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A study on marketing channels adopted by sugarcane jaggery producers for marketing jaggery products in Baghpat district of western Uttar Pradesh

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Abstract

Marketing of agricultural commodities has assumptive greater importance with the gradual switch over from subsistence farming to commercial farming. In this background, the present study was undertaken in Baghpat district of western Uttar Pradesh, with the objective of Marketing channels preferred by Sugarcane Jaggery producers for Marketing Jaggery products. It was conducted in the Binauli block in this district because the fact, a large number of jaggery processing units are present in the area. The five major distribution channels were identified in the study area. Most sugarcane jaggery producers adopted Producer→Consumer channels and Producer→Retailer→Consumer channels.

Keywords: Sugarcane, jaggery, commercial farming, price fluctuations

1. Introduction

Sugarcane (*Saccharum officinarum* L.) is an important cash and sugar crop in the world. In terms of sugarcane cultivation, Brazil ranks first and India ranks second, with an annual sugarcane production of approximately 431.81 million tons (4th Advance Estimates of Production of Major Crops for 2021-22 Released, PIB, Ministry of Agriculture & Farmers Welfare, Govt. of India, New Delhi) and an important commercial crop in the country, which occupies an area of approximately 4.75 million hectares. Sugarcane is the world's most important source of sugar, with around 80 percent of the world's total sugar production coming from sugarcane. The rural economy in traditional sugar cane growing areas is mainly related to sugar cane harvesting and sugar manufacturing or related industries. It contributes significantly to the growth of India's agriculture and Gross Domestic Product (GDP). It plays an important role in the national economy, providing raw materials for sugar and serving more than 25 vital industries such as alcohol, papermaking, chemicals and animal feed. Sugar juice is used to produce white sugar, brown sugar (khandsari) and jaggery (Gur). In 2016, about 14.2 percent of all sugar cane produced in India was used to make jaggery and kandsari (a mixture of crystalline sugar and molasses). In India, Uttar Pradesh is the leading producer of jaggery, followed by Tamil Nadu. More than 60 percent of the world's sugarcane jaggery production is produced in India. As a major producer of jaggery, the country is recognized as one of the world's leading trader and exporter of the world (Sugarcane Research Institute, Pusa, Samastipur, Bihar).

Among the various states of the country, Uttar Pradesh ranks first with an area of 21.8 million hectares and production of 177.67 million tons (2020-21), but ranks eighth³ in terms of productivity. Sugar production in the U.P. during the current season i.e., 2020-21 was 123.06 million tons (Indian Sugar Mills Association, Press Release: Preliminary estimates of sugar production 2020-21 Sugar season).

Jaggery (Gur) is a natural traditional sweetener made by concentrating sugar cane juice. Jaggery and kandsari sugar is one of the most important agro-processing industries in our country's rural areas. Nearly 50 percent of all sugar cane produced in the country is used to produce approximately 8 million tonnes of jaggery, known to be the most nutritious of all sweeteners (Madan, 2004) [6]. Today, the sector still uses about 45-50 percent of the

sugarcane grown in the country and provides employment for about 2.5 million people. Therefore, developing this sector is essential. Because this sector provides jaggery and kandsari sugar with high food value at low cost, which boosts the rural economic system, the transportation cost of raw materials is low, and it does not require highly skilled machinery and labor. (Singh J and Solomon, 2013) [14].

The processing of jaggery from sugarcane is one of the largest agro-based cottage industries in the unorganized sector in India. The facilities that produce jaggery from sugarcane are usually small-scale and the machinery for unit is produced by local craftsmen or in local technical workshops. The jaggery units are located in the rural areas of the main sugarcane growing region of Uttar Pradesh (Cooperative Sugar, 2009).

