females	Growth (2001-2011) (percent)	Rural	Urban	Literacy rate (percent)
Coochbehar	2822780	1453590	1369190	13.86	2533480	289300	75.49
Darjeeling	1842034	934796	907238	14.47	1123859	718175	79.92
Jalpaiguri	3869675	1980068	1889607	13.77	2825001	1044674	73.79
Uttar Dinajpur	3000849	1550219	1450630	22.90	2638662	362187	60.13
Dakshin Dinajpur	1670913	855104	815827	11.16	1434856	236075	73.86
Malda	3997970	2061593	1936377	21.50	3446056	551914	62.71

Note: Census of India 2011 (Provisional)

Source: www.census2011.co.in

As per the 2011 Census (provisional), the total population of the districts of North Bengal is 17.20 million, which is 18.83 percent of the state of West Bengal. Of the total population of North Bengal, Dakshin Dinajpur district constitutes the lower part (9.71 percent), followed by Darjeeling district (10.70 percent) and Coochbehar district (16.40 percent). While Malda district constitutes the highest percentage (23.23 percent) of population followed by Jalpaiguri district (22.49 percent) and Uttar Dinajpur district (17.44 percent). Table-1.1 represents the data related to population of the districts of North Bengal. Urbanisation is one of the indices of economic activity and the low proportion of urbanization in North Bengal is an indicative of the low level of economic growth in the region. The region is predominantly rural. The table-1.1 shows that the districts of North Bengal constitute larger number of rural population. The districts of Coochbehar, Jalpaiguri, Uttar Dinajpur and Dhakshin Dinajpur are characterised by incidence of higher proportion of scheduled caste population (well above the state average). Districts under North Bengal are characterised by lower literacy levels as compared to state average (77.08 percent) except Darjeeling (Census of India-provisional, 2011). In analysis the literacy level of the districts of North Bengal, Darjeeling district recorded highest literacy of over 79 percent followed by coochbehar district (75.49 percent) and Dakshin Dinajpur district (73.86 percent). Beside Jalpaiguri and Malda recorded a literacy level of 73.79 percent and 62.71 percent respectively. Uttar Dinajpur district recorded as lowest literacy rate (60.13 percent) among the districts of North Bengal (Census of India- provisional, 2011).

We are taking into consideration the economy of North Bengal which is predominantly agrarian in nature. The topography of North Bengal has made agriculture diverse and difficult. Variations in the soil, altitude and rainfall have immense influence on the cropping pattern and productivity. The pressure of population has changed the nature of cultivation, ownership pattern of land. There is a considerable amount of unemployment in the rural areas. Due to high slopes of the hill region of the northern part of the State with high rainfall and cooler temperature round the year, this area is almost covered with forests, plantation and orchard crops. Only one third area of the cultivated land is being used for producing different variety of crops. The crop productivity is poor due to high slopes, high rainfall and erosion, shallow and acidic nature of the soils. The soils of Terai and Teesta region are light textured, strongly acidic due to high rainfall. Rice, jute and

tobacco are the major crops of this region, while in winter a number of winter vegetable crops, potato and a few pulses and oilseed are grown. This agro-climatic region is also suitable for extension of cultivation of wheat, potato. North Bengal covers an area of about 21,000 square kilometers, which is about 24 percent of the State. The snow-fed rivers of the Himalyas namely Teesta, Mahananda and Jaldhaka flow through the region. These rivers are characterised by erratic changes in their courses and flooding. The hills and adjacent areas are covered with temperate and tropical forest composed of pine, fir and other evergreen types like gurjan. Sal is also quite abundant in the forest. About 18 percent of the region is classified as forest land much of which is concentrated in the districts of Darjeeling and Jalpaiguri.

1.3 Statement of the problem

According to the National Commission of Agricultural Marketing, “agricultural marketing is a process which starts with a decision to produce a saleable farm commodity and it involves all aspects of market structure or system, both functional and institutional, based on technical and academic consideration and includes pre and post harvest operations, assembling, storage, transportation and distribution” (Report of National Commission on Agriculture, 1976). Agricultural marketing consists of all the functions and services used in moving the commodities from the producer to the final consumer. It includes not only the physical movement to the place where the product is wanted but also putting it into the form and amount is desired and having it ready at the time it is wanted. In agricultural marketing, we are concerned with demand and supply, marketing operations, marketing channels and intermediaries, cost and margin, price fixation, market structure etc. Marketing channel is the chain of intermediaries through whom the various produces pass from producers to consumers. The intermediaries have their own set up. They may be individuals, partners or agency who may buy and sell at a price determined by forces of demand and supply. Each functionary renders some service in the process of marketing and also earns a varying margin of profit for himself and at same time bears risks involve in the process. Marketing costs are the actual expenses incurred in the marketing process. They include not only the cost of performing the various marketing functions, but different levies as well. The costs of performing the marketing function include storage cost, transportation cost, labour charges, assembling,

