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Supply Chain Management of Mango: A Case Study of South Orissa

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Abstract:

Mango is the most important commercially grown fruit crop of the country. It is called the king of fruits. India has the richest collection of mango cultivators. In India mangoes are available in various shapes, sizes and colours with a wide variety of flavor, aroma and taste. The Indian mango is the special product that substantiates the high standards of quality and bountiful of nutrients packed in it. Mangoes account for approximately half of all tropical fruits produced worldwide. India is the largest mango producer and accounting for about half of the global mango production. Fruits and Vegetables production can help increase producers' incomes but only with a very high level of management and a fairly high degree of risk is involved in it. Berhampur is considered as the main wholesale market for mangoes in south Odisha. Every year tones of mangoes are supplied to various internal areas from here. This paper attempts to study about the existing supply chain of mango in south Odisha and suggestions to realize higher value for the product.

1. Introduction

During 2013-14 India had an area of 2.4 million ha under mango with a production of 16 million tonnes and productivity of 6.71 t/ha. Neelum, Banglora, Mulgoa, Suvaranarekha, Banganapalli, Rumani, Raspuri and Badami are well known for their juicy, fleshy and fibrous quality. Due to the perishability and the seasonality character of fruits mango growers want to avoid its marketing and the related risk of price and income variation. They also do not possess enough knowledge of marketing. A number of types of marketing system like Online Marketing, Farmer Owned Producer Company, Corporate Farming, and Cooperative Marketing System prevail in the market.

2. Objectives

- To analyze the production and consumption channels of mango in South Odisha.
- To identify constraints and difficulties faced in a marketing system of mangoes.
- To analyse different marketing channels in the supply of mango in India.
- To suggest some measures in improving the existing marketing system of mangoes.

3. Methodology

The study is based on both primary and secondary data collected from various sources. A well planned questionnaire was prepared and views of 50 shopkeepers were included who belong to both Wholesaler and retailer group. Various information regarding production, marketing and export of mango are collected from different magazines and government publications.

4. Analysis

Sl	Market chain price in Rupees	Per Ton(Rs.)
1	Price paid to farmer	10,000
2	Market cost borne by farmer	Nil
3	Price paid by pre-harvest contractor	10,000
4	Cost borne by pre-harvest contractor	
	Harvesting cost 3000	
	Loading 500	
	Transportation 2100	
	Travelling 200	
	Wastage 200	
	Total 6000	

5	Profit of the pre-harvest contractor	9000
6	Net price paid by the wholesaler	25000
7	Cost borne by the wholesaler of the distribution market Wastage 300 Loading & market fees 515 Total 815	
8	Profit of the wholesaler of distribution market	5000
9	Net price paid by the wholesaler of the consumer market	30000
10	Cost borne by the wholesaler of the consumer market Wastage cost 200 Loading and travel cost 800 Total 1000	
11	Profit of the wholesaler of the consumer market	2000
12	Net cost paid by the retailer	33000
13	Cost borne by retailer Travelling 100 Wastage 60 Total 160	
14	Profit of retailer	1840
15	Net price paid by consumer	35000

Table 1: Supply Chain of Mango

Source: Primary data

5. Steps Taken By Government

In different states Government has taken a lot of steps for improvement of this business.

- 'Mahamango' is a co-operative society which was established in 1991 with the support of Maharashtra State Agricultural & Marketing Board(Pune). This was mainly formed to boost the export of Alphonso mangoes as well as for domestic marketing. Facilities like pre-cooling, cold storages, post harvest house, grading packing have been made available at the facility centre of Mahamango for which the financial assistance was given by APEDA, New Delhi and Maharashtra State Agricultural & Marketing Board (Pune).
- A similar type of association institution named 'MANGROW' has been formed for the export of of Kesar mangoes from Aurangabad district of Maharashtra. APEDA manages this agri -exchange site to provide access to Indian exporters and buyers across the world on promoting export of agriculture and processed foods from India.
- Given the attractive market, a growing number of smallholders have ventured into mango plantation with support from the government programs related to the National Horticulture Mission, SGSY (Swarnajayanti Grameen Swarozgar Yojana), TWC (Tribal Welfare Commission) and others, as well as through civil society initiatives. Under the three-year prospective plan for Fruit Tree Plantation in Orissa (MGNREGS) government has planned to year 2012-2015. This would contribute to double the mango production by 2020.
- PRADAN is an institution which works with 200,000 small and marginal farmers in producers of central and eastern India on community mobilization, empowerment, asset creation and livelihood development. Over the past 5 years, mango cultivation has represented one of our fastest growing livelihoods. In Jharkhand, West Bengal and odisha through various associations, Govt. has supported communities to plant around 2,500 HA of mangoes.

6. Suggestions

- Promotional programmes like "Mango Mission -2012" on select mango growing belts with realistic targets can attract and motivate persons to join in this business.
- Steps should be taken to trade mangoes online in select mango growing states or for select varieties.
- Proper care during post harvest handling, grading and packaging will reduce the loss of the mango fruit and increase the quality of the product in the market.
- Grading the fruit is necessary for a better outlook and maintains the quality of the product. Mangoes should be graded on the basis of quality, weight, size and fruits with defects should be removed.
- Exclusive centres with trained personnels can be started for mango packing facility who could pack fruits for mango growers each year.
- Local youth should be motivated to be engaged in professions like mango pulp making, pickle making and other mango products like armature powder sold during off season.

- SHGs may be established to deal with the post harvest and processing activities.
- Linkages between mango growers and processors should be strengthened to increase the value of markets.
- Government should focus on Supply Chain Management.
- Activities like (i) Purchasing (ii) Quality control (iii) Demand and Supply planning (iv) Production planning, Scheduling and Control (vii) Warehousing /distribution and (viii) Customer service etc should be carried out in an organized manner.
- In Tamil Nadu a number of cooperatives of fruits and vegetable growers are there Aharam Traditional Crop Producers Company Limited is a farmers' owned organization. The 600 producers are organized in 40 Self Help Groups at village level to manufacture and market various mango related foods. In Berhampur such cooperatives can be started.
- Like 'Dharmapuri Precision Farmers Agro Services Ltd.' in Tamil Nadu, in Odisha farmers should have associations to provide technical, economic and social support to the farmers.
- Facilities like pre-cooling, cold storages, pack house, grading packing line etc. have been made available.
- Improvements in market infrastructure such as storage facilities, cold storage, better Packaging and weighing facilities, , better road links etc. would also helpful in improving the marketing efficiency.

7. References

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