



Research Paper

An analysis of costs, margins and producer's share in marketing of raisins

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ABSTRACT : The study was undertaken to examine the marketing pattern of raisins in Karnataka. The primary data were obtained from grape growers, commission agents, wholesalers, retailers of Bijapur district. The data were analysed by using descriptive statistics such as percentages, averages and ratios. The study revealed that cost of marketing of one tonne of raisins worked out to 2877.55 for the producer. The grape growers have routed their produce through two channels involving commission agents and the wholesalers. The price-spread in this was found to be Rs. 16,449.50 in channel-I and Rs. 10,354.74 in channel-II. The producers share in consumer rupee was 82.61 per cent and 89.00 per cent in channel-I and II, respectively, indicating that the channel-II was more efficient with efficiency index of 9.09.

KEY WORDS : Marketing channels, Marketing costs, Margins, Price spread

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INTRODUCTION

Horticultural crops are fast emerging as the most remunerative crops replacing subsistence farming in dry lands, hills, arid and coastal ecosystems. These crops are characterized by high productivity, high returns, high employment potential and exports, low water requirement, and easy adoptability (Nagaraj *et al.*, 1989). Horticultural crops cover large number of fruits, vegetables, flowers, plantation crops, medicinal and aromatic plants and tubers. India can boast of being one of the few countries in the world which can grow large varieties of fruits all the year round. Horticultural crops occupy roughly around 11 per cent of the gross cropped area, and contribute more than 28 per cent of the gross value of agricultural output of the country. India ranks second in fruit production in the world having global share of 10 per cent.

Grapes is one of the major fruit crops grown in India and accounts for about 2.5 per cent of total fruit production. A substantial quantity of production is lost during post-harvest handling. The quantum of post-harvest loss is due to perishable nature of fruit, packing, transportation etc. (Madan and Ullasa,

1991). Grape being a high value commercial fruit crop, any loss would hamper availability of fruit to large segment of the population. Processing of fruits into raisins will go a long way enhancing continuous availability of fruit all through the year (Shaheen and Gupta, 2004). Processing or conversion of fresh grapes into raisins would prolong the shelf-life of the fruit and result in value addition (Sinha, 1990). Improvement in the quality of the produce and efficient marketing is the need of the hour to increase our share in the global market. Reliable information on marketing costs, marketing margins, price spread and producer's share would be of much use to policy makers at the government level and to researchers, extension workers and grape growers also. Thus, marketing will have an impact both at micro and macro-levels. Very few studies have been conducted to assess the marketing of raisins. Hence, the present study makes a modest attempt in this direction to fill the void. The study addresses the following objectives :

- Identification of distribution channels
- Estimation of distribution costs and margins
- Efficiency and producer's share in marketing of raisins