



E-ISSN: 2278-4136
P-ISSN: 2349-8234
JPP 2019; 8(4): 2326-2328
Received: 04-05-2019
Accepted: 06-06-2019

Berkile MS

M.Sc. Scholar,
Department of Agricultural
Economics, Vasanttrao Naik
Marathwada Krishi Vidyapeeth,
Parbhani, Maharashtra, India

Dr. SS More

Assistant Professor,
Department of Agricultural
Economics, Vasanttrao Naik
Marathwada Krishi Vidyapeeth,
Parbhani, Maharashtra, India

Dr. YM Waghmare

Assistant Professor,
Department of Agricultural
Economics, Vasanttrao Naik
Marathwada Krishi Vidyapeeth,
Parbhani, Maharashtra, India

Marketing cost, marketing margin and price spread of Brinjal in Latur district of Maharashtra state

Berkile MS, Dr. SS More and Dr. YM Waghmare

Abstract

Present study was designed to measure marketing cost, marketing margin and price spread of brinjal in Latur district of Maharashtra. Investigation was carried out for the year 2014-15. Latur market was purposively selected because this was the major market of Latur district. Similarly for marketing of brinjal data were collected from 10 commission agent cum wholesaler. Simple tabular and functional analysis was used to achieve the results. Study revealed that net price received by producer was Rs. 1526.14, Rs. and 1294.48 Rs. 1079.38 in channel I, II and III, respectively. In channel-I producer's share in consumer's rupee was found to be more 97.61 per cent. Total marketing cost was highest in channel III Was Rs. 179.95. The cost incurred by retailer was maximum Rs.40.64. channel III. Price paid by consumer was Rs. 1746.80. Thus price spread was found Rs.37.30, Rs. 364.01 and Rs.667.42 in channel I, I and III respectively.

Keywords: Marketing cost, marketing margin and price spread, Brinjal

Introduction

Vegetables play an important role in human diet because most of the vegetables are the important source of carbohydrates, proteins and vitamins which are required to maintain the good health of human. Hence, vegetables are the most important components of vegetarian diet of Indian population.

During 2013- 2014, area under brinjal in India was 711.3 thousand hectares, with production of 1357.8 million tones and the productivity 1.908 tones per hectare. During 2013-2014, area under brinjal in Maharashtra was 0.30 lakh hectare with production of 690.0 million tones and the productivity 2.30 tones per hectare.

Methodology

Latur market was purposively selected because this was the major market of Latur district. Similarly for marketing of Brinjal data were collected from 10 commission agent cum wholesaler. Simple tabular and functional analysis was used to achieve the results. Market cost and market margin were worked out from actual data collected from market intermediaries. Marketing cost incurred by producer was estimated from the data collected from selected cultivars for the present study.

Results and discussion

Present investigation is intended to study the cost of production of binjal in Latur district. Data regarding cost of production of brinjal have been collected by special interview method. The data collected have processed, tabulated, analyzed and discussed them with view to draw valid conclusion.

Marketing channels and their price spread in marketing of brinjal Production, retention and marketed surplus of brinjal

In the study of marketing of brinjal three marketing channels were identified channel-I producer-consumer, channel-II producer-retailer-consumer, and channel-III producer-commission agent cum wholesaler-retailer-consumer.

Correspondence**Berkile MS**

M.Sc. Scholar,
Department of Agricultural
Economics, Vasanttrao Naik
Marathwada Krishi Vidyapeeth,
Parbhani, Maharashtra, India

Table 1: Production, retention and marketed surplus of brinjal through different Channels (q/farm)

Sr. No.	Particulars	Brinjal
1	Total production (q)	186.61
2	Retention(q)	0.82
3	Marketed surplus in channel-I (q) (Producer-consumer)	18.07
4	Marketed surplus in channel-II (q) (Producer- retailer-consumer)	65.20
5	Marketed surplus in channel-III (q) (Producer- wholesaler-retailer-consumer)	102.51
6	Total marketed surplus(q)	185.79

(Figures in parentheses indicate percentage to total)

Production, retention, marketed surplus and marketing of brinjal through different channels was assessed and is presented in Table 1. The results revealed that production of brinjal was 186.61 quintals per hectare. In case of total production, proportionate of retention for consumption of brinjal was 0.43 per cent. Regarding total marketed surplus through channel-I 18.07 quintals (9.68 per cent), channel-II 65.20 quintals (34.93 per cent) and channel-III 102.51 quintals (54.93 per cent). Thus, total marketed surplus of brinjal was 185.79 quintals (99.57 per cent).

Marketing cost incurred by producer

Item wise per quintal expenditure on marketing of brinjal by producer in different channels was calculated and presented in Table 2. The result revealed that, marketing cost incurred by producer was highest as Rs 81.45 per quintals in channel-III, while it was Rs 38.61 and Rs 37.30 per quintal in channel-II and channel-I, respectively. It was observed that the proportionate expenditure in channel-I was highest to Rs 15.10 with its share of 40.48 per cent on transportation charges followed by Rs 11.88 per quintal on packaging with its share 31.84 per cent. In the next order, proportionate expenditure on losses, unloading charges and loading charges was Rs 5.00, Rs. 3.00 and Rs 2.31 quintal with its share was 13.40

per cent, 8.04 per cent and 6.19 per cent, respectively. In channel-II, proportionate expenditure was highest to Rs 17.79 per quintal with its share of 46.07 per cent on transportation charges. In the next order, proportionate expenditure on losses, packaging charges, unloading charges, loading charges and weighing charges was Rs. 6.82, Rs 6.99, Rs 3.01, Rs 1.95 and Rs 2.01 per quintal with its share was 17.66 per cent, 18.10 per cent, 7.79 per cent, 5.05 per cent and 5.20 per cent, respectively. In channel-III, proportionate expenditure was highest as Rs 45.81 per quintals with its share of 56.24 per cent on commission charge.

