

MARKETING OF BHENDI (*Abelmoschus esculentus*) IN COIMBATORE DISTRICT – AN ECONOMIC ANALYSIS

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This study ventures to identify the marketing channels and to estimate the farm-retail price spread for Bhendi. The results showed that the share of the producer in the consumer's rupee was 38 per cent. The wholesaler's margin is estimated to be 25 per cent as against retailer's margin of 14 per cent. The seasonal retail price index showed that bhendi prices were highest during the months December and January.

The present marketing system for vegetable is inadequate and devoid of required infrastructural facilities, and is observed to serve as a serious constraint to increased vegetable production. This has resulted in unremunerative prices to the farmers and unreasonable prices to consumers. During the First and Second-Five Year Plans, agricultural marketing was neglected and ultimately, the agricultural marketing could not contribute its due share in the socio-economic progress of the country. Particularly, the vegetable marketing system is still at infant stage of development. The perishable nature of vegetable is an added advantage to the middlemen to exploit the vegetable growers. Detailed studies on complex vegetable marketing systems would help to devise pragmatic policies to modernise the system. The present study ventures:

- (i) to identify the marketing channels for bhendi.
- (ii) to estimate the farm retail price spread, and
- (iii) to study the problems faced by the bhendi growers in marketing of this vegetable.

MATERIALS AND METHODS

For the purpose of study, two taluks viz, Pollachi and Coimbatore taluks of Coimbatore District were selected, the Pollachi taluk being largest producer of Bhendi, followed by Coimbatore taluk. In the next stage of sampling, two villages, one from each of these taluks, having largest area under Bhendi in their respective taluks were selected. Totally forty bhendi farmers, twenty from each village, constituted ultimate units of sample. The selected villages were Periyanegamam (Pollachi Taluk) and Othakalmandapam (Coimbatore taluk).

Two assembling markets viz, Pollachi vegetable market and Thyagikumaran Market, Coimbatore were studied for the present analysis. In each market, five Commission agents, five wholesalers, and five retailers were contacted for gathering information. Totally 30 market intermediaries were interviewed.

In estimating farm-retail price spread, concurrent margin approach (Dutia and Rameshchandra, 1965; Ramasamy and Pugazhendi, 1981) was

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adopted since bhendi is perishable crop and can not be stored. Further, seasonal movements of retail prices of bhendi was examined. For the purpose Seasonal Price Indices (Morris Hamburg, 1970) were constructed. The bhendi retail prices available with Asst. Director of statistics, Coimbatore were made use of for constructing price indices.

RESULTS AND DISCUSSION

In the study region bhendi is not usually graded. The poor quality, pest and disease affected, and ripened fruits are separated in the course of harvest. The vegetable is packed in urea bags. The weight of one bag of bhendi varieties between 20-25 kgs. In recent times, tempo is increasingly used for in transporting vegetables. About 90 percent of the arrivals to Thyagi-kumaran market are brought by tempo and lorries. The transport charges per bag from Perianegamam to Pollachi was Rs. 1.50 in the case of tempo and Rs. 1.00 in the case of bus. Farmers prefer tempo for its availability at the door step and also the produce is taken right into the market.

The bhendi moves from producers to consumers in different channels which are:

- I. Producer-Commission-Agents-Wholesaler-Retailer-Consumer.
- II. Producer-Village Merchant-Wholesaler-Retailer-Consumer.
- III. Producer-Village Merchant-Retailer-Consumer.
- IV. Producer-Retailer-Consumer.
- V. Producer-Consumer.

About 78.50 per cent of quantity of bhendi flows through channel I, followed by channel II, whose percentage is 7.50. Thus, nearly eighty per cent of the produce is taken by the farmers directly to the assembling markets and disposed off through the Commission agents to the wholesalers.

In order to work out the price read for bhendi, Channel I alone was considered, for it is the most common channel as is evidenced elsewhere. The price spreads estimated for bhendi marketed through Thyagi Kumaran and Pollachi markets are presented in Table 1.

