

# Marketing Problems of Onion Cultivators in Tuticorin District

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**Abstract-** Onion (*Allium Cepa*) is a vital and crucial item in every kitchen as condiment and vegetables in India. It is an essential crop in all regions and commercially refined in various countries. Tamil Nadu accounts for 5 percent of onion area (Small onion and Bellary onion) and contributes 3.74 percent of production. Therefore the present study attempted to throw light on socio-economic condition, motivating factors and marketing problems of onion cultivators in Tuticorin District. The present study based on both primary and secondary data. Primary data collected through interview schedule. Secondary facts have collected from books, journals, newspapers, internet and bulletins. Percentage, standard deviation, F test, Gini coefficient, chