Advances
in
Bioresearch

ORIGINAL ARTICLE

Economics of Marketing of Marigold Flowers in Baghpat District of Utter Pradesh

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ABSTRACT

The Floriculture has assumed a definite commercial status. Its potential as a viable agribusiness has also been recognized. The present study was carried out in Baghpat district of Uttar Pradesh, with the objective to find out the study examined various economic aspects of marigold such as assessment of price spread, producer's share in the consumer's rupee, marketing cost and margins, marketing practices, channels involved in the marketing of marigold and problems faced by the growers in marketing of marigold. Following Three marketing channels were identified in the study area for marketing of marigold – Channel I: Producer - Commission agent – Wholesaler - Retailer - Consumer. Channel II: Producer - Wholesaler - Retailer - Consumer. Channel III: Producer - Consumer. Among these channels, 33.29 per cent quantity of marigold moved through channel- I, 41.77 per cent through channel- II and 24.93 per cent through channel- III. Marketing cost in the sale of marigold was Rs.684.03, Rs.400.13 and Rs.40.42 per quintal in channel-I, channel- II and channel- III, respectively. As such marketing cost was lower in channel- III and higher in channel- I. Marketing margins earned by the different agencies were highest in the channel- I (Rs.390.19 per quintal) and it was lowest in channel- II (Rs.277.53 per quintal). The producer's net share was maximum in channel- III (100 per cent) and minimum in channel- I (85.74 per cent) which was favourable to the producer. Out of all farmers, 90.00 percent reported the problem of higher commission charges followed by delay in payment, high cost of transportation, lack of scientific knowledge and training, Lack of scientific storage facilities, and Lack of availability market news and information of market prices in the study area.

Keywords : Marigold, Disposal, Price spread, Marketing cost and Marketing Margins.

How to cite this article:
P Singh, L K Verma, B Das and D Kumar. Economics of Marketing of Marigold Flowers in Baghpat District of Utter Pradesh. Adv. Biores. Vol 10 [2] March 2019: 138-142

INTRODUCTION

India is a long tradition of floriculture. Flowers have been depicted in ancient paintings. However, the social and economic aspects of flowers growing were recognized only later. It is only in the last three decades with changing life styles and under increased urban affluence. Marigold flower cultivation is getting increasingly popular among farmers. Marigold, belonging to family Asleraceae, is an important and popular flower of India and ranks third in number after roses and chrysanthemum. The commercial cultivation of seedling plot of marigold is a source of income and employment to marginal farmers as well as large farmers. It is an important ornamental herb grown for its highly decorative and long lasting flowers. Marigold is a very important flowering plant useful for garlands, garden disc play, loose flowers and perfume industries; Marigold is one such potential flower crops for natural colour extraction. Marigold is not only grown as ornamental cut flowers and landscape plant but also as a source of ceremonies like wedding, birthday, and marriage day greetings, religious offerings and sometimes in social, political, and historical occasions. The universal usage has created a real trend of producing flower on a commercial basis to fulfill increasing demand within the market. Flowers grown in Rajasthan are exported to Japan, Holland, Singapore, U.A.E. Germany and Switzerland. In U.P. Meerut, Baghpat, Saharanpur, Varanasi, Allahabad, Sultanpur and Ghazipur districts are flowers cultivation districts in

which Varanasi is very famous ancient and religious city, so having all over year demand of flowers and flower products.

Keeping in the view the above facts the study was conducted on marketing of marigold in Baghpat district of western Uttar Pradesh which was planned with the following objectives:

- ➢ To study the marketing channels involved in marketing of marigold.
- ➢ To study the price spread and producer's share in consumer's Price.
- ➢ To identify the problems faced by the growers in marketing of marigold.

MATERIAL AND METHODS

The present study is based on an analysis of primary data at the Baghpat district of western Uttar Pradesh. The Binauli block was selected for present study. The study covered 3 villages (Barnawa, Binauli, and Bijwara). And it covered 60 growers (each village 20 growers) in the selected villages. Data collected for study pertaining to the period 2017-18. Primary data was collected from selected Marigold growers through personal interview method with the help of pretested schedules for getting the information on marketing and other related aspects was used. The collected data were complied, tabulated and analyzed to accomplish the objectives of the present study.

RESULTS AND DISCUSSION

The results emerged out from the primary and farm level data of marigold are given under the following heads:

Marketing channels:

The following three channels were identified in the study area for marketing of marigold:

Channel I: Producer – Commission agent – Wholesaler - Retailer - Consumer.
Channel II: Producer – Wholesaler – Retailer – Consumer.
Channel III: Producer – Consumer.

Among these channels, 33.29 per cent quantity of marigold moved through channel- I, 41.77 per cent through channel- II and 24.93 per cent through channel- III.

Disposal pattern of marigold flower of sample farmers:

Per farm total production of marigold and its disposal pattern is presented in Table 1. It is observed from Table 1 that per hectare total production of marigold was 124.52 quintals of which 94.02 per cent quantity was marketed surplus.

Table 1: Disposal pattern of marigold flower of sample farmers:

S. No.	Particulars	Quantity (Qtls.)	Rs./qtl.	Value (Rs.)
1.	Grade wise quantity sold	117.08 (94.02)		417063 (97.16)
	Grade I	50.17 (40.29)	4485	225013 (52.42)
	Grade II	34.06 (27.35)	3367	114680 (26.72)
	Grade III	12.38 (9.94)	3096	38329 (8.93)
	Grade IV	20.47 (16.44)	1907	39042 (9.09)
2.	Family use	0.19 (0.15)	1632	310 (0.07)
3.	Damaged flowers	7.25 (5.82)	1639	11880 (2.77)
4.	Total quantity produced	124.52 (100)		429253 (100)

Figures in the parentheses are percentages to the total

The share of grade I, II, III and IV in total quantity sold was 40.29, 27.35, 9.94 and 16.44 per cent, respectively. The proportion of flowers used for family purpose was 0.15 and that of damaged flowers due to pests and diseases and during handling was to the extent of 5.82 per cent of total production.

Channel wise quantity sold and price realized in marketing of marigold:

The number of sample farm and quantity sold in different channels has been presented in Table 2.

Table 2: Channel wise quantity sold and price realized in marketing of marigold:

Channel	Marigold		
	Sample farmers (No.)	Quantity sold	Value (Rs.)
I.	24 (40.00)	38.98 (33.29)	160286
II.	19 (31.66)	48.91 (41.77)	183510
III.	17 (28.33)	29.19 (24.93)	732667
Total	**60**	**117.08 (100.00)**	**417063**

Figures in the parentheses are percentages to the total

From the Table 2 it is clear that maximum quantity of flowers sold through II channel was with the share of 41.77 per cent to the total quantity, followed by I and III channel with the share of 33.29 and 24.93 per cent to the total quantity sold. This showed that in study area channel II followed more rapidly than other two channels.

Per quintal cost of marketing of marigold in different channels:

The channel wise per quintal cost of marketing of marigold is presented in Table 3.

Table 3: Per quintal cost of marketing of marigold in different channels: (in Rs.)

S .No.	Particulars	Channel I	Channel II	Channel III
1.	Packing	30.63 (4.48)	19.08 (4.77)	16.89 (41.79)
2.	Transportation	98.36 (14.38)	34.41 (8.60)	17.58 (43.49)
3.	Weighing	0.00 (0.00)	0.00 (0.00)	2.15 (5.32)
4.	Commission	537.11 (78.52)	338.88 (84.59)	0.00 (0.00)
5.	Losses during transit	8.70 (1.27)	3.32 (0.83)	0.00 (0.00)
6.	Others	9.23 (1.35)	4.44 (1.11)	3.80 (9.40)
	Total marketing cost	**684.03 (100.00)**	**400.13 (100.00)**	**40.42 (100.00)**

Figures in the parentheses are percentages to the total

It is revealed from the table that per quintal cost of marketing of marigold flower was highest (Rs.684.03) in channel – I and was followed by channel – II and channel- III with the magnitude of Rs.400.13 and Rs.40.42 per quintal, respectively. The cost on the items such as commission charges, transport and packing material were observed to be highest share in total marketing cost in channel – I and II which accounted for 78.52, 14.38, 4.48 per cent and 84.69, 8.60, 4.77 per cent, respectively, whereas transport (Rs.43.49) and packing charges (Rs. 41.79) were the major item of marketing cost in channel-III.

Price spread in marketing of marigold:

As discussed earlier, the flower passes through different intermediaries in the journey from producer to the final consumer. The intermediaries render some services with a view to earn profit. The high margin of intermediaries is an indicator of the inefficiency in the marketing system. Such system invariably reduces the share of profit of the producer in the price paid by the consumer.

The marketing cost and margins of various intermediaries involved in the marketing of marigold were worked out and are presented in Table 4.

Table 4: Price spread in marketing of marigold

S. No.	Particulars	Channel I	Channel II	Channel III
1.	Gross price received by the producer	4112 (85.74)	3752 (90.36)	2510 (100.00)
2.	Market expenses incurred by the producer	2087 (43.52)	1562 (37.62)	1095 (43.63)
3.	Net price received by the producer	2025 (42.22)	2190 (52.74)	1415 (56.37)
4.	Commission received by the commission agent	198.06 (4.13)	0.00 (0.00)	0.00 (0.00)
5.	Expenses incurred by the commission agent	77.67 (1.62)	0.00 (0.00)	0.00 (0.00)
6.	Margin of the commission agent	120.93 (2.52)	0.00 (0.00)	0.00 (0.00)
7.	Commission received by the wholesaler	181.23 (3.78)	178.66 (4.30)	0.00 (0.00)
8.	Expenses incurred by the wholesaler	31.24 (0.65)	28.09 (0.68)	0.00 (0.00)
9.	Margin of the wholesaler	149.99 (3.13)	150.57 (3.63)	0.00 (0.00)
10.	Commission received by the retailer	157.28 (2.17)	160.22 (3.86)	0.00 (0.00)
11.	Expenses incurred by the retailer	38.01 (0.79)	33.26 (0.80)	0.00 (0.00)
12.	Margin of the retailer	119.27 (2.49)	126.96 (3.06)	0.00 (0.00)
13.	Price paid of the consumer in the market	4796.03 (100.00)	4152.23 (100.00)	2510.00 (100.00)

Figures in the parentheses are percentages to the total

It is revealed from the Table 4 that, producers share in consumers rupee of marigold flower was highest (100.00 per cent) in channel-III, followed by channel - II (90.36 %) and channel-I (85.74 %). However, the reverse was the case in gross price received by the producer. Per quintal gross price received was high (Rs.4795.03/qtl.) in channel-I and was followed by channel-II (Rs.4152.23/qtl.) and channel-III (Rs.2510/qtl.). Commission of commission agents, wholesaler and retailer in channel-I was (4.13, 3.78 and 2.17 %) and commission of wholesalers and retailers in channel-II was (4.30 and 3.86 %). It is noted from the table that, 30 to 40 per cent share of consumer's rupee was galloped by the market intermediaries in the marketing of marigold flower, that is, stated hypothesis, intermediaries in marketing channel increases the marketing cost and thereby reduces producers share in consumer rupees is proved.

Problems in marketing of marigold:
The marigold growers faced by various types of marketing problems in the study area. It is presented in Table 5.

Table 5: Problems in marketing of marigold (N=60)

S. No.	Marketing Problems	No. of beneficiaries	Percentage	Rank
1.	Price fluctuations	55	91.67	III
2.	Delay in payment	49	81.67	VII
3.	High cost of transportation	52	86.67	V
4.	Higher commission charges	54	90.00	IV
5.	Lack of skilled labour for grading of flower	47	78.33	VIII
6.	Existence of large number of intermediaries in market	45	75.00	IX
7.	Lack of availability about market news	51	85.00	VI
8.	Lack of scientific knowledge and training	56	93.33	II
9.	Lack of scientific storage facilities	57	95.00	I

Figures in the parentheses are percentages to the total

It is observed from Table 5 that in marketing of marigold, high commission charges (90.00 percent), delay in payment (81.57 percent), high cost of transportation (86.67 percent), Price fluctuations (91.67 percent), Lack of availability about market news (85.00 percent), Lack of scientific knowledge and training (93.33 percent), and Lack of scientific storage facilities (95.00 percent) were the major problems expressed in the study area.

CONCLUSION
1. The maximum quantity of flowers sold through II channel was with the share of 41.77 per cent to the total quantity, followed by I and III channel with the share of 33.29 and 24.93 percent to the total quantity sold. This showed that in study area channel II followed more rapidly than other two channels.
2. The per quintal cost of marketing of marigold was Rs.684.03, Rs.400.13 and Rs.40.42 in channel I, II and III, respectively in which transporting cost and commission charges were the major items of marketing cost.
3. In price spread per quintal gross price received was highest (Rs.4112/q.) in channel I, followed by channel II (Rs.3752/q.) and channel III (Rs.2510/q.). 30 to 40 per cent share of consumer rupee was galloped by market intermediaries in the marketing of marigold.
4. Price fluctuations, Higher transportation cost, commission charges, delay in payment, Lack of scientific knowledge and training, Lack of scientific storage facilities and lack of information of market prices were the major problems reported by the growers in marketing of marigold.

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