

## **Economic analysis of Guava marketing and processing in Allahabad district of Uttar Pradesh**

**S.L.Pal**

R.S.M.(P.G.) College, Dhampur, Bijnor UP 46761

Email: slpalrsm@gmail.com

### **ABSTRACT**

*Guava is an important fruit crop of Uttar Pradesh. Its marketing has direct impact on the income of its growers. The present study has been taken to work out economics of Guava marketing and processing which is based on the primary data collected from Allahabad district of Uttar Pradesh. Analysis of data and information shows that total cost incurred in marketing of guava was Rs. 645.00 of which Rs. 275.00 was born by the contractors, Rs. 160.00 by wholesaler and Rs. 210.00 by the retailers. The total cost of processing of jelly came to Rs. 5663.00 per quintal. The producer's share in the consumer's price in marketing of guava came to 50.65 per cent and in guava jelly it was only 31.19 per cent. The major share went towards middlemen and jelly manufacturers. There is need to develop transport and infrastructural facilities on one hand and processing of guava industries on the other to increase the producer's share in the consumer's price in marketing of guava.*

*Key words: Guava, economic analysis, marketing and processing*

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### **INTRODUCTION**

Guava is an important fruit crop, cultivated widely in most part of the country. It is fourth most important fruit in area and production after mango, banana and citrus. The area under guava is around four per cent of total area under fruit crops in the country. Out of the two season crops of guava i.e. rainy and winter crop, the quality of fruit from rainy season crop is inferior due to insect attack and hence fetches lesser price. Many a time, these fruits are removed to get a better yield in winter season. Guava is quite hardy and highly remunerative crop even without much care.

Uttar Pradesh is most important guava producing state in India comprising of 49010 ha area under the crop [1]. The importance of fruit marketing is felt all over the country. Many times marketing of fruits is one of the main problem which has a direct impact on the prosperity of the fruit growers. With better marketing facilities, a producer is in a position to reap the best out of his efforts. The study of marketing of guava is inevitable and essential to know the costs incurred on different items in its marketing.

Number of studies has been conducted by various workers on economics of Guava marketing and processing [2-6]. Keeping in view the importance of guava marketing and processing, the present study was undertaken in Allahabad district of U.P. during the agricultural year 2016-17 with the following objectives:

1. To study the utilization of guava and its produce in the study area.
2. To estimate the marketing cost, marketing margin and spread over of consumer's price in the marketing of guava and its products.

## MATERIAL AND METHODS

The findings of the present study are based on an intensive enquiry of randomly selected 25 guava growers from randomly selected 5 villages of district Allahabad. The district Allahabad was selected purposively as it famous for guava production in Uttar Pradesh. The data were collected from the sample farmers by direct personal interview for the agricultural year 2016-17. Data were also collected from 5 pre-harvest contractors (Market Intermediaries). The information was also obtained from the Daraganj fruit Mandi and Commission agents. Data regarding processing of guava products were collected from 2 guava processing unit in Allahabad district.

## RESULTS AND DISCUSSIONS

For the sake of convenience the present study has been discussed under 4 heads:

- (1) Utilization of Guava,
- (2) Marketing charges for sale as Guava,
- (3) Processing and other marketing charges of Guava produce,
- (4) Producer's share in consumer's rupee.

### (1) Utilization of Guava:

Guava is a rich source of antioxidants, vitamin C, potassium and fiber. This remarkable nutrient content gives them many health benefits. Its fruit is relished when mature or ripe and freshly plucked from the tree. Guava jelly is well-known to all and the common sour. Wild guava makes the best jelly. Guava has several uses. All plant parts are useful in one or the other way.

- (i) The ripe fruits are the best relished by the rich and the poor alike. They are rich source of vitamin C which is 2 to 5 times more than fresh orange juice, and a fair source of vitamin A, calcium, phosphorus, pantothenic acid, riboflavin, thiamin and niacin.
- (ii) Fruit juice is used for the preparation of sherbets and ice-creams.
- (iii) It can also be canned in sugar syrup or made into fruit butter.
- (iv) Guava seeds contain iron, but most of it is not utilizable.
- (v) The wood is used for small timber.
- (vi) The leaves yield dye and tannin.
- (vii) The leaves have also medicinal value for curing diarrhoea.

### (2) Marketing charges for sale as Guava:

Marketing of guava plays a very vital role in the production process of this crop. The efficient marketing provide the higher returns to the producers and the greater satisfaction to the consumers by reducing the marketing cost. The marketing charges paid by the producers, contractors, wholesalers and retailers per quintal for guava in Allahabad fruit Mandi has been shown in Table 1.

Table 1. Marketing charges paid by producers, contractors, wholesalers and retailers in marketing of Guava (Rs./q.)

Sl. No.	Particulars	charges paid by producer	charges paid by contractor	charges paid by wholesaler	charges paid by retailer	Total
1.	Watching	-	60.00	-	-	60.00 (9.30)
2.	Picking	-	40.00	-	-	40.00 (6.20)
3.	Transportation	-	100.00	100.00	140.00	340.00 (52.71)
4.	Loading & Unloading	-	30.00	30.00	30.00	90.00 (13.96)
5.	Commission	-	25.00	30.00	-	55.00 (8.53)
6.	Other charges	-	20.00	-	40.00	60.00 (9.30)
Total costs		-	275.00	160.00	210.00	645.00 (100.00)

Figures shown in brackets indicate percentage.

