



MARKETING PROBLEMS FACED BY GROUNDNUT CULTIVATORS: A STUDY IN ERODE DISTRICT OF TAMILNADU

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ABSTRACT

India is a major grower and producer of oilseeds as well as a major importer of vegetable oils ranks fourth among the countries in oilseed economy, next to USA, China and Brazil. Groundnut is the single largest source of edible oil in India and constitutes roughly about 50 per cent of the total oilseed production. This paper aims to find out marketing problems of groundnut cultivators in Erode district. Against this background, In this present study focuses on the cultivators are marketing the groundnut due to Less price, Forced sales, Lack of storage facility, Improper weighing and More Quantity for sample. However, the price fixation is not also faire if the government should take the necessary steps to solve the cultivators problems relating to the price fixation, proper grading of groundnut and etc.,

KEYWORDS : Introduction, Main products, Production and Marketing problems.

INTRODUCTION

India is the largest producer of oilseeds in the world and the Indian oilseed sector occupies a prime position in the agricultural economy of the country. India is the fifth largest vegetable oil producer in the world, finds its place next to USA, China, Brazil and Argentina. India accounts oil seeds account for 13 per cent of gross cropped area, 3 per cent of Gross national product and 10 per cent of all agricultural commodities. India imported more than Rs. 64,000 crores of vegetable oils, about 14 million tonnes in 2018-19.

The Technology Mission on Oilseeds (TMO) launched in 1986 to promote cultivation of oil seeds and achieve self-sufficiency, was successful at the beginning but later due to increasing demand for edible oils the gap between supply and demand widened forcing India to become a leading importer of edible oils in the world.

India's consumption of edible oil has risen to 16.4 Mt in 2012-13. Around 5.5 Mt are imported annually, which includes about 2 Mt of soy bean oil from Argentina and Brazil, and 3.5 Mt of palm oil from Malaysia and Indonesia (Ghosh, 2009). The imports of edible oil reached to 8.67 Mt during 2010-11 and 10.5 Mt in 2012- 13. Thus, edible oil imports increased from around 15 per cent of total edible oils consumption in 1995-96 to nearly 53 per cent in 2009-10 (Jha et al., 2012). Consumption of edible oils touched 21.06 million tonnes in 2013-14. Groundnut covers 45 per cent of area and contributes to nearly 25 per cent of total oil seed production in the country.

The imports of edible oils have been on rising trend. The major factors responsible for the high imports of edible oil in India is due to high consumption, increase in per capita income and population, change in tastes and preferences, low productivity and lack technological breakthrough in production of these commodities and heavy dependence on the few trade partners. One of the major concerns is more than two thirds of net sown area under oil seed crops is under rainfed conditions.

MAIN PRODUCTS OF GROUNDNUT

All parts of the peanut plant can be easily utilized. The vines with leaves make an excellent high protein hay for horses and ruminant livestock. The shells or pods can be used as feed for livestock, burned for fuel, made into particle board, and many other uses. The peanut is grown mainly for human consumption of the seed. The seed can be used directly for food and crushing to produce oil and a high protein meal. Nearly two thirds of all groundnuts produced are crushed for oil. Peanut oil can be used in cooking, lighting, fuel and as a

food constituent. Peanut oil has a better keeping quality than soybean, corn, and safflower oils and is a good source of Vitamin E. Used directly as food, peanut is a major crop for subsistence. The multiples uses of the peanut make it an excellent cash crops for domestic markets as well as foreign trade.

In most parts of the world the peanut is utilized primarily as whole seeds. The most common method of preparation for human consumption of whole seeds is dry roasting the seed. The peanut is well-established snack food as fresh cooked and roasted peanuts. In the USA, the major use of peanut is for grinding into peanut butter.

PRODUCTION OF GROUNDNUT IN TAMILNADU

India, which adopted groundnut as an agricultural crop by the late 19th century, gradually became the major groundnut producing country in the world within a span of 5-6 decades. India shares 22 per cent of the world production (area 4.9 m.ha, production 5.8 m.tonnes). In Tamil Nadu, it is an important and major oilseed crop, covering an area of 1,26,000 hectares with a production of 37.70 lakhs tonnes. Out of which 70% of the area is covered under rainfed crop and the remaining 30% is under irrigated conditions. In Tamil Nadu, majority of the groundnut area (43%) is covered in North Eastern Zone (comprises of Cuddalore, Villupuram, Tiruvannamalai, Vellore, Kancheepuram, Tiruvallur districts and parts of Ariyalur district).

