CHAPTER - III
MARKET STRUCTURE
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3.1 Introduction

The agriculturists produce crops part of which consumed by themselves and the surplus amount are sold in the market. Production of crops is not enough unless these are marketed well at a remunerative price. If additional produces do not move to the market to earn revenue to farmer, it may work as disincentive to increase productivity. Proper marketing system should be available both for the producer and the consumer. Adequate and efficient market structure enable the primary producer to reap the best possible benefits and also to reduce the price spread between the producer and the ultimate consumer.

The marketing pattern of raw-jute in India is different from the marketing system of foodgrains. But the basic characteristics of agricultural marketing are almost same for all kind of agricultural commodities. In case of foodgrain marketing process start at the farm gate. In physical term agricultural marketing starts at the time when produces come out of firm gate and end when it reaches consumer's table. There is long process in the intermediate stages between the producers and consumers.

Like industrial produces, agricultural marketing requires certain services which are performed by the middleman. The marketing services are collection of products from scattered producers and its assembly in bulk, assorting and gradation of heterogenous articles, classification accor-
ding to standard, transportation from surplus areas to deficit areas and provision for storage facility.

In case of foodgrains a large proportion of produce never leaves the farm but is kept for domestic consumption. But jute is purely a commercial fibre. Only 10 percent of the total production of jute generally are kept for home consumption and 90 percent are exchanged for cash.

In Assam the dealers in raw-jute are few in comparison to foodgrains. Market centres are also located only in the jute growing areas of the state.

The market-channel of raw jute in Assam can be shown with the Figure 1.

3.2 Traditional Markets

The marketing of agricultural commodities in Assam starts traditionally either in the village haat or in the village itself. In case of commercial crops purchase and sale within village is negligible. Farias and agents who mainly collect food grains from the village generally do not do so in case of cash crops like jute. Therefore, village haat are the primary markets where major portion of the jute are exchanged into cash.

Village Haats

Haats are the markets which serve on an average an area 8 to 16 kilometers radius. Some of the bigger haats cover a wider area. In Assam there are all about 650 haats of which about 75 are larger situated at semi-urban areas or rural trade centres. Some of these markets perform the functions of secondary markets. These village markets assemble once or twice a week. The days on which these markets meet are fixed, so
MARKETING CHANNEL OF JUTE IN DISTRICT OF BARPETA OF ASSAM

FIGURE 1
that the traders can visit the areas. The transactions involved here are of small quantities. Most the villages have to rely on haats for their purchase of day-to-day essentials and to sell their products. The traders come from the towns, assemble for the day or for few hours and disperse by the evening. They bring merchandise usually of low quality but charge high prices and produce of the villagers is invariably taken at a very cheap rate.

Haats except few are poorly equipped. Most of them are uncovered and without storage, drainage and other modern facilities of marketing. Transport and communication are also not adequate. Producers with small quantity assemble in these markets to sell their surpluses. Big farmers with relatively large surpluses, generally go to the whole sale markets. The small peasants cannot expect fair deal in the whole sale market. As the small peasants sell very little amount of their produce at a time, carrying such amount to the whole-sale market is neither economical nor convenient to the farmer. Because of backward transport and communication system in Assam, the peasant farmers wholly depend upon village haat.

In Barpeta district there are about 25 village haats situated in different places. Almost all village markets in the district perform some amount of transaction of raw jute as jute is cultivated in a more or less larger scale in these areas. But there are some markets which are well known in the trade. These centres are situated at Baharihaat, Howly, Barpeta Road, Kaya-Kuchi, Mandia, Ananda Bazar, Basbarihat, Sorbhog and Sarupeta. The first three markets of the districts operates both as secondary and primary markets. The others are mainly primary markets.
MAP OF BARPETA DISTRICT

Scale: 1 cm = 10 km

KOKRAJHAR

RIVER BRAHMAPUTRA

GOALPARA DISTRICT

BHUTAN

31 NATIONAL HIGHWAY

BARPETA ROAD

NALBARI DISTRICT

KAMRUP DISTRICT

KAMAKUCHI

JANIA

BAGBARI

TARABARI

BAHARI
The highest amount of market arrival of jute in the district can be seen in Howly market and Bahari haat, next come Anandabazar and Sorbhog, Mandia and KayaKuchi.

