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## Marketing of orange in Amravati district of Maharashtra

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### Abstract

The present study has been conducted to examine the marketing of Orange in Amravati district. The study was carried out through collection of data by interview method. The primary data was collected from various stakeholders constitute 120 Orange cultivators. For marketing 10 pre-harvest contractor, 10 retailer and 10 wholesaler operating at each level of marketing channels. The primary data were collected with the help of specially designed pre-tested scheduled through personal interview with the farmer. Three distribution channel of Orange were identified in study area. The findings of the study reveals that the marketing of Orange in the district is mostly dominated by Channel III more than 71 per cent produce was marketed through this channel. In channel II and channel I 21.12 per cent and 7.07 per cent produce sold.

**Keywords:** Orange, Marketing cost, Price spread.

### Introduction

Agriculture is a backbone of Indian economy. Over 65 per cent of the population of the population relies on agriculture as a farmer. Maharashtra state has vast potential for horticulture development as the agro-climatic condition favours cultivation of large number of horticulture crop throughout the year. Horticulture sector is yet one of the major sources of generation additive income. Maharashtra false under the world citrus belt. Orange is majorly in Nagpur, Amravati, Washim, Akola, Yavtmal, Wardha districts and potential belts of Orange.

The Amravati district is one of the major producer of Orange in Maharashtra. The area under this crop in the district 70831 ha including production 617343 Metric tonne. The major area of Orange in the district are Warud, Achalpur, Morshi, Chandhurbajar etc.

The marketing of Orange is more complicated as the majority of farmers are unorganized and low bargaining power of the farmer. The present study there for draw attention to analyse the marketing channel, price spread and marketing margin.

### Methodology

The present study was conducted in Amravati district of Maharashtra. Three tahasils were purposively selected because of its potential area under cultivation. From six villages 20 cultivator from each village were selected thus in all 120 sample cultivators were selected randomly for the present study. For marketing of Orange 10 pre-harvest contractor, 10 retailer and 10 wholesaler were selected for Amravati market. Data pretained for 2023-24.

### Analytical tools and techniques

#### Marketing cost

It is the actual expenses required in bringing goods and services from the point of production to the point of consumption. Marketing cost may be computed as follows,

$$C = C_f + C_{m1} + C_{m2} + \dots + C_{mi}$$

Where,

C = Total marketing cost

$C_f$  = Cost paid by the producer

$C_{mi}$  = Cost incurred by  $i^{\text{th}}$  middleman

**Net margin**

$$Nmi = Pri - (Ppi + Cmi)$$

Where,

Nmi = Net margin of  $i^{th}$  type of market middlemen

Pri = Total value of receipt per unit

Ppi = Per unit purchase price of produce by the  $i^{th}$  middlemen

**Price spread**

Price spread of the produce show the difference between net price received by the producer in the assembling market and price paid by ultimate consumer to produce in the retail market. It includes all the market charges incurred by

producer, wholesaler and retailer as well as profit margin at wholesaler and retailer.

**Results and Discussion**

**Marketing channels of Orange**

Marketing channels state that how produce passes through different marketing agencies from producer till it reaches to the consumer. It is essential to point out different marketing channels used in Orange marketing during present study.

- ◆ Producer – Retailer – Consumer
- ◆ Producer – Wholesaler – Retailer – Consumer
- ◆ Producer – Pre-harvest contractor – Wholesaler – Retailer – Consumer

**Table 1: Quantity of Orange sold through different channels**

Sr. No	Channels	No. of farmers	Quantity sold
1	Channel I ( Producer -retailer- consumer)	13 (10.83)	1992 (7.07)
2	Channel II (Producer- wholesaler- retailer- consumer)	38 (31.66)	5946 (21.12)
3	Channel IV (Producer- preharvest contractor-wholesaler-retailer- consumer)	69 (57.50)	20205(71.79)
	Total	120 (100.00)	28143 (100.00)