This agro-climatic zone is considered as a main zone for oilseed production especially groundnut. The crop is also popular in all the remaining zones of Tamil Nadu except in hilly zone and high rainfall zone. In Tamil Nadu, the area under groundnut is about 3.38 lakh hectares. The soils in the entire Tamil Nadu are sandy loam. The major groundnut growing areas are Erode, Vellore, Cuddalore, Tiruvannamalai, Villupuram, Dharmapuri, Salem, Trichy, Madurai, Perambalur, Ariyalur, Pudukottai and Kancheepuram districts. About 90% of the groundnut area is under Spanish-bunch varieties. However, Erode, Salem, Dharmapuri, Tiruvannamalai, Villupuram and Cuddalore districts have some pockets under Virginia- bunch (TMV 10, ALR 1) and Virginia-runner (TMV 1 and TMV 4) also. More than 50% of the Spanish-bunch area is still under the age-old varieties, TMV 2 and TMV 7. The remaining area is occupied mainly by VRI 2, JL 24, CO 2, ALR 2 and BSR 1 and red kernel local variety.

STATEMENT OF THE PROBLEM

Groundnut cultivation plays a important role in agricultural

sectors and which helps to increase the economic condition of the groundnut cultivators. The marketing problems of groundnut cultivators is generally depending on the Less price, Lack of storage facility, Delay in payment, Lack of regulated market, Forced sales, Price fluctuation, Lack of credit facilities, Improper weighing and More Quantity for sample. In Erode district, groundnut seems a pivotal role in the economy of district and it is cultivated mainly under unirrigated conditions. In recent years, various technological options have been tried by farmers to increase their groundnut crop productivity and income.

The groundnut cultivators those who adopted such new methods and technologies are not completely relieved from their worries till now. Lack of training is also a major cause which restricted the groundnut cultivators to adopt the specified crop management practices. The present study is focused to find out answer to the following question:

- What are the marketing problems faced by the groundnut cultivators?

REVIEW OF THE LITERATURE

Perumal (2000) in his study found that most of the cultivators have not directly sold their kernels to the consumers. Only a negligible portion of output is sold to the fellow farmer cum-local merchant. A considerable portion of output is directly sold by the farmers to the wholesaler who is running oil mills. Further, he identified that groundnut growers are getting more profit through irrigated groundnut cultivation than rain-fed cultivation.

Balaji et al.(2003) have adopted Garrett's Ranking Technique to identify the problems associated with production and marketing of groundnut. They found that pest and disease as an important problem in groundnut cultivation and in marketing, lack of storage facility as an important problems.

Sadeesh et al.(2006) identified the various constraints in increasing oilseeds production like inadequate input supply arrangements, wide fluctuation in prices, inefficient storage, insufficient technological inputs and exploitation by middlemen.

Adinya (2009) analysed the cost-returns profitability in groundnut marketing. For this study, required data have been collected from 120 groundnut growers by using random sampling technique. It was found that problems are negatively affect the efficiency of groundnut marketing in the study area.

SCOPE OF THE STUDY

This study is confined to Erode district of Tamil Nadu. Groundnut is being grown in almost all the districts of the state. Erode district is one of the leading districts in groundnut cultivation. This study is an attempt to examine the marketing problems faced by the groundnut cultivators. The present study is based on the primary data. The required data have been collected from the groundnut cultivators with help of well

structure Interview Schedule.

OBJECTIVE OF THE STUDY

The following is the important objective of the present study.

- To analyse the marketing problems faced by the groundnut cultivators.

SAMPLING DESIGN AND METHODOLOGY

This study is an empirical research based on survey method. The present study is confined to Erode district of Tamil Nadu. The Erode district is one of the leading districts in groundnut cultivation. Hence, this district has been purposively selected. It is decided to use Garret Ranking Technique. As per this list, it is found that there are 1,426 groundnut cultivators. only 140 of the sample groundnut cultivators have been selected for further analysis. The required primary data have been collected from the period of June 2019 to November 2019.

MARKETING PROBLEMS FACED BY THE GROUNDNUT CULTIVATORS

To find out the most significance of marking problems faced by the groundnut cultivators to cultivate groundnut in Erode district under Garret ranking technique was used. As per this method, respondents have been asked to assign the rank for all marketing problems faced by the groundnut cultivators to cultivate groundnut and outcome of such ranking have been converted into score value with the help of the following formula and findings are shown in the below Table No 1.