**Secondary Markets**

Secondary markets are the whole sale markets held in a fixed place and transact large volume of business daily. Merchandise are mainly from the village markets. Some whole-sale markets also serve as assembling points for distance producing centres. Most of these markets are situated at towns and semi-urban areas. These are also called secondary or assembling market. A secondary market in Assam serves on an average 840 square kilometers and a population of 2.50 lakhs. These markets are better equipped than are the village markets. They are connected to the distant consuming centres and terminal market. Transport and communication facilities are generally available.

3.3 Intermediaries

Dominance of intermediaries is the general pattern of marketing of jute in the process of assembling and concentration of the product. The farias, small traders, Paikar are the dealers who form the first link in the chains of intermediaries in the raw jute trade. They collect the produces from the growers and sell the product to the market farias. About 80 percent of the jute growers sell their product to the village farias or market farias. The big and rich growers generally sell their products directly to the kutcha balers or traders who are operating in the secondary markets. The market farias usually operate in the primary market or in the village haats. Market farias also purchase product direct-
ly from the growers or though the village farias and sell the products to the kutcha balers or whole-saler. The commission agents of the traders also collect the raw jute from the growers on behalf of the traders. The traders received the purchased amount from the agents and sell them to the kutcha baler. The distinction between the farias and Agents is that the later gets commission without any risks of loss while the former sometimes may suffer loss.

**Village Farias**

Let us now discuss what the farias are and what are the services they performed in the process of marketing of raw jute. The farias are found as an important agency for collecting the raw jute from the market centre. They collects the merchandise by means of door to door approach. They are generally not whole timer in this occupation. They have also some other occupation such as farming as well as money lending in small amount. Economically they are not very sound but in comparison to the poor growers, they are better off. The village farias, generally collects the jute from small and marginal farmers. About 36 percent of raw jute in Assam are assembled by the village farias. The village farias are the main source of financial help to the small and marginal farmers. These growers take loan to meet their both needs of cash and kind at a very exhorbitant rate of interest.

The village farias handover their purchase to the traders, kutcha balers and sometimes to the J.C.I. and co-operatives. As most of them have farming, they also get registered themselves as growers in the regulated markets, J.C.I. or in the co-operatives. Sometimes they also act as the agents of co-operatives.
Market Farias

Market Farias confine their operation in the village haat. They generally do not move from door to door. At the fixed market day they come to the market centre and purchase commodities from the growers as well as from the village farias. The market farias deal not only with one commodity but with almost all agricultural commodities. These people are engaged in collection of agricultural commodities by the traders, kutchha baler and sometimes by the J.C.I. and co-operatives. The cultivator of higher size groups accounted for the maximum percentage of sale of jute to the market farias. The market farias offer higher prices in comparison to the village farias.

The market farias are financially a bit sound in comparison with the village farias. The Government agencies now-a-days appoint these persons as agents to collect the raw jute on behalf of the agencies because they are experienced in jute trade.

The market farias often takes advances from the traders and kutchha balers and due to this financial obligation, they sell the collected goods to the traders and kutchha balers.

Commission Agents

Commission agents are nothing but negotiators between the big cultivators and kutchha balers, for selling and buying of raw jute. These agents earn commission for negotiating the transaction both from the cultivators as well as from the traders, the kutchha balers. The marketing costs for such transactions are to be borne by the traders. The income of the commis-
sion agents depends upon how much such transactions they can performed. This process enables the cultivators and the traders to eliminate some intermediaries.

**Mill Agents**

The Birla Jute Company, Hastings and Duncan had their agents in the district of Barpeta. These agents purchased jute on behalf of the mills and directly transported to their mills at Calcutta. Birla Jute Company with its adequate storage facilities is still functioning in the districts. The other two companies cease to function at present. Birla Jute Company has a very well founded establishment at Baharihat.

**Kutcha-Balers or Whole-Sellers**

The kutch-balers can be seen at Howly, Barpeta road and Baharihat of Barpeta district. They are the big traders with abundant capital and infrastructural facilities of their own for jute marketing. They purchased the raw jute from the farias, agents, small traders and big cultivators. Then despatch the same to the terminal market at Calcutta directly. Before despatching the goods to the terminal market, the Kutcha bailing is done by them. Kutcha balers are the only agency in traditional market channel to deliver the raw jute to the terminal markets. Of course with the functioning of the Jute Corporation of India, they have lost their monopoly to some extent. Yet, still they are the highest despatcher of raw jute to the terminal market from the state as well as in the district as J.C.L procures only an average 20% of the total production of raw jute in the state. The kutcha balers, generally function in the secondary market.
Organised Markets