Table 1 indicates that in the marketing of Guava, the marketing cost per quintal came to Rs. 645.00 of which Rs. 275.00 was born by the contractors, Rs. 160.00 by wholesaler and Rs. 210.00 by the retailers. As such, the transportation cost accounted for the highest share being 52.17 percent to the total marketing cost followed by loading& unloading 13.96 percent, watching and other charges 9.30 percent each, commission 8.53 percent and picking 6.20 per cent.

(3) Processing and other marketing charges of Guava produce:

Processing includes those activities which transform the produce into a better consumable form. The guava produce sold by the producer is subject to further processing before it reaches the final consumer. Guava is processed in the form of jelly. The processing cost involved in the processing of one quintal of guava jelly is given in table2.

Table 2. Processing cost involved for one quintal of guava jelly preparation.

Processing inputs	Costs (Rs.)
Guava	2370.00 (27.90)
Transportation charges	125.00 (1.47)
Fuel / power input	395.00 (4.65)
Sugar	1840.00 (21.66)
Citric acid	125.00 (1.47)
Other ingredient	300.00(3.53)
Labour cost	1500.00 (17.66)
Packing charges	1230.00 (14.48)
Overhead charges	610.00 (7.18)
Total cost	8495.00 (100.00)
Total prepared jelly (q.)	1.50
Cost of one quintal jelly	5663.00

Figures shown in brackets indicate percentage.

Table 2 describe that the cost of processing of jelly came to Rs. 5663.00per quintal. Guava (raw material) accounted for the highest percentage cost being 27.90 percent followed by sugar 21.66 percent, labour charges 17.66 percent, packing charges 14.48 percent, overhead charges 7.18 percent, fuel / power input4.65 percent, other ingredient 3.53 percent, citric acid and transportation charges each 1.47 per cent.

(4) Producer's share in consumer's price:

The producer's share in the price paid by consumer in the marketing of guava and its product, *i.e.* guava jelly (obtained from one quintal of guava) have been worked out in table 3 and 4 respectively.

Table 3. Spread over of consumer's price in the marketing of guava.

S. No.	Particulars	Amount (Rs./q.)
1.	Net amount received by producer	1550.00(50.65)
2.	Charges paid by contractor	275.00 (8.99)
3.	Purchase price of contractor	1825.00
4.	Margin of contractor	250.00 (8.17)
5.	Sale price of contractor	2075.00
6.	Charges paid by wholesaler	160.00 (5.23)
7.	Purchase price of wholesaler	2235.00
8.	Margin of wholesaler	135.00 (4.41)
9.	Sale price of wholesaler	2370.00
10.	Charges paid by retailer	210.00 (6.86)
11.	Purchase price of retailer	2580.00
12.	Margin of retailer	480.00 (15.69)
13.	Sale price of retailer or purchase price of consumer	3060.00 (100.00)

Figures shown in brackets indicate percentage.

Table 3 reveals that the producer's share in the consumer's price in marketing of guava came to only 50.65 percent. A major share has been grabbed by the middlemen in the form of middlemen's margin being 28.27 percent.

Table 4. Spreadover of consumer's price in marketing of guava jelly.

S. No.	Particulars	Amount(Rs./q.)
1.	Net amount paid for guava to producer	2370.00 (31.19)
2.	Charges paid by the manufacturer for processing.	3293.00 (43.35)
3.	Margin of manufacturer	750.00 (9.87)
4.	Sale price of manufacturer	6413.00
5.	Charges paid by retailer	
i	Transportation	175.00
ii	Storage	45.00
ii	Establishment	15.00
	Total	235.00(3.09)
6.	Purchase price of retailer	6648.00
7.	Margin of retailer	950.00(12.50)
8.	Sale price of retailer or purchase	7598.00 (100.00)

Figures shown in brackets indicate percentage of sale price of retailer.

Table 4 describe that in the marketing of guava jelly the guava producer gets only 31.19 percent share in the price paid by the consumer, because of the fact that the major share of 43.35 percent went towards processing cost and 22.37 percent have been enjoyed by the middlemen as their margins.

### CONCLUSION

It may be concluded that in the marketing of guava the producer's share in the consumer's price is very low, being only 31.19 percent in the study area. The position became worst in case of the marketing of guava jelly, where the guava grower gets only 31.19 percent share in the price paid by the consumers. The major share went towards middlemen and jelly manufacturers. Due to perishable nature of the commodity, poor transports and lack of infrastructure facilities and inefficient marketing, the guava growers get much lower share in the producer's price. Thus, there is an urgent need to develop transport and infrastructural facilities on one hand and processing of guava industries on the other. Efforts are also needed to encourage export of guava and its products to distant places and countries as there exist vast scope for the export of guava products in the context of globalization of agricultural commodities.

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