



Economics of grape wine production in Maharashtra

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ABSTRACT

Maharashtra has 58 grape winery units and grape wine production is 2.11 crore litres per annum. About 32 winery units were selected for present study. The concept of variable cost and fixed cost was used for determining production cost in the firm. Data were pertained to the year 2009-10. The results revealed that investment was found to be Rs. 13005392.75 in fermentation tank, pneumatic press with volumetric pump and insulation tank with sliding were predominant items of investment. Total cost was Rs.19103501.72 in which share of variable cost was 68.81 per cent followed by that of fixed cost (30.19 per cent). Grape wine production was 191590.63 liters. Net profit was Rs. 9017996.20 per annum. Per liter cost of production of grape wine was found to be Rs.52.11.

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INTRODUCTION

Grape wine is a health drink resulting from complete or partial alcoholic fermentation of grape, either exclusively by natural microflora of grapes or the added wine yeast culture, being a fruit based fermented and uninstalled product. In the world about 80 per cent of grape produce can be used for wine making followed by that of 10 per cent for raisin making and only 10 per cent for table purpose. In Maharashtra, there are 58 winery units. The total investment on wineries in Maharashtra is Rs. 77.75 crore. Maharashtra has 2.11 crore litres of grape wine production. Present scenario indicates that table-wine accounts for 85 per cent of market and expensive varieties of vintage wine accounts for 15 per cent. Wine production unit is capital intensive and it has capacity from 0.50 lakh litres to more than 7 lakh litres per annum. Availability of raw material is from starting of February to end of March. The produced juice can be stored for wine making. Wine production is agri-business and producer must know the costs, returns and profits from the business. By keeping in view such aspects, the present study has been undertaken.

METHODOLOGY

Multistage sampling design was adopted for selection of districts and grape winery owners. At the first stage Pune, Nasik, and Sangli districts were selected purposely on the basis of availability of winery units. In second stage, from Pune district 8, from Northern Nasik 8 and from Southern Nasik 8 while from Sangli district 8 winery units were selected randomly. Cross sectional data were collected from grape winery owners by personal interview method with the help of pretested schedule. The data pertained to year 2009-2010. The cost concept of variable cost and fixed cost was used to analyze the data in present investigation. Variable cost included hired human labour, raw grape, potassium metabisulphate, yeast, water quantity, pectolytic enzyme, KH_2PO_4 , $\text{MgSO}_4 \cdot 7\text{H}_2\text{O}$ and glycol. Interest on working capital was calculated @ 11 per cent. While fixed cost included permanent human labour, license fee, depreciation on fixed assets @ 10 per cent and interest on fixed capital @ 10 per cent.

RESULTS AND DISCUSSION

The findings of the present study as well

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