



A Study on the Marketing of Chillies in Sivagangai District

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ABSTRACT

Agriculture provides a livelihood for the majority of the Indian population. A Strong and prosperous agriculture base is necessary for the economic growth and the prosperity of country. The general prosperity and progress of a community is attached with the success or failure of the crops. The yield should get reasonable price for their produce. Agriculture marketing in our Country has not received as much attention as the adoption of modern production technology to improve yield levels. The journey of each product from the farm to the ultimate consumer plays a crucial role in determining the price for the former. The evolution of new production technology cannot be without improve in agriculture marketing system unless simultaneous efforts are affected. Therefore, equal attention has to be focused on the diversified marketing activities as well as diversified marketing aspects of agriculture commodities.

KEYWORDS

Farmer, Chillies, Agriculture Marketing, Channels of Distribution

INTRODUCTION

Chilli is one of the most important commercial crops of India. It is grown almost throughout the country. There are more than 400 different varieties of chillies found all over the world. It is also called as hot pepper, cayenne pepper, sweet pepper, bell pepper, etc. Its botanical name is "Capsicum annum". The world's hottest chilli "Naga Jolokia" is cultivated in hilly terrain of Assam in a small town Tezpur, India. Different varieties are grown for vegetables, spices, condiments, sauces and pickles. Chilli occupies an important place in Indian diet. It is an indispensable item in the kitchen, as it is consumed daily as a condiment in one form or the other. Among the spices consumed per head, dried chilli fruits constitute a major share. Currently, chillies are used throughout the world as a spice and also in the making of beverages and medicines. If some varieties of chillies are famous for red colour because of the pigment 'capsanthin,' others are known for biting pungency attributed to 'capsaicin.' India is the only country which is rich in many varieties with different quality factors. Chillies are rich in vitamins, especially in vitamin A and C. They are also packed with potassium, magnesium and iron. Chillies have long been used for pain relief as they are known to inhibit pain messengers, extracts of chilli peppers are used for alleviating the pain of arthritis, headaches, burns and neuralgia. It is also claimed that they have the power to boost immune system and lower cholesterol. They are also helpful in getting rid of parasites of gut. The fruit of chilli or Capsicum plants have a variety of names depending on place and type. Chilli grows best at 20–30°C. Growth and yields suffer when temperatures exceed 30°C or drops below 15°C for extended periods. The crop can be grown over a wide range of altitudes from sea level up to nearly 2100 meter.

Marketing play a pivotal role in the growth and development of a country big or small, if it is not a totalitarian economy. Both marketing and economic development have experienced evolutionary rather than evolutionary changes. But it is a historical fact that development of marketing has always kept pace with the economic growth of the country. Yet another view is that marketing is the by-product of economic development. In this context marketing research is very important for a developing country like India, because it shows to the developing economy efforts so as to bring and self generating system. For India, in its present phase of economic development, increase in agricultural productivity is an indispensable basis for rapid economic development. Productivity is an indispensable basis for rapid economic development. Productivity gains mark only the beginning of the development process.

Mere increase in agricultural productivity may not be sufficient to sustain the developing of production finds but insufficient rewards to the produces. An efficient marketing system that brings reasonable profit to the production is a necessary condition for sustainability of agricultural production pres and economic development in turn.

OBJECTIVES IF THE STUDY

- i) To study the marketing pattern of Chilli in Sivagangai district.
- ii) To analyze in detail the trend at arrivals in all the regulated markets in Sivagangai District.
- iii) To offer suggestions to improve the existing system in marketing.

STATEMENT OF THE PROBLEM

India ranks second among the World Chilli exporters and has showed a Steady decline in chilli export trade to higher consumption level in the domestic market. It is grown in India over an area of 17.76 lakh hectares with production of 17.82 erstwhile U.S.S.R., Mexico are the major chilli growing countries in the world. Some problem of trade in marketing such as, Presence of unlicensed traders, Lack of Storage facility, Low out turn over, Less Proper Contact, Seasonal Production, Capital gets locked up, Inelasticity of demand and Insufficiency of Production compared to demand.

REVIEW OF LITERATURE

N.S LOHAR and P.D.DISKALKAR studies marketing of chillies and they found that the transport cost and commission charges were major costs in the marketing of chillies. The price spread of chillies and estimated that the retailers share was 21.12 per cent and commission agents share was 66.31 per cent in the consumer price.

R.SUDARESN AND M. THANASEKARAN in their study on production and marketing of groups in identified severity of diseases and pest attack, lack of adequate capital facilities to meet the initial establishment costs and high cost of inputs as major problems of production while unorganized market structure, high marketing costs and unnecessary deduction and lack of financial rank as the other problems of marketing.

METHODOLOGY

The present study is used for both primary and secondary data. The primary data were collected from the respondents by using a well structured, non-disguised questionnaire. Secondary data for the study were collected from books, journals,

research articles, magazines, reports, newspapers and web-sites.