storing processing packaging cost, market fees etc. Marketing margins are actual amounts received by the marketing intermediaries in the marketing process (Moore *et al.*, 1973). The marketing margin between the cultivator and the consumer may be taken as an index of the soundness of the marketing set up of any produce (Gopaldaswamy, 1977). A number of studies stand to confirm that a large number of middlemen function at various stages of agricultural marketing in India and they reduce the share of the consumer's price (Krishnaswamy *et al.*, 1968). The price spread in Indian market is thus considerable and the cultivator's share of the consumer's rupee is very small. Retailers and wholesalers together often grab as much as 40 paise out of every rupee paid by the consumer. (Munshi, 1957). Broadly speaking, there are three entities involved in the marketing system. These are producer, the consumer and the middleman. Each of these has its own objectives, which often conflicts each others' interests. The producer would look forward to get the largest possible return, middleman would aim at high profits from the deal and consumer would like to get quality product at the least possible cost. An efficient marketing system should therefore balance the interest of all economic agents involved in this process of economic activity.

Due to agro climatic situation of the region the whole area of North Bengal is suitable for cultivation of different crops like paddy, wheat, mustered, jute, potato and vegetables etc. The movement of these crops from the producer to the consumer takes place in different stages and by different channels. The channel members (intermediaries) have great influence in the distribution process. These intermediaries such as trader, commission agent, wholesaler and retailer claim their margin at every stage. These channels have influence on marketing costs such as transport, commission charges etc. Finally, these channels decide the price to be paid by the consumer and share of it is received by the farmer producer. So, the existence of long chain of intermediaries makes the distribution process complex. The channel which is considered as good or efficient which makes the produce available to the consumer at the cheapest price also ensures the highest share to the producer. In case of jute distribution process from field to mill takes place in three stages. In the first stage farmers sell their produce in the primary markets and haats¹. In the second stage jute is transferred from primary market to secondary market. Though a small percentage of farmer sell their produces direct to secondary markets. The third stage is from the upcountry baling centres to the loose jute market of Kolkata, the press

house of pucca balers, the jute mills and to ships for exports at Kolkata. In jute marketing, the basic problem is that market is distorted not only by imports but also a long chain of middle man. Most growers are still at the mercy of ruthless market and other forces ranged against them. The growers are often deprived of remunerative price resulting in little incentive to promote productivity by costly inputs. The jute growers of North Bengal have problem of imperfect marketing structure. The growers sell their produce to small traders and farias² in local market. Then small traders and farias sell that to local aratdars³ and local aratdars sell that to baler and ultimately reach to terminal market in Kolkata. So ultimately they suffer from the imperfection of raw jute market as well as the existence of a long chain of middlemen. In this research investigation we are to analyse the problem and prospect of marketing channel of agricultural produces in the North Bengal region. Special emphasis will be given to jute marketing especially channel structure, nature of price, cost of marketing, profit margin, price spread, logistical planning, channel efficiency, intermediary's relationships, their role and functions etc.

1.4 Objective of the study

The broad objective of the study is to analyse the marketing network system of agricultural produces in North Bengal as well as Indian agricultural sector. The study has attempted to assess the problems and prospects of jute marketing channels in North Bengal. Special emphasis has been given to channel structure, distribution process, marketing cost and margin, price spread, marketing efficiency, intermediary's role and functions and various problems of marketing. The specific research questions being addressed by the study are as follows.

1. To investigate the prevalent marketing system and channels of marketing.
2. To find the function of various channel members in the distribution process.
3. To examine the nature of trend of producer's price and Price of marketing intermediaries.
4. To analyse the marketed surplus.
5. To analyse the disposal pattern of crops.
6. To estimate the channel wise and marketing functionary wise cost of marketing.
7. To estimate and analyse the marketing margin of marketing intermediaries and price spread.
8. To estimate the producer's share in consumer rupee.
9. To estimate the efficiency of marketing channels.
10. To analyse the impact of total marketing cost, volume of produce handled, number of marketing intermediaries and net price received by farmer with total marketing margin of jute marketing channels.
10. To analyse the problems and constraints of marketing faced by the growers.
11. To find out the deficiencies in the marketing system of produces.
12. To suggest policy measures to overcome the constraints in the present system.

1.5 Hypotheses to be tested

On the basis of the above objectives following hypotheses are being formed.

H₁: There is a significant price gap between the point of production and the point of ultimate marketing of jute. This hypothesis has been tested with the help of primary data collected from field survey.

H₂: The percentage of output sold to a particular type intermediary is not determined by the farm holding size. This again has been tested by the supported primary data.

H₃: Out of the total quantities of jute produced, equal percentage is sold to different markets, irrespective of their differences in price. This hypothesis has also been tested by the primary data collected from field survey.

