



Procurement, Storage and Marketing of Oranges

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KACS - PROCUREMENT, STORAGE AND MARKETING OF ORANGES

SUMMARY

This document shares the experiences of Kailash Agro Cold Storage in the procurement and storage of oranges. Also, the document shares the experience of marketing the produce.

REVISION HISTORY LOG

Version #	Revision Date	Author	Approved By	Changes
1	17th December 2016	Jeevan Upreti	Kartik Jalan	New Document
2	18th December 2016	Kartik Jalan		Document editing and corrections

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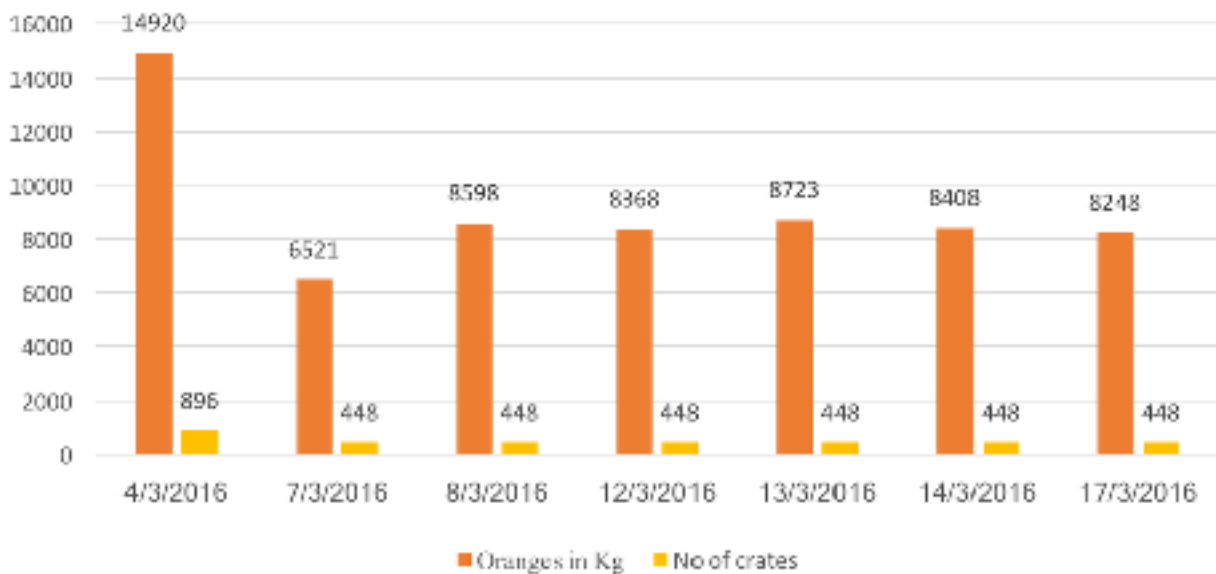
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INTRODUCTION

Purchase of oranges at Kailash Agro Cold Storage (KACS) commenced from last week of February, 2016 and went on to the third week of March, 2016 and most of the purchase was done from upcoming orange state of Madhya Pradesh from the farms of organic certified farmers.

A total of 64 tons of orange was purchased over a period of two week for storage. Out of the total purchase, 39.53 % i.e. 25.214 tons was organic oranges and 60.47% i.e. 38.572 tons was inorganic orange.

Fig 1: Procurement Cycle of Oranges



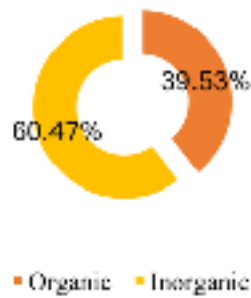
(Source: Analysis performed at KACS)

As shown in the above figure, total procurement of 64 tons was done using a total of 3548 crates and 8 trucks of 10 tones load capacity were used for the transportation of oranges from farm to the factory. This gives an idea that each crate has a rough capacity of carrying approximately 18 kg of orange.

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The pie chart shown below clearly distinguishes the percentage of purchase made of organic and inorganic oranges.

Fig 2: Variety of Oranges



(Source: Analysis performed at KACS)

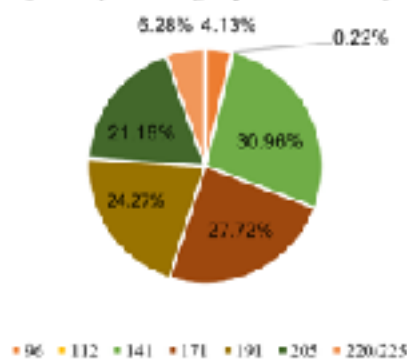
The procurement was made available from the fact that the farmers in the region feel that growing organic and inorganic growth vis-a-vis yield costs the same as well as profitability is concerned. The farmers even realise that the organic farming techniques have helped them to grow health food for their families and this method of farming has also helped them keep the land much healthy.