Baghpat district is considered one of the agriculturally advanced districts of western Uttar Pradesh. Sugarcane crop covers a large area of 76387 thousand hectares in this district with a production of 5718.88 million tonnes (Department of Economics & Statistics, Baghpat, Govt. of U.P. 2016-17). Baghpat district has a large number of jaggery processing units, most of which are located in rural areas. Sugarcane jaggery growers in the Baghpat district use traditional methods to make jaggery and kandsari sugar. The factor responsible for the cultivation of sugarcane crop increase was irrigation facilities, easy availability of input resources, more profitability in comparison to other crops, availability in the local market, availability of good processing facilities, high-yield variety, and the application of a modern package of practices changed (Verma, L.K. & Solanki, A. 2022) [21].

2.0 Methodology

2.1 Sampling procedure

Baghpat district is mainly an agriculture-based economy, in this district, most farmers grow sugarcane as the main crop. Keeping this fact in view Baghpat district was selected purposively.

The selection of the Binauli block in the Baghpat district was carefully made for this study due to the abundance of jaggery processing units in the area. The list of those villages prepared which are engaged in sugarcane jaggery

processing units in the selected Binauli block from the list Tikri and Palri villages were selected randomly from the selected Binauli block. A list of all the jaggery producers of the selected villages was prepared and categorized into three groups on the basis of their unit size *i.e.*, 900-1800 square meters 1800-2700 square meters, and 2700- 3400 square meters. Then 10 sugar cane jaggery producers were selected on the basis of the proportion of the producers falling under each category from each selected village. Thus 20 sugarcane jaggery producers were selected for the present study.

Primary data were collected through a research plan with face-to-face interviews. Data were analyzed by using simple tubular and weighted average methods. The primary data were collected for the 2021-22 crushing season in the study area, and the required secondary data were also collected.

2.2 Analytical Tools

The tabular analysis was used to compare the different parameters among the Jaggery producers. In this computation weighted average is used.

$$\text{Weighted Average} = \frac{\sum WX}{\sum W}$$

Where

X – Variable

W – Weighted of × Variable

3. Results and Discussion

In the present study an attempt has been made to find out the route through which jaggery reaches the final consumer. Five major distribution channels were identified in respect of jaggery marketing in the study area, they were:

Channel I: Producer → Consumer

Channel II: Producer → Mandi → Consumer

Channel III: Producer → Retailer → Consumer

Channel IV: Producer → Mandi → Retailer → Consumer

Channel V: Producer → Mandi → Wholesellar → Retailer → Consumer.

Table 1: Sugarcane Jaggery Producers adopted Channels for marketing jaggery product

Sr. N.	Category unit area (square meter)	Numbers of selected sugarcane jaggery producers	Types of Marketing Channels				
			Channel-I (P-C)	Channel-II (P-M-C)	Channel-III (P-R-C)	Channel-IV (P-M-R-C)	Channel- V (P-M-W-R-C)
1.	900-1800	03	03 (17.65)	01 (25.00)	02 (11.76)	00 (0.00)	01 (11.11)
2.	1800-2700	14	11 (64.70)	03 (75.00)	13 (76.47)	06 (100.0)	05 (55.55)
3.	2700-3400	03	03 (17.65)	00 (0.00)	02 (11.76)	00 (0.00)	03 (33.33)
	Total	20	17 (100.0)	04 (100.0)	17 (100.0)	06 (100.0)	09 (100.0)

Figures in parenthesis indicate percentage

Table No.1 shows the different marketing routes chosen by the selected sugarcane jaggery growers in the study area. A total of five marketing channels were taken over by select sugarcane jaggery producers in the study area. Data shows that most sugarcane jaggery producers adopted more than one channel to market their produce. The majority of the sugarcane jaggery producers adopted Producer → Consumer channels and Producer → Retailer → Consumer channels.

4. Conclusion

It may be concluded that the present study that the sugarcane jaggery producers in the study have adopted the most profitable marketing channels for marketing and that these producers also have good market reach. various marketing channels have been adopted by sugarcane jaggery producers in the study area. This study shows that the majority of jaggery producers have adopted a direct Producer → Consumer channel, and the second preferred marketing channel is the Producer → Retailer → Consumer channel in the study area.

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