The results show that the price spread was higher for the produce gone through Pollachi market, and it was Rs. 77.29 per quintal of bhendi, while it was Rs. 70.20 for the lot sold through Thyagi Kumaran Market. This is because the produce moved through Pollachi market is consumed at distant places. Consequently the marketing cost increases. The share of the producer in the consumer's rupee was only 38 per cent in both the markets. The wholesaler's margin is estimated to be 25 per cent of the consumer's rupee as against the retailer's margin 12 to 14 per cent.

The seasonal retail price index constructed is shown in Table 2. Prices are observed to be highest in December and January. This is on account of heavy rains in December, which cause severe damage to bhendi crops, leading to substantial decline in market arrivals. More market arrivals during the main season harvest (March-April to June-July) and subsequent favourable growing seasons push down the

prices during the months between May and November. This seasonal varia-

tions in prices are brought about by the periodicity pattern of market arrivals

Table 1. Price spread for Bhendi in Coimbatore District.

Functionary / Items of cost	Othakalmandapam to Coimbatore city via Thyagi Kumaran Market		Perriyanegamam to Trichur (Kerala) via Pollachi market	
	Rs./Qtl.	Percentage	Rs./Qtl.	Percentage
Net price to the producer	43.55	38.29	48.46	38.54
I. Packing	0.90	0.79	0.80	0.64
II. Transportation	6.00	5.27	4.00	3.18
III. Brokerage	—	—	—	—
IV. Handling	2.50	2.20	1.25	1.00
V. Marketing fee	2.40	2.11	1.50	1.18
VI. Commission charges	6.15	5.41	4.24	3.37
Producer's sale price/whole saler's purchase price	61.50	64.07	60.25	47.91
Cost incurred by the wholesaler				
I. Packing	—	—	1.00	0.80
II. Transport	1.00	0.88	8.00	6.36
III. Handling	5.00	4.40	6.00	4.77
IV. Others	—	—	—	—
Wholesaler's margin	28.50	25.05	30.25	24.06
Wholesaler's sale price/ Retailer's purchase price	96.00	84.40	105.50	83.90
Cost incurred by the retailer				
I. Transport	2.75	2.42	1.75	1.38
II. Handling	1.25	1.09	1.00	0.80
III. Others	—	—	—	—
Retailer's margin	13.75	12.09	17.50	13.92
Retailer's sale/Consumer's price	113.75	103.00	125.75	100.00

Table 2.

Month	Seasonal Price Index
January	130.83
February	98.65
March	106.14
April	110.48
May	86.83
June	80.12
July	89.73
August	78.50
September	93.87
October	81.34
November	98.31
December	130.42

It was observed that not only prices fluctuate between days but also between hours. Usually the early arrivals fetch higher prices. The vegetable starts arriving the markets as early as 4.00 a. m. and bhendi market close by 10.00 a.m. Invariably all the farmers stressed the need for stable prices for vegetable so that their farm income can be stabilised. Even if the arrival in a particular day is marginally surplus, the wholesalers exploit situation and suppress the prices to unremunerative levels. In Tyagi Kumaran Market, the commission charges are 10 per cent. This percentage seems to be very high for the services rendered by the commission agents. There were inadequate space, poor sanitation, and lack of storage and water facilities in the markets surveyed; and these problems were reported by producers and traders alike. Another problem expressed by the farmers has been that the assembling markets are located far away from the villages.

Policy Implications :

Improving the facilities in the existing markets and opening of new ass-

sembling markets covering villages growing vegetables need to be an integral part of strategies designed for development of marketing of vegetables. Creation of market infrastructure to attract wholesale traders to the new assembling markets is essential. Co-operative super markets should come forward to make direct purchase from the producers thereby improving the farmers' share in consumer's rupee. Establishing Government owned cold storage units and encouraging privately run cold storage units would help to even out the supplies, thereby to smoothen the swings in bhendi's prices.

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