



Research Paper

Marketing of organic rice

■ D. NAGARAJ, B. CHINNAPPA AND K.B. UMESH

See end of the paper for authors' affiliations

Correspondence to :

B. CHINNAPPA,
Department of Agricultural
Economics, Agricultural
College, Navile, SHIMOGA
(KARNATAKA) INDIA
Email: chinnappaprof@rediffmail.com

Paper History :

Received : 02.11.2011;

Revised : 30.10.2011;

Accepted: 04.12.2011

ABSTRACT : The study was conducted in Shimoga district of Karnataka. The primary data were obtained from 30 organic producers and 30 consumers of organic rice. There were no retail outlets for selling organic rice in Shimoga district and consumers of organic rice. It was decided to select consumers in Bangalore city where there were few outlets selling organic rice. The data were collected from the sample producers and consumers by survey method using a structured schedule by personally interviewing each and every sample producer and consumer. The data covered general information, prices received, cost of marketing, channels followed, etc. from the producers and general information, price paid, quantity demanded of organic rice, problems/constraints in marketing of organic rice, etc. from the consumers. The data were subjected to tabular method of analysis and averages, percentages, ratios were worked out to draw the meaningful conclusions. The total cost of marketing per quintal of organic rice incurred by the producers was Rs. 106. The agency of procurement of organic rice incurred expenditure of Rs. 58 per quintal. Marketing margin of the retailer was found higher (Rs. 660/q. The price spread was highest in channel-I and in channel-III, the price spread was zero. The producer share was maximum in III channel of marketing (100 per cent) and lowest in channel-I (78.54 per cent). Opinion survey was conducted to know the marketing constraints of organic rice growers and results showed that about 85 per cent of the respondent farmers felt dearth of market information. Absence of organized marketing particularly for rice was another problem for over 80 per cent of the respondents.

KEY WORDS : Organic rice, Price spread, Producer share

HOW TO CITE THIS PAPER : Nagaraj, D., Chinnappa, B. and Umesh, K.B. (2012). Marketing of organic rice, *Internat. Res. J. agric. Eco. & Stat.*, 3 (1) : 8-11.

INTRODUCTION

The principle of organic farming is attracting farmers world over due to its various advantages over modern agriculture with chemical fertilizers and agro-chemicals. Essentially, it is farming system which supports and strengthens agricultural production without any recourse to chemical farming. It emphasizes the use of management practices in preference to the use of off-farm inputs. This can be accomplished using agronomic method as opposed to using of synthetic materials. Intensification of agricultural production with widespread use of chemicals has resulted manifold increase in production and productivity of few crops. However, the ill-effects of these chemicals are clearly visible on human and animal health, soil quality, water quality etc. Continuous exposure to chemicals causes permanent disability among humans imposing higher social cost on the society. Use of endo-sulphan in cashew much harms to children in Kerala state that has become a

debatable issue. Apart from this, large scale spraying of chemicals reduces more beneficial bacteria in the soil, pH, organic carbon (OC) and micronutrients. The adverse effects of conventional farming have been well documented. Hence, the challenge is to develop system more acceptable to farmers and consumers. Many farmers with progressive outlook are shifting to organic farming in India due to increased demand for organic products in the domestic as well as international markets. Our food consignments are rejected in the international markets due to the presence of high chemical residues. Under these circumstances, organic farming proves to be better alternative to conventional farming.

The markets for organic products have not been well developed. They are niche located mainly in developed countries. The markets for organic products are growing in USA, Europe and other countries. The demand for organic food is steadily increasing in developed and developing countries. The major commodities which are exported are