Table 1 revealed that channel III it ( producer- pre-harvest contractor- retailer- consumer) was the major channel of distribution and overall 69 i.e. 57.50 per cent farmer sold their produce by this channel, followed by channel II ( producer-wholesaler- retailer-consumer) 38 i.e. 31.66 per cent and channel I ( producer-retailer-consumer) 13 i.e. 10.83 per cent. In channel I i.e. (producer-retailer-consumer) quantity sold was less i.e. 1992 qtl (7.07%) and this channel was mainly followed by small farmers. Channel III i.e. (producer-pre-harvest contractor-wholesaler- retailer- consumer) quantity sold was highest i.e. 20205 qtl (71.79%). In channel II i.e.

(Producer-Wholesaler -Retailer - Consumer) quantity sold was 5946 qtl (21.12%). It was observed that channel III ie. (Producer pre- harvest contractor-wholesaler- retailer-consumer) was the major channel of distribution of Orange.

**Price spread of Orange in different marketing channels**

Price spread is the difference between the price paid by the processer and price received by the producer. This consists of marketing costs and margins of the different channels. The costs and margins of agency in different channels were worked out and details are presented in Table 2.

**Table 2: Price spread in different marketing channels**

Sr. No.	Particulars	Channel I	Channel II	Channel III
1	<b>Producer</b>			
	Gross Price received by Producer	2907.69	2981.58	3115.94
	Marketing cost incurred	407.00	420.10	0.00
	Net price received by producer	2500.69	2561.48	3115.94
2	<b>Pre-harvest contractor</b>			
	Purchased price	-	-	3115.94
	Marketing cost incurred	-	-	652.30
	Net margin	-	-	551.76
	Selling price	-	-	4320.00
3	<b>Wholesaler</b>			
	Purchased price	-	2981.58	4320.00
	Marketing cost incurred	-	513.90	451.00
	Net margin	-	624.52	569.00
	Selling price	-	4120.00	5340.00
4	<b>Retailer</b>			
	Purchased price	2907.69	4120.00	5340.00
	Marketing cost incurred	307.80	241.50	206.70
	Net margin	990.51	768.50	913.30
	Selling price	4206.00	5130.00	6460.00
5	<b>Consumer</b>			
	Purchasing Price	4206.00	5130.00	6460.00
	Net price received by producer	2500.69	2561.48	3115.94
	Price spread	1705.31	2568.52	3344.06
	Producers share in consumer Rupees	59.46	49.93	48.23
6	MME	1.47	1.00	0.93

It is observed from the table, the net price received by the producer was Rs. 2500.69 in Channel I, in case of Channel II Rs. 2561.48, channel III and Rs. 3115.94. Price spread was minimum in Channel I ( Producer – Retailer – Consumer ) is Rs. 1705.31, as there was very less marketing costs between producer and consumer. Price spread was maximum in Channel III was Rs. 3344.06 followed by Rs. 2568.52 in Channel II. This is due to fact that as the market chain increase price spread also increases. Producer's share in

### Conclusion

From this study it is concluded that Channel III is a dominate channel i.e.57.50 per cent farmer sell their produce. It is a major channel of Orange marketing. Price spread was minimum in Channel I is Rs. 1705.31, as there was very less marketing costs and market margins between producer and consumer. Price spread was maximum in Channel III that was

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consumer rupee was observed highest in channel I ie. 59.46 per cent, in channel II was 49.93 per cent and in channel III 48.23 per cent it is indicating that as number of intermediaries increases, decreases in producer share in consumer rupees. It was found the comparatively channel I found more profitable than channel II and channel III in orange marketing. Marketing efficiency was maximum for Channel I (1.47), followed by Channel II (1.00) and Channel III (0.93).

Rs. 3344.06 followed by Rs. 2568.52 in Channel II. This is due to fact that as the market chain increases price spread also increases. Marketing efficiency was maximum for Channel I (1.47), followed by Channel II (1.00) and Channel III (0.93). channel I is a beneficial channel for farmers because producer share in consumer rupees 59.46 per cent.