

# **Impact of Marketing Losses on Marketing Efficiency in Transacting Banana in Kurnool district**

**Rama Krishna M and Ravi Kumar K N**

Department of Agricultural Economics, Agricultural College, Mahanandi-518 502, Andhra Pradesh.

## **ABSTRACT**

Banana (*Musa Paradisiaca L*) is the fourth largest fruit crop cultivated in the World. India is the largest producer of banana in the world producing 28.45 million tonnes from an area of 0.796 million ha which accounted for 15.48 and 27.01 per cent of world's area and production respectively. In India, the leading banana growing states include Tamil Nadu, Gujarat, Maharashtra, Andhra Pradesh, Karnataka, Bihar, Madhya Pradesh, West Bengal, Assam and Odisha. In Andhra Pradesh, Kurnool district ranks third in the production of banana in Rayalaseema region of Andhra Pradesh. It was cultivated in 5765 hectares with an annual production of 2.01 lakh tonnes in the year 2012-13. This district was purposively selected for this in depth study, as the researcher hails from this area. A sample of two mandals, four villages and 120 sample farmers were selected for collection of requisite data using pre-tested schedule. For eliciting the information pertaining to the marketing aspects of banana in Kurnool district, three marketing channels were identified. Price spread analysis and marketing efficiency indices were worked out across the three marketing channels considering with and without marketing losses so as to analyze the impact of inclusion of marketing losses on price spread, FSCR, GMMs, NMMs and Marketing Efficiency Indices. The analysis revealed that, marketing efficiency indices were high without considering MLs compared to considering MLs indicating that, there exists inverse relationship between MLs and marketing efficiency in transacting banana in Kurnool district.

**Key words :** Gross Marketing Margins, Marketing Losses, Marketing costs, Net Marketing Margins.