Terminal Market

Terminal markets are generally located in metropolitan centres and big cities. In terminal market, a portion of the total products is sold for local consumption and the remaining portion is sent to other consuming centres of the country or abroad. The transactions in these markets are held among the traders. The growers have no place in these type of markets. The terminal markets are well equipped with all marketing facilities. Abundant storage facilities, adequate market informations and sufficient provision for communication can be seen in these markets. The commodities need not be sold in a hurry. There is sufficient provision of storage. Therefore, holding back of the commodities when the prices are not adequate is not a problem in terminal market, which is a big problems for growers in the primary market. The whole seller from the up country markets takes the commodities to the terminal markets and sell the products to the manufacturers, and stockists.

It is interesting to note that in India there is only one terminal market for jute. About 90 percent of the jute mills of the country are located in and around Calcutta and hence raw jute from all states generally come to the Calcutta market. From Calcutta jute products are released to the consumer of the country as well as abroad. Some agents or dalal are operating in Calcutta jute markets. These dalals negotiate for both parties, i.e. whole sellers of the up countries and the mills. If prices of the products are not agreeable for both parties, these are kept in the storage and wait for adequate price. The financial footing of wholeseller are sound. Therefore waiting is not a problem for them. The mills and their agents are the main buyers in terminal markets of jute. They pur-
chase the raw jute, manufacture it, keep some amount for internal consumption and export the remaining portion to the other countries of the world.

**Co-operatives**

The co-operative societies are the organizations which are set for the mutual benefits of their members. It is agreed that co-operation is the only means for the emancipation of the economically weaker section people of the country. Though co-operative movement started in India as back as in 1904, its achievements in the country is very poor. Co-operation among the rich section of the people, e.g. sugar growers' co-operatives and cotton growers' co-operatives are working successfully but hardly we can find any example of successful working of co-operatives among the poor. The main causes of failure of co-operative organisations may be summed up as mismanagement, lack of trained persons, lack of enthusiasm and initiative among the people, paucity of funds, illiteracy and the manipulation and competition from the private sector of the economy.

In Assam co-operative movement is in a bad condition. Though there is continuous efforts on the part of the government to strengthen the co-operatives, yet it is with little success. In the year 1973, the Government of Assam set up 663 village level multipurpose co-operative societies with manifold objectives for upliftment of the rural economy of the State. These societies function for few years but at present these are in a very miserable condition.

In the district of Barpeta, each mauza (a group of villages under a unite revenue administration) has a Bahumukhi Samabay Samiti (multipurpose Co-operative Society). The Howly Co-operative Marketing Society
is another big institution functioning in the district. The Assam State Federation of Co-operatives (Statefed.) is the apex body of the co-operatives of Assam. The Statefed. is entrusted by the Jute Corporation of India to purchase the raw jute in the district. The Howly Samabay Samiti another co-operative organisation which is also dealing with purchase and sale of raw jute in Howly area. The Statefed. has its branch office at the district headquarters at Barpeta and opening its five jute procurement centres in different places of the districts. It's operational aspect we shall discuss in Chapter V.

**Jute Corporation of India**

The Jute Corporation of India which was set up in India in the year 1971 with manifold objectives to deal with the jute trade, is functioning in assam since 1973. The J.C.I. has opened 17 Departmental procurement centre and 8 subscentre in Assam in 1982-83. It gives sole right of procurement to the co-operatives in certain areas of Barpeta and Darrang District. Highest number of procurement centres are located in Goalpara district (8 D.P.Cs. and 3 sub-centres), next comes Nagaon districts with 7 D.P.Cs. and 3 sub-centres. In Darrang district which is one of the important jute growing area of the state it has no procurement centre. Only two centres of procurement are opened by co-operatives. In the district of Barpeta, the J.C.I. has only one D.P.C. at Baharihaat and a sub-centre at Barpeta Road (Table 1).