By the Garret ranking technique Table, the present position estimated is converted into scores, then for each problem. The score of each individual are added and then mean value is calculated. The problem having highest mean value is considered to be the most important.

Garrett's Ranking Formula

$$\text{Percent position} = \frac{100(R_{ij} - 0.5)}{N_j}$$

For the present study focuses twelve problems were taken into consideration on the basis of outcome of the study.

Table 1 displays that the sample respondents who are all facing marketing problems of groundnut has been calculated by Garret Ranking Technique. From the above table it is observed that Irregular payment by commission agent is foremost problem (51.13), Less Price (50.54) and also Lack of storage facilities (50.33) are the major marketing problems faced by the groundnut cultivators in Erode district of Tamilnadu.

SUGGESTION

In the present study, it is found that Irregular payment by commission agent has been identified as an important marketing problem to the groundnut cultivators and the same has been ranked first, so the Government of India has to make Purchase all the entire Groundnut productivity in order to protect the needed farmers from the exploitative practices of the private traders and agents.

S. No	Statements	Rank (x)	1	2	3	4	5	6	7	8	9	10	11	12	Total Score	Mean Score	Rank
1	Less price	f	52	47	30	64	76	62	47	49	45	44	42	42	600	50.54	II
		fx	4316	3384	1980	3840	4256	3224	2209	7107	1755	1452	1134	672	30329		
2	Forced sales	f	48	43	45	53	37	70	74	57	48	43	39	43	600	49.83	VI
		fx	3984	3096	2970	3180	2072	3640	3478	2451	1872	1419	1053	688	29903		
3	Lack of credit facilities	f	62	69	49	44	36	44	43	43	43	58	39	70	600	49.87	V
		fx	5146	4968	3234	2640	2016	2288	2021	1849	1677	1914	1053	1120	29926		
4	Malpractice in weightment	f	39	44	45	56	50	32	68	69	61	47	42	47	600	48.63	IX
		fx	3237	3168	2970	3360	2800	1664	3196	2967	2379	1551	1134	752	29178		

5	Lack of market information	f	42	41	47	50	51	47	31	70	71	52	49	49	600	48.16	XII
		fx	3486	2952	3102	3000	2856	2444	1457	3010	2769	1716	1323	784	28899		
6	Irregular payment by commission agent	f	61	67	57	47	42	41	49	39	45	53	60	39	600	51.13	I
		fx	5063	4824	3762	2820	2352	2132	2303	1677	1755	1749	1620	624	30681		
7	Sufficient packing materials	f	59	57	55	43	37	43	44	45	50	35	67	65	600	49.12	VIII
		fx	4897	4104	3630	2580	2072	2236	2068	1935	1950	1155	1809	1040	29476		
8	Price fluctuation	f	37	62	66	52	47	44	48	49	42	47	51	55	600	49.56	VII
		fx	3071	4464	4356	3120	2632	2288	2256	2107	1638	1551	1377	880	29740		
9	Credit sales	f	55	53	47	41	46	45	44	45	35	64	68	57	600	48.47	X
		fx	4565	3816	3102	2460	2576	2340	2068	1935	1365	2112	1836	912	29087		
10	Lack of storage facilities	f	46	47	51	34	66	80	55	49	47	44	42	39	600	50.33	III
		fx	3818	3384	3366	2040	3696	4160	2585	2107	1833	1452	1134	624	30199		
11	Lack of regulated market	f	48	42	45	47	52	45	48	35	68	68	56	46	600	48.25	XI
		fx	3984	3024	2970	2820	2912	2340	2256	1505	2652	2244	1512	736	28955		
12	Lack of transport facility	f	51	28	63	69	60	47	49	50	45	45	45	48	600	50.04	IV
		fx	4233	2016	4158	4140	3360	2444	2303	2150	1755	1485	1215	768	30027		
Total			600	600	600	600	600	600	600	600	600	600	600	600			
	Source : Primary		Data Note :				x : Scale Value				f : Number of Respondents				Fx : Score Value		

CONCLUSION

From the foregoing analysis, it is obvious that present marketing system for groundnut is not efficient as evident from Irregular payment by commission agent, Less Price, Lack of storage facilities and many other problems faced by groundnut cultivators. On the basis of the findings in the present study, viable suggestion have been offered. The suggestive measurement have been considered by the central and state government, planners and decision making authorities for the betterment of the groundnut cultivators, definitely groundnut cultivators life will be shine.

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