



SUPPLY CHAIN MANAGEMENT OF BETEL LEAF

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Abstract: Betel Vine (*Piper betel* L) is one of the important commercial crop of India. It belongs to the family Piperaceae. Betel Leaf are closely linked with India's history, culture and religion. It is grown over an area of 40,000 hectares in the country. Betel Leaf is used mainly for chewing. It helps in digestion by encouraging salivation and neutralizing excess acid by the time eaten with it. The relevant research study was Production and Marketing of Betel Leaf in Amravati District". The objective were to study, to study the marketing of betel leaf, to measure the market efficiency. Total Sixty five farmers were selected for the present study. The data pertains for the year 2011-2012. All the major agencies involved in marketing of betel leaf i.e. wholesalers and retailers ten each were selected for the present study. In channel III marketing cost incurred by producers, wholesaler and retailer was Rs.51.6, Rs. 63.79 and Rs.25 respectively. The total marketing cost of channel I was Rs 30 while it was Rs.66.00 and Rs.140.39 in channel II and III respectively. The marketing margin of the retailer was highest in channel III i.e Rs. 195 as compared to channel II was Rs.75. The marketing margin of the wholesaler was Rs.171.2 in channel III. The Total marketing margin of channel II was Rs 75.00 while it was Rs.366.42 in channel III respectively. Highest total margin was observed in channel III. marketing efficiency in channel I is higher than channel II and III. The efficiency of channel I and II was high 5.5 and 1.2 as compared to channel III was 0.2 respectively. In channel I and II the total marketing cost and margin is less as compared to channel III and marketing efficiency is more than 1, thus this channel in marketing of betel leaf is more efficient than channel III. In channel III the total marketing cost and margin is more as compared to channel I and II. marketing efficiency is less than 1, thus this channel in marketing of betel leaf is less inefficient than channel I and II.

Keywords: Betel leaf, Marketing cost, Market margin.

Introduction

Betel Vine (*Piper betel* L) is one of the important commercial crop of India. It belongs to the family Piperaceae. Betel Leaf are closely linked with India's history, culture and religion. It is grown over an area of 40,000 hectares in the country. In India it is extensively grown in the states of Bihar, West Bengal, Assam, Karnataka, Tamil Nadu, Kerala, Orissa, Andhra Pradesh and Maharashtra. In Bihar, two measure varieties of this crop are grown namely 'Deshi' and 'Magahi'. It is the least land intensive crop cultivated in bareja.

Betel Leaf is used mainly for chewing. It helps in digestion by encouraging salivation and neutralizing excess acid by the time eaten with it. Minimization of theft and damage of betel leaves during transit in railways, provision of sufficient space and number of brake vans in the passenger trains, minimization of market functionaries in

remote and distance places, ensuring full payment for the produce to the local functionaries by the functionaries of the different states, broadcasting of prevailing prices in other states in different news media for information regarding price spread are essential for better marketing policies of betel leaves.

Since betel leaves are perishable .It is necessary to pay equal attention to their marketing. The aim of producer in marketing is to raise the producers share in the consumers rupee. Betel Leaves from Akola and Amravati district are considered to be the best quality of Kapoori leaves for their shape, size, colour and grade. These leaves have much demand from various consuming centre such as Delhi, Mumbai, Calcutta, Uttar Pradesh, Rajasthan and Madhya Pradesh because of the delicacy and quality.

In present study, an effort had been made to study the supply chain management of Betel leaf in Amravati district

Methodology

The present study was conducted in Amravati district of Vidarbha region. The two tahsil viz. Anjangaon surji and Chandur Bazar in Amravati district were selected purposively where betel vine cultivation is concentrated.. Total Sixty five farmers were selected for the present study. The data pertains for the year 2011-2012. All the major agencies involved in marketing of betel leaf i.e. wholesalers and retailers ten each were selected for the present study.

Marketing of betel leaves

In order to study the price spread in betel leaves, betel leaf markets at Anjangaon surji of

Amravati district were selected. The data on price was collected and analysed. In Anjangaon surji market of Amravati district the betel leaves were sold through the following channel.

Channel I: Producer → Consumer

Channel II: Producer →Retailer→ Consumer

Channel III: Producer → Wholesaler→ Retailer→ Consumer

In the present study, only the consumer price and marketing cost per Rs.2500 leaf are taken into account to find out the marketing efficiency of the various channel.

Marketing efficiency between the selected channels was worked out by using the shepherd's formula.