In comparison to Assam, West Bengal have much more procurement centres of J.C.I. as well as of co-operatives. In the year 1982-83 (Table 2), in West Bengal we can see the existence of 60 D.P.Cs., 52 sub-centres and 73 procurement centres of co-operatives. In Chapter V we have made an attempt to assess the functioning of J.C.I.
Table - 1

District-Wise Distribution of Purchase Centres of J.C.I. and Co-operatives in Assam

<table>
<thead>
<tr>
<th>District</th>
<th>J.C.I. Centre</th>
<th>Sub-Centre</th>
<th>Co-operative</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>2. Rupahi</td>
<td>2. Jomkhola</td>
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<td></td>
<td>3. Dhing</td>
<td>3. Raha</td>
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<td>4. Moirabari</td>
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<td>5. Juria</td>
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<td>6. Lanka</td>
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<td>7. Jhaklabandha</td>
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<td>2. Sibsagar</td>
<td>8. Sarupathar</td>
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<td></td>
<td>10. Lakhimpur</td>
<td>5. Chapar</td>
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<td>12. Gouripur</td>
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<td></td>
<td>13. Golokganj</td>
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<td>14. Lakhiganj</td>
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<td></td>
<td>15. Abhayapuri</td>
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<td>16. Patiladah</td>
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<td></td>
<td></td>
<td></td>
<td>2. Barpeta Road</td>
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<td>3. Howly</td>
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<td>5. Kamrup</td>
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<td>8. Rangia</td>
<td></td>
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<tr>
<td>6. Darrang</td>
<td></td>
<td></td>
<td>5. Kharupetia</td>
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<td></td>
<td></td>
<td></td>
<td>6. Tezpur</td>
</tr>
</tbody>
</table>

Source: J.C.I. office, Gauhati
Table - 2

State-Wise Procurement Centres of Raw Jute of J.C.I. and Co-operatives

1982-1983

<table>
<thead>
<tr>
<th>State</th>
<th>Number of Purchase Centres in Operation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>J.C.I.</td>
</tr>
<tr>
<td></td>
<td>D.P.C.</td>
</tr>
<tr>
<td>i) North Bengal</td>
<td>23</td>
</tr>
<tr>
<td>ii) South Bengal</td>
<td>37</td>
</tr>
<tr>
<td>1. West Bengal</td>
<td>60</td>
</tr>
<tr>
<td>2. Assam</td>
<td>17</td>
</tr>
<tr>
<td>3. Meghalaya</td>
<td>1</td>
</tr>
<tr>
<td>4. Bihar</td>
<td>13</td>
</tr>
<tr>
<td>5. Uttar Pradesh</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: J.C.I. Office, Gauhati
Regulated Markets

Assam Agricultural Produce Market Act 1972 made provision of forming a regulated market for agricultural produces and accordingly regulated market scheme was introduced in four districts to give incentives to the producers of agricultural commodities providing improved market facilities.

The objectives of regulation of buying and selling of agricultural produces are:

i) to eradicate the mal-practices prevailing in the urban and semi-urban markets;

ii) in order to establish an efficient marketing system where the growers may obtain reasonable and competitive prices and the trading community receives a fair deal in trading, and

iii) to establish modern market where transactions of agricultural commodities take place conveniently with all facilities of modern market yard, scientific go-down, banks, post-office, retail shops, shops for agricultural input supply, parking places, hotels, provisions for drinking water, etc.

Till 1984, 7 principal markets and 9 rural markets have been established under the provisions of the Assam Agricultural Produce Market Act 1972. To implement the provisions of the Act, Assam Agricultural Marketing Board was formed with its head office at Gauhati. In the District of Barpeta two principal markets, Howly and Baharihat have been brought under regulation. The Howly regulated market started functioning since the year 1985-86. Baharihat is yet to start its functioning. The working of the Howly regulated market has been discussed in Chapter V.
3.5 Marketing Services

Market Intelligence

In India market intelligence system is very weak. Very few agencies exist for dissemination of market intelligence to the trading community. Newspapers and radios though publish and broadcast the policies, crop condition and prices of the commodities regularly but traders community lay less importance on these media. Personal contact is the main source of market intelligence.

The traders in primary and terminal markets collect informations through their agents who are sent to different major markets to gather informations. The Traders in terminal markets maintain continuous contact through different media with the traders in other markets, and dalal in primary markets and terminal markets supply news to the different traders. These people are specialised in this business and very carefully collects the informations regarding prices and qualities of the different type of commodities. Personal contact, therefore, appear to be the most important means of acquiring market information.

In the area of our study the farias and small traders collect the informations from the kutcha baler or wholesaler and accordingly they perform their functions in purchasing and selling. The main source of market intelligence for the growers of the district is the farias and small traders. Only peasants of large-size group with big amounts of marketable surplus can have market position either from the agents or from the wholesaler. The agents or dalals in negotiating the transactions make available to the growers and traders different market condition as well as crop pattern.
The information that can be collected by an individual trader is limited by the resources available to him and by the goods he has in the business. The office of the Agricultural Marketing Officer has a network to collect market informations in the areas. They have some investigators. These people visit the different trading centres of the areas and gather informations regarding supply of agricultural commodities and prices prevailing in the market. Then going back to the office, they broadcast the prices and market arrival of the area through All India Radio, Gauhati, daily. This office also hangs up a board in its premises showing the daily prices, weekly and monthly prices of the commodities.