DISTRIBUTION OF ORANGES

(as per size)

Oranges are generally purchased as per their size which tells us how much count will be packed ideally in a crate having dimensions (L=510 mm, L = 255 mm, W = 330 mm) and weighing 1.5 kg. Generally, oranges come the count of 96, 112, 141, 171, 191, 205, 220 and 225, which means that ideally the same number of oranges should be packed in a crate. The pie chart shown below shows the distribution:

Fig 3: Quantity of oranges purchased as per size



(Source: Analysis performed at KACS)

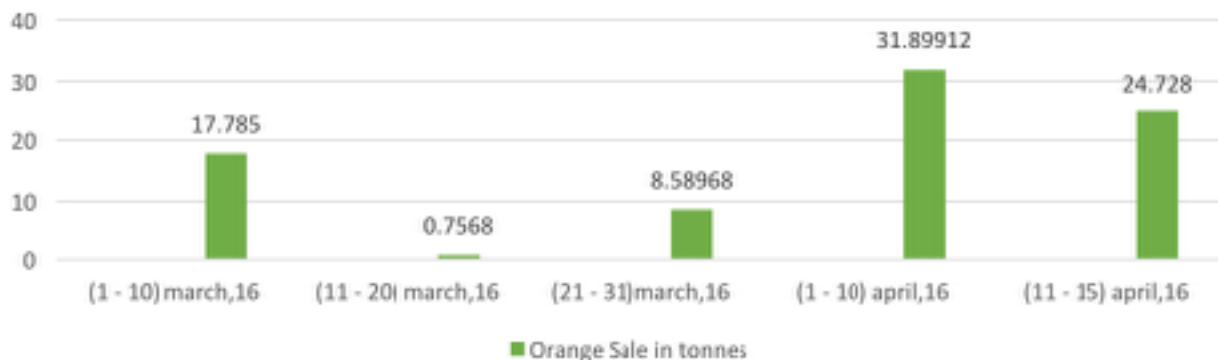
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Oranges in comparison to apple didn't stay for long either in the market or in the storage and have storage and selling cycle of 45-days maximum. Oranges at KACS were stored at temperature of 4^o to 8^o C and a relative humidity of 85 to 90 %. The graph shown above clearly shows that out of the total purchase made, 2.64 tons of count 96, 141 kg of count 112, 19.81 tons of count 141, 17.74 tons of count 171, 15.53 tons of count 191, 13.5 tons of count 205, 4.01 tons of count 220/225 was purchased.

DISPATCH CYCLE OF ORANGES

Selling of oranges at Kailash Agro Cold Storage started as early as first week of March, 2016 where initially few tons were sold to different market place to test the acceptance of quality at offering and also for checking the consumer demand.

Fig 4: Dispatch cycle of oranges

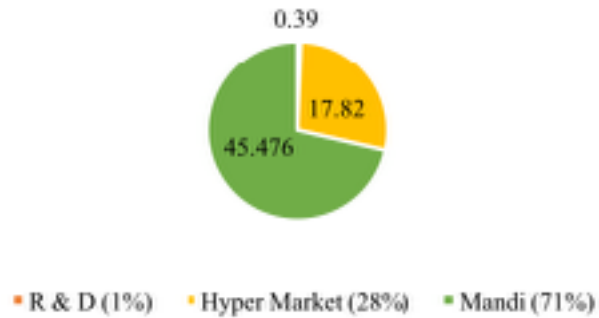


(Source: Sale record maintained at KACS)

The graph shown above clearly depicts the consumption pattern of orange over a period of 45 days. The demand was minimum between 11 to 20 March, 16, maximum between 1 to 10 April 16. Reasons can be attributed to festival of "Holi" which resulted in demand drop and demand surge during nine days of holy "Navratri" during which people dine mostly on to fruits.

SALE AND MARKETING OF ORANGES

Fig 4: Sales of oranges in tonnes



(Source: Analysis performed at KACS)

The pie chart shown above clearly indicates that maximum sale of done in the Mandi, followed by Hypermarket and a small but significant amount was taken for Research Purpose. The study found out that though hyper market helped the organisation in fetching good price for their fruit in comparison to Mandi but due to high quality parameters of the hyper market, sometimes there are chances of rejection.