Shepherd's formula:

$$ME = \frac{V}{I} - 1$$

Where,

ME = Index of marketing efficiency

V = Value of good sold (price paid by consumer)

I = Total marketing cost i.e marketing cost and margin

Results and Discussion

Table 1: Marketing cost and market margin

(Rs./ 2500 leaves)

Sr. No.	Particulars	Channel-I	Channel-II	Channel-III
A	Marketing cost incurred by producer			
1	Packing charges	2.00	2.00	2.00
2	Loading charges	0.00	6.00	4.00
3	Transportation charges	0.00	5.00	0.00
4	Unloading charges	0.00	0.00	5.00
5	Commission charges	0.00	0.00	12.6
6	Miscellaneous cost	0.00	0.00	0.00
7	Counting charges	28.00	28.00	28.00
8	Total marketing cost	30.00	41.00	51.6
9	Selling price of producer	195.00	220.00	185.00
B	Marketing cost incurred by wholesaler			
1	Purchase price of wholesaler			185.00
2	Charges of empty petera			5.00
3	Packing charges			2.00
4	Marking/labeling			3.00
5	Transportation charges			20.00
6	Marketcess			4.39
7	Commission charges			29.4
8	Total marketing cost			63.79
9	Marketing margin			171.21

10	Selling price of wholesaler			420.00
C	Marketing cost incurred by Retailer			
1	Purchase price of retailer		120.00	420.00
2	Shop rent		2.00	2.00
3	Transportation charges		5.00	5.00
4	Loading and unloading		6.00	6.00
5	Sorting/grading		10.00	10.00
6	Packing charges		2.00	2.00
7	Total Marketing cost		25.00	25.00
8	Marketing margin		75.00	195.00
9	Selling price of retailer/ purchase price of consumer	195.00	320.00	640.00
D	Total marketing cost	30.00	66.00	140.39
E	Total margin	0.00	75.00	366.42

In channel III marketing cost incurred by producers, wholesaler and retailer was Rs.51.6, Rs. 63.79 and Rs.25 respectively. The total marketing cost of channel I was Rs 30 while it was Rs.66.00 and Rs.140.39 in channel II and III respectively.

The marketing margin of the retailer was highest in channel III i.e Rs. 195 as compared to channel II was Rs.75. The marketing margin of the wholesaler was Rs.171.2 in channel III. The Total

marketing margin of channel II was Rs 75.00 while it was Rs.366.42 in channel III respectively. Highest total margin was observed in channel III.

Marketing Efficiency of Betel Leaf

Marketing is said to be an efficient, if the total marketing margin is reduced for a given marketing cost. In the present study, marketing efficiency was examined for the three different channels producing Betel Leaf.

Table 2: Estimation of marketing efficiency for betel leaf market (Rs./ 2500 leaf)

Sr. No	Particulars	Channel-I	Channel-II	Channel- III
1.	Marketing costs incurred by producers	30.00	41.00	51.6
2.	Marketing costs incurred by wholesalers	0.00	0.00	63.79
3.	Marketing costs incurred by retailers	0.00	25.00	25.00
4.	Marketing margin of wholesalers	0.00	0.00	171.21
5.	Marketing margin of retailers	0.00	75.00	195.00
6.	Total Cost and Margin	30.00	141	506.6
7.	Consumers purchase price	195.00	320	640
8.	Net price received by the producer	165.00	179	185
9.	Shepherd's index of marketing efficiency	5.5	1.2	0.2

It is seen from table 2 the marketing efficiency in channel I is higher than channel II and III. The efficiency of channel I and II was high 5.5 and 1.2 as compared to channel III was 0.2 respectively. In channel I and II the total marketing cost and margin is less as compared to channel III and marketing efficiency is more than 1, thus this channel in marketing of betel leaf is more efficient than channel III.

In channel III the total marketing cost and margin is more as compared to channel I and II. marketing efficiency is less than 1, thus this channel

in marketing of betel leaf is less inefficient than channel I and II .

Conclusion:

The total marketing cost of channel I was Rs 30 while it was Rs.66.00 and Rs.140.39 in channel II and III respectively. The Total marketing margin of channel II was Rs 75.00 while it was Rs.366.42 in channel III respectively. Highest total margin was observed in channel III.

In channel I and II the total marketing cost and margin is less as compared to channel III and marketing efficiency is more than 1, thus this channel

in marketing of betel leaf is more efficient than channel III.

In channel III the total marketing cost and margin is more as compared to channel I and II.

Marketing efficiency is less than 1, thus this channel in marketing of betel leaf is less inefficient than channel I and II.

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