The J.C.I. and the regulated markets at Howly also supply certain information regarding government policies, minimum statutory prices, etc.. But their activities in respect to market intelligence are very limited.

Therefore, it appears that in traditional market structure, personal contact is the main source of market intelligence. The trading community has little confidence on the informations received from other sources like government agencies, newspapers, etc.. Even the personal contact is also confined to the traders who are similar and similarly situated. No trader likes to give full information to every one if he is not within his confidence.

Grading and Bailing

The marketing services of raw jute do not end at the point of assembling. The assembling of jute is done by the market and village farias and to some extent by the small traders from the scattered areas of jute production. When the produces arrive from the primary market to the secondary markets, these are categorised into different standard by
expert persons. There are ten varieties of grading of the Assam jute. These are from W-1 to W-10. In the main trading centre of Barpeta district at Howly, Barpeta Road and Baharihat, there are grading facilities. The grading and assorting is done by the wholesaler, the J.C.I. and the Statefed.

After grading is over, the raw jute is bailed by the expert of the different government agencies and the private wholesaler. Grading and bailing needs time. Therefore, provision for storage and financial capacity are essential for this purpose. That is why the growers and small traders and also farias with their poor financial position cannot afford to take this venture, though grading and bailing is profitable to them.

**Transport Services**

The main means of transportation from growers to the primary market are manpower (headload), thela, bullockcart, buffallocart, boat and attimes tractors and buses. The farias carry the jute from village in primary market to wholesaler in the secondary markets mainly by buses and trucks and casually by bullockcart. From secondary market to terminal market, raw jute is sent by means of truck and sometimes by railways. Before Independence the most important transportation system for carrying jute from Assam to Calcutta was water ways. That system was cheap and convenient. But due to bifurcation of the country, the water ways now is abandoned. There is evidence of carrying jute from Sorbhog and Rupahi (Dhubri) by means of Air ways. Regular services of air transport were plying from these places.

The wholesaler and the mills agent of this district after processing and bailing transport the commodities to Calcutta mainly by Road Trans-
port system now-a-days as it is convenient and involve less risks. Railway transport though cheap, takes more time and at the same time proper care is not taken during the period of transportation. The Jute Corporation of India has its own arrangement of sending the products from Howly to Calcutta. The J.C.I. uses both rail and road transport system.

We do not like to include other marketing services here as we are dealing with the raw jute only.

3.6 The Problem of Marketing of Raw Jute

Agricultural marketing in its widest sense comprises of all operations involved in the movement of food and raw materials from farm to the final consumer. The agricultural marketing system has some specified features which may be summarised as below.

Agricultural products tend to be bulky and their weight and volume are great for their value in comparison with many manufactured goods.

The demand for storage and transport facilities is heavy and specialised. Most of the firm products are perishable and cannot wait for long on the way to the final consumer without suffering loss and deterioration in quality and quantity.

The demand for agricultural product like food is regular throughout the year but this is not true in case of cash crop.

The firm's output is produced neither at the time, nor in the place, nor in the form in which consumers require it. Because the firms are scattered over the rural areas and their products cannot directly satisfy the demand of the consumers.

The case of too many middlemen is a chief characteristic of agricul-
tural marketing in India. Of course, the middlemen perform many essential services like grading, processing, assorting, transportation, etc. in the process of marketing. The middlemen collect the products from the producers, assemble them in bulk. The heterogenous produces are sorted into standard grade. Storage facilities are of more importance in case of agricultural products. Throughout the year the foodgrain is in demand but production is done generally at a particular time. Transportation from the growers to the consumers' table is a tremendous work involved in agricultural marketing. Moreover, there are services of provision of capital and risk-bearing by the middlemen.

These are the problems facing all agricultural commodities including raw jute in India in their purchase and sale. Yet marketing of raw jute to some extent is different from marketing of other agricultural products. The differentiation can be understood by analysing the following points.