H₄: The combination of total marketing cost, volume of produce handled, number of marketing intermediaries and net price received by farmer has no impact on total marketing margin. Multiple linear regression analysis has been applied to test this hypothesis while dealing with primary data.

1.6 Methodology and sources of data

The study covers six districts of North Bengal region. The districts are Coochbehar, Darjeeling, Jalpaiguri, Uttar Dinajpur, Dakshin Dinajpur and Malda. Of the six districts Malda, Uttar Dinajpur and Dakshin Dinajpur districts are eminently suitable for the cultivation of different varieties of paddy, jute, mustard seeds, wheat and vegetables. Coochbehar and Jalpaiguri are famous in jute, potato and paddy cultivation. The universe of this research investigation is the whole of North Bengal districts. Data related to crop production, distribution, marketing etc were collected from primary and secondary sources. For the purpose of the study secondary data on all India perspective have also been mentioned. Secondary data from different sources such as Govt. Statistical Reports, Directorate of Economics and Statistics, Bureau of Applied Economics & Statistics, Census Reports, Directorate of Agriculture-Govt. of West Bengal, Directorate of Agricultural Marketing, Govt. of West Bengal, Directorate of Marketing and Inspection,

Govt. of India, Planning Commission, Economic Survey- Ministry of Finance, Govt. of India, Department of Agriculture and Cooperation, Govt. of India etc have been collected.

For our purpose Coochbehar was chosen in view of area under gross crop among the districts of North Bengal. The crop jute has been selected for Coochbehar as the highest area under cultivation among the districts of North Bengal. More over the district Coochbehar represents more or less same agro-socio-economic conditions among the districts of North Bengal except the hill region of Darjeeling. Multistage sampling technique is used for the selection of samples. In the first stage, Dinhata-II block of Coochbehar District was selected on the basis of maximum area under cultivation (Govt of W.B 2008). In the second stage four villages Bara Shakdal, Kuchni Prathamkhanda, Kismat Dasagram and Patharsan were selected from Dinhata-II block as the highest area under cultivation. From each village 65 jute producers were selected at random. Thus the total sample size consists of 260 jute produces. The producer farmer were then categorized as small (Up to 1 hectare), medium (1 to 2 hectares) and Large (2 hectars and above) based on land holding size of the farmers (Yadav *et al.*, 2006). For our purpose 4 primary markets/haats viz., Balica haat, Basanti haat, Baman haat and Nazirhat haat were selected. All the markets/haats are adjacent to the selected villages where producers sold their produces. To study the channels of jute marketing, marketing cost, margin, price spread, producer's share in Consumer (jute mill) rupee 30 faria cum village merchants, 15 aratdars, 7 jute mills were identified. Data related to production, distribution and marketing of jute in different marketing channels were collected. The marketing efficiency of different channels was estimated by using Shepherd's Index Method, Composite Index Method and Acharya's Method. Multiple linear regression analysis was done to know the impact of different variables (total marketing cost, volume of produce handled, no of market intermediaries, net price received by farmer) on total marketing margin.

Data collected from the secondary and primary sources were tabulated and analyzed. Simple average and percentage analysis were used to calculate the marketing cost, marketing margin and price spread. Composite Index Method, Shepherd's Method and Acharya's Modified Method were used to analyse the marketing efficiency. Multiple

linear regression analysis was done with the help of SPSS-10.0 statistical package. The data for the study were collected by survey method. The data collected pertained to the year 2010-11. The personal investigation method was adopted for the collection of primary data. Interview schedule was prepared carefully and after pre-testing the required data were collected by personal contact with the respondents. All possible precautions were taken for getting the reliable information. The collected informations were also tested through cross-questioning at the time of investigation.

1.7 Analytical tools

1.7.1 Price Spread analysis

Price spread, in general, is referred to as the difference between the price paid by the consumer and that receive by the producer for an equivalent amount of the commodity. In the present study, price spread is referred to as the difference between the prices paid by the consumer and price received by the jute producer. The analyses involved in computation of different marketing costs and marketing margins at each stage and their expression as to the percentage. For estimating costs of the marketing of channel intermediaries, costs incurred on assembling, grading, packaging, transportation, loading and unloading, storage, market fees, brokerage etc were considered. The marketing margins were obtained by deducting the price paid and marketing cost from the price received by the respective market intermediaries. Though price spread is the most widely used criterion to judge marketing efficiency, other advance methods have also been in use. In the present study shepherd's Method, Composite Index Method and Acharya's Method have been used to measure the marketing efficiency.

1.7.2 Shepherd's Index Method of Marketing Efficiency

Shepherd suggested that ratio of total value of goods marketed to the marketing cost may be used as a measure of marketing efficiency. Higher the ratio, higher would be the marketing efficiency and vice versa (Acharya and Agarwal, 1987; Verma *et al.*, 2004; Gauraha *et al.*, 2002).