SCOPE OF THE STUDY

A study on the marketing on chilli is made with the help of the manufactures and entrepreneur to boost the income of the marketing of Chilli. The marketing system of chilli at present is more conducive for the intermediaries to exploit the growers and consumers. The study of market structure and price level will identify the problems and prospects in improving the existing market structure and market practices. This project study is intended to ascertain the marketing of chilli in Sivangangai district. Even though the role of regulated markets is significant in helping farmers to receive a fair price for their produce; this study has been restricted to the activities undertaken of chilli.

RESULTS AND DISCUSSIONS

Marketing Procedures of Chilli

During the harvest Season the chilli cultivators brings their produce to a common place for sale. Only a few cultivators retain a part of their produce for their own use. Others sell the entire quantity harvested. While transporting the goods the village traders prefer Lorries. The reason is that the goods can be transported quickly and at a lesser cost. The freight charge for carrying a 1 Pack of chilli Madurai is above Rs 40. The lorry owners charge Rs 100 for transporting the pack to Kalaiyarkoil.

Marketing procedure of chillies practiced in Sivangangai district:

Small and Medium seller do not possess adequate storage facility. A major of the chilli marketing are indebted either to the private money lenders or to the village traders. Naturally they will be in a hurry to repay the loans. Hence they sell the entire quantity harvested by them. The produce which is brought of the common place is kept in ahead. The purchaser will visit this common place and make their purchase from the market. Small crushers who extract chilli power on a small scale and the village trades.

Table – 1
Opinion about the Marketing pattern in the Chillis

Sl. No	Mode of Transport	No. of Respondents	Percentage
1	Mini lorry	55	45.83
2	Van	48	40.00
3	Others	17	14.17
	Total	120	100

Source: Primary data

The table shows that 45.83% of the respondents preferred to mini lorry transport, 40% of the respondents preferred to Van transport and 14.17% of the respondents preferred other types of transport.

SALE TO REGULATED MARKETS

The direct channel, which has no middleman, is the regulated markets. But this channel is not very popular among the farmers because of various reasons. The number of farmers and quantity of chillies sold to the regulated markets are presented in the below table.

Table-2
No. of Farmers and Quantity of Chilli

Size of Farmers	Number of Farmers	Percentage of Group Concerned	Average Quantity of Chillies Sold(in quintals per acre)	Percentage of Marketed Surplus of the Group Concerned
Small	10	20	0.90	10.55
Large	10	25	0.84	11.37
Overall	20	22	1.74	10.93

Source: Primary data

It is clear from table that 25 and 20 per cent of the large and the small farmers sold their produce through regulated markets respectively. The average quantity of chillies sold per acre by the small and the large farmers is 0.90 and 0.84 quintals respectively. The percentage to the marketed surplus of the group concerned namely the small and the large farmers are 10.55 and 11.37 per cent respectively.

Table-3
Reason for Selling through Regulated Markets in Ranked

REASONS	MEAN SCORES	RANK
Remunerative price	68.71	I
Spot payment	61.16	II
Low market charges	53.72	III
Correct weight	49.16	IV
Easy method of sale	42.73	V
Long term practice	39.63	VI
Absence of Middlemen	33.71	VII

Source: Computed data

The Table exhibits that among the reasons for selling through regulated markets, remunerative price ranks first. The reasons namely, spot payment, low market charges weight and easy method of sale are ranked II, III, IV and V whereas the VIth and VII ranks are assigned to incentives like long term long term practices and absence of middlemen respectively.

CONCLUSION

The government of Tamil Nadu should make proper arrangement for storage facilities so as to encourage the farmers to store, sell and use the pledge loan system at their convenience. Such precautions and measures would enable the farmers to obtain a decent price for their produce. The consumer price forms a major portion of the marketing cost. The government should also encourage the farmers to start co-operative societies and regulated chilli market. Therefore the government should direct the co-operative and commercial banks in the study area to provide loan facilities at reasonable rate of the interest to the farmers without any rigid formalities.

Chillies are the Universal spice of India and a commercial crop of the tropics that comes up well in the hot regions of South India is a second prominent crop, next to paddy, in Sivangangai District. But, the marketing of chillies in the study area is best with a number of problems. Though the government had taken many steps to eliminate such problems and defects in the marketing of chillies, the marketing group is not benefited by such efforts. The government has to improve the market information system and intelligence. Marketing information techniques should be reviewed through visual media like televisions and radios Computer may be employed wherever possible to make a meaningful estimate of the marketable surplus, daily average price and demand for chillies. With the efficient implementation of these suggestions by the policy makers and authorities concerned, the chilli marketing would be able to get fair remunerative price that could ameliorate their economic conditions in the study area.

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