Table 2: Cost of marketing incurred by producer (Rs. /q)

Sr. No.	Particular	Channel-I	Channel-II	Channel-III
1	Packaging charges	11.88 (31.84)	6.99 (18.10)	3.64 (4.46)
2	Loading charges	2.31 (6.19)	1.95 (5.05)	2.02 (2.48)
3	Unloading charges	3.00 (8.04)	3.01 (7.79)	2.89 (3.54)
4	Transportation charges	15.10 (40.48)	17.79 (46.07)	20.00 (24.55)

(Figures in parentheses indicate percentage to total)

Cost of marketing incurred by retailer

Per quintal marketing cost incurred by retailer in channel-II and channel III is presented in Table 3. The results revealed that, cost incurred by retailer in channel-III Rs. 40.64 followed by was Rs 34.90 in channel-II, respectively.

Table 3: Marketing cost incurred by retailer

Sr. No.	Particular	Channel-II	Channel-III
1	Labour charge	3.02	8.67
2	Market fees	3.55	10.19
3	Transport charge	13.13	37.76
4	Shop tax	3.01	8.64
5	Electric charge	0.72	2.06
6	Depreciation on fixed assets	2.85	8.18
7	Interest on fixed assets	3.53	10.14
8	Losses	5.00	14.36
	Total cost	34.90	100.00

(Figures in parentheses indicate percentage to total)

Proportionate expenditure in channel-II was highest in regards to transportation charges 37.76 per cent followed by losses (14.36 per cent), market fee (10.19 per cent), Interest on fixed assets (10.14 per cent), labour charge (8.67 per cent), shop tax (8.64 per cent), depreciation on fixed assets (8.18 per cent) and electric charge (2.06 per cent). Proportionate expenditure in channel-III was highest in regards to transportation charges

27.09 per cent followed by depreciation on fixed assets (18.75 per cent), Interest on fixed assets (12.99 per cent), losses (12.30 per cent), shop tax (9.74 per cent), market fee (9.67 per cent), labour charge (7.82 per cent), and electric charge (1.64 per cent).

Cost of marketing incurred by commission agent cum wholesaler

Costs of marketing incurred by commission agent cum wholesaler were calculated and presented in Table 4.

Table 4: Cost incurred by commission agent cum wholesaler

Sr. No.	Particular	Channel-III
1	1	Packaging
2	2	Labour charge
3	3	Transport charge
4	4	License charge
5	5	Shop tax
6	6	Market fees
7	7	Electric charge
8	8	Interest on fixed assets
9	9	Losses
		Total cost

(Figures in parentheses indicate percentage to total)

Per quintal marketing cost incurred by wholesaler in channel-III is presented in Table 5. The results revealed that, the total

marketing cost incurred by wholesaler was Rs. 57.86 in channel-III. In channel-III share of transportation charges was high as 39.71 per cent followed by packaging (13.84 per cent), losses (10.63 per cent) and market fee (9.78 per cent), Interest on fixed assets (9.47 per cent), labour charge (8.68

per cent), shop tax (5.81 per cent), electric charge (1.15 per cent) and license charge (0.93 per cent).

Price spread of brinjal marketing

Table 5: Price spread in brinjal marketing (Rs/q)

Sr. No.	Particular	Channel-I	Channel-II	Channel-III
1	Net price received by producer (producer's share in consumer's rupee)	2318.76 (98.40)	1988.58 (84.39)	1728.91 (73.37)
2	Marketing cost incurred by producer	37.73 (1.60)	39.74 (1.68)	82.65 (3.51)
3	Price paid by commission agent cum wholesaler	-	-	1811.56 (76.88)
4	Marketing cost incurred by commission agent cum wholesaler	-	-	59.39 (2.52)
5	Net margin of commission agent cum wholesaler	-	-	157.37 (6.67)
6	Price paid by retailer	-	2028.32 (86.07)	2028.32 (86.07)
7	Marketing cost incurred by retailer	-	39.97 (1.70)	42.96 (1.82)
8	Net margin of retailers	-	288.20 (12.23)	285.21 (12.11)
9	Price paid by consumer	2356.49 (100.00)	2356.49 (100.00)	2356.49 (100.00)
10	Total marketing cost	37.73 (1.60)	79.71 (3.38)	185.00 (7.85)
11	Total marketing margin	-	288.20 (12.23)	442.58 (18.78)
12	Price spread	37.73 (1.60)	367.91 (15.61)	627.58(26.63)

Conclusions

In brinjal channel-I (Producer-Consumer) was profitable because price spread was low and net price received by producer was more. In channel-II and channel-III market intermediaries were more therefore net price received by producer or producers share in consumer's rupee was less and price spread was more.

References

- Jain BC, Chetan. Marketing of major horticultural crops in Dharsiwa block of Raipur districts of Chhattisgarh. *Agricultural Marketing*. 2007; 1(2):36-41.
- Shelke RD. Price spread in marketing of major vegetables in Parbhani market. *Economics affairs*. 2009; 54(3, 4):118-123.
- Joshi G. An Analysis of Marketed Surplus and Price Spread of Brinjal in Western Uttar Pradesh. *Asian J. of Management Res*. 2011; 2(1):484-490.
- Hile RB, BR Korade, YC Sale, BT Kamble. Economics of production and marketing of summer capsicum in Nasik district of Western Maharashtra. *Internat. Res. J. Agric. Eco. and Stat*. 2012; 3(1):77-83.
- Kotnala A, AK Singhal, LR Dubey. Marketing of major vegetables in Nainital district of Uttarakhand. *Ind. Jour. Agric. Mktg*. 2013; 27(1):181-189.