According to Shepherd's Index Method

$$ME = [(V/I) - 1]$$

Where,

ME = Shepherd's Index of marketing efficiency

V = Value of good sold (Consumer price or jute mill purchasing price)

I = Total marketing cost

1.7.3 Composite Index Method of Marketing Efficiency

Composite Index Method is the method where the marketing efficiency in the different marketing channels was computed by ranking different performance indicator. In this study, four such indicators were selected as follows (Rajagopal 1986, Saravanan *et al* 2006)

1. Price Spread: - Lower the value of price spread, higher would be the marketing efficiency and vice versa
2. Producer's Share in consumer's rupee (jute mill purchasing price): - Higher the value, higher would be the marketing efficiency and vice versa.
3. Total marketing margin per rupee of consumer's price: - Lower the ratio higher would be the marketing efficiency and vice versa.
4. Total marketing cost per rupee of consumer's price: - Lower the ratio, higher would be the marketing efficiency and vice versa.

Ranks were attached to each performance indicator and by pooling all the ranks, composite index was calculated.

$$\text{So Composite Index } (R) = \frac{R_i}{N_i}$$

Where,

R = Composite Index

R_i = Sum of ranks in each channel

N_i = Number of performance indicators ranked

I = 1, 2 and 3 for channels I, II, III respectively

1.7.4 Acharya's Modified Method of Marketing Efficiency

According to Acharya measures of marketing efficiency was computed by net price received by producer, total marketing cost and net margin of the intermediaries (Acharya and Agarwal, 1987; Chand *et al.*, 2010)

$$MME = P_f / (TC + TM),$$

P_f = Net price received by farmer

TC = Total marketing cost

TM = Total marketing margin of intermediaries.

1.7.5 Multiple Linear Regression analysis

Multiple linear regression analysis with the following variables was done to know the relation between dependent and independent variables.

$$y = f(x_1, \dots, x_n)$$

Where

y = Total marketing margin (depended variable)

x_1 = Total marketing cost (independent variable)

x_2 = Volume of produce handled (independent variable)

x_3 = Number of marketing intermediaries (independent variable)

x_4 = Net price received by farmer (independent variable)

1.7.6 Total marketing cost $(TC) = C_f + C_{m1} + C_{m2} + \dots + C_{mn}$,

Where

C_f = Marketing cost incurred by Producer farmer

C_{m1} = Marketing cost incurred by 1st intermediary

C_{m2} = Marketing cost incurred by 2nd intermediary

C_{mn} = Marketing cost incurred by nth intermediary

1.7.7 Net margin of marketing middleman $(NM) = S_{pi} - (P_{pi} + C_{mi})$,

Where

S_{pi} = Selling price per unit of i th intermediary

P_{pi} = Purchasing price per unit of i th intermediary

C_{mi} = Marketing cost per unit incurred by i th intermediary

1.7.8 Total margin of marketing middlemen $(TM) = M_{m1} + M_{m2} + \dots + M_{mn}$,

Where

M_{m1} = Marketing margin of 1st intermediary

M_{m2} = Marketing margin of 2nd intermediary

M_{mn} = Marketing margin of n th intermediary

1.7.9 Price spread $(PS) = P_c - P_f$,

Where

P_c = Consumer's (Jute Mill buying price) purchasing price

P_f = Net price received by farmer

1.7.10 Producer's share in consumer's rupee $(Ps) = (P_f / P_c) \times 100$,

Where

P_c = Consumer's (Jute Mill) purchasing price

P_f = Net price received by farmer

1.8 Scheme of the chapters

The study is divided into eight chapters. First chapter discusses introduction of agriculture marketing and its different aspects. This section also includes statement of the problem, research methodology, sampling and data sources. Second chapter is about review of literatures. Third chapter discusses marketing network of agricultural commodities. This section presents detailed analysis of marketed surplus, marketing channels, marketing infrastructure, marketing efficiency and marketing institutions. Fourth chapter concentrates on marketing network of agricultural commodities in North Bengal. Fifth chapter discusses jute marketing network. This section includes marketing intermediaries, channels, marketing process and problems of jute marketing. Sixth

chapter discusses jute marketing in North Bengal covering marketing cost, margin, price spread and constraints of jute marketing. Seventh chapter covers government intervention in jute marketing. Jute Corporation of India's role and functions is also discussed in this chapter. Last chapter provides overall conclusion and recommendations.

Note

1. A haat is a weekly, bi-weekly or daily open market which sits in a particular place and where people from surrounding villages come for purchase, sale and other business transactions.
2. Farias are the itinerant traders who create the first link between producer farmer and the buyer of raw jute in the marketing channel.
3. Aratdars have big storage facility and store jute brought by farias and disposing that to the balers and earn profit or commission.

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