1. The production or supply points of raw jute are scattered and large in number and spread to vast area. On the other hand the consumption or terminal points are few. In India, Calcutta is the only terminal market and consumption point as almost all the jute mills in the country are located within the greater Calcutta. The Mills consume more than 80% of the total production of raw jute. Such single consumption centre cannot be found in case of other agricultural crops.

2. Raw jute is to take a long journey from the grower's farm to the final consumer, as the distance between production and consumption point is very large. Local consumer for other agricultural commodities including foodgrains plays a significant role in India. This big gap between farmer and final consumer raises the costs of transportation to much higher than that of other commodities.
3. The entire supply of raw jute for the year comes to the markets within three or four months. In India August September and October is the peak period of market supply of raw jute and about 80% of the raw jute of marketable surplus brought to the market by the growers. This amount is the total requirement of all the jute Mills for one year. Thus supply becomes abundant during the post-harvest period. This creates the problem of procurement to the purchaser. It is not easy to handle the procurement operation of such a huge quantity of bulky goods like raw jute.

4. In comparison to other agricultural crops raw jute fibre requires additional services like assorting, grading, bailing, storage and transportation to long distance to make them fit for marketing. These functions are performed by the middlemen as even the simple tools for this purpose is not available to the small scattered peasants of jute belt.

5. The non-availability of the above mentioned facilities to the growers causes price determination of raw jute more complicated. The growers cannot influence the price fixation as they do not have adequate knowledge about grading and standardization. Prices of raw jute are fixed by eye estimate (Gasat Rate) both by private traders and government agencies. Therefore, price determination is ultimately left at the mercy of the traders.

6. The bulky nature of raw jute leads to carriage difficulties. It requires more space in comparison to its value. Due to inconvenience of carrying raw jute to England, the British Government had to establish the jute mills in India which reduced risks and costs of production. Not only in transportation raw jute faces difficulties but also in storage.
it involves many more risks. Dry jute requires more space and it has hyper sentitiveness towards fire. Damages are also caused by the rats family during storage.

7. The presence of too many middlemen is common to all agricultural commodities. But in case of foodgrains and other commodities. Very often there is direct relationship between the producers and the ultimate consumers. In this repsect the picture of raw jute is completely different. There is no direct relation between the producer of raw jute and its final consumer. A considerable number of final consumer of Indian jute are staying outside the country.

3.7 Marketing Problem with Reference to Assam

Above all the problems mentioned above relating to raw jute marketing, Assam has some special constraints of its marketing.

The jute growing area of Assam is situated in far distance from the main jute consuming centre, i.e. Calcutta. Consequently, the cost of transportation from Assam to Calcutta is much higher than from the other producing areas of India. The price differentiation between Calcutta and Assam market is between Rs. 80 and Rs. 100 per quintal. This cost of transportation per quintal is about Rs. 30. It makes jute marketing costlier and opens the way for exploitation of the farmers by middlemen.

During the pre-independence period, due to direct and shortest connection with Calcutta both by railways and waterways, transportation to some extent was favourable and cheap. Carriage of raw jute through water ways, the cheapest means of transportation, completely stopped after Independence due to hostility between India and Pakistan. The Railway link with the rest of India also cut off as the linking railways fell
under East-Pakistan, now Bangladesh. The construction of Assam link railways improves the situation. But the system was neither adequate nor smooth as there were may transhipment in different places and at the same time this system was costlier also.

Lack of local consumer is another problem for jute growers for which they are not getting remunerative prices. In West Bengal growers and mill or mill's agents are in direct relation. Mill and Mills' agents purchased the larger share of jute. The co-operative and the J.C.I. also more active there. Hence the role of intermediaries is comparatively weak in West Bengal. In Assam Farias collect the highest amount of jute.

The feasibility survey confirms that production of raw jute in Assam is sufficient to feed 16 mills of 200 looms each. But not a single mill except the assam co-operative jute Mills Ltd. at Silghat so far is established in the State though the foundations of two jute mills one in Darrang district and the other at Barpeta were laid down as back as 1974.

The absence of millers or their agents compels the farmer to sell his product to the middleman. Thus presence of too many intermediaries causers inconvenience to both growers and final consumers. Growers get less price while consumers have to pay more.

Further, Assam raw jute has to pay some amount in the form of entry fees to the Government of West Bengal when it enters the state in its journey to terminal market.
NOTES


3  Ibid.

4  Ibid.

5  Assam Agricultural Produce Market Act, 1972.

6  Ibid.

7  Ibid.


16  Gohain, D., 1980.

17  Barua, D.N., 1974.