

Price spread and marketing pattern of groundnut in Maharashtra state

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ABSTRACT

Among the important oilseeds grown in the country groundnut occupies a predominant place in respect of area as well as production. Of the total area under groundnut in Maharashtra about 35 per cent is confined to Parbhani district only (Epitome of all districts of Maharashtra State 2004-05). The need for efficient marketing assumes added importance to achieve the future groundnut production targets to meet the growing needs of a growing economy. The producers share in consumers rupee was only 49.99 per cent. The roaster incurred the cost of Rs.240.81/Q of groundnut pods. The retailers meet the expenses of Rs.18.00/Q of roasted groundnut. The margin of the roaster is Rs.105.65 per quintal whereas the margin of retailers was Rs.278.76 per quintal constituting 21.43 per cent of the consumers purchase price. The share of producer is quite low. For this the retailer under such a situation can be branded as exploiter on account of its high margin. The arrivals of groundnut is mainly confined to six months i.e. about 80-90 per cent during the months of October and November (peak period). Hence it can be concluded that the arrival of groundnut is mainly concentrated in the post harvest period i.e. peak period.

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INTRODUCTION

Among the important oilseeds grown in the country groundnut occupies a predominant place in respect of area as well as production. The need for efficient marketing assumes added importance to achieve the future groundnut production targets to meet the growing needs of a growing economy. At present the nation is facing a critical situation regarding the availability of edible oils. Under such a situation, it would be rewarding to study the marketing problems of groundnut in the state and suggest suitable measures to increase oilseed production.

The importance of the following study lies in the fact that the knowledge of marketing margins and costs provides a clue to the marketing agencies to devise suitable means to reduce the cost of marketing and will be useful in eliminating the unwanted middleman, so as to increase the marketing efficiency resulting in an increase in the share of the producer in the price paid by the consumer. More specifically, this study seeks to examine the following objective to analysis of the price spread of the most important marketing channel of groundnut and to study of the marketing pattern of groundnut in Parbhani market.

METHODOLOGY

The study is based on the primary and secondary data collected from Parbhani district

of the state. To find out the marketing costs and margins primary data were collected from groundnut growers, commission agents, roasters, retailers and consumers. Thirty producers and thirty sellers were selected from the selected market area to collect data on prices received for the produce, expenses incurred such as transportation charges, unloading charges, cleaning and dressing charges. To find out the trend, for this study the linear trend has been fitted for each of the selected markets by using the following function: $y = a + bt$, seasonal variations in market arrivals and prices have been worked out by using the twelve months moving average method. The seasonal indices have been calculated by estimating the trend, cyclic and irregular fluctuations by using the following model

$$O = \frac{T.CS.I}{T.C.I}$$

where, O=Seasonal indices

T=Trend

C=Cyclic fluctuations

I=Irregular fluctuations

Producer's share in consumer rupee has been worked out for the commodity as percentage of the consumers purchase price for one quintal received by the producer. To examine the marketing pattern of groundnut, marketing year has been split up to 3 periods namely; peak period (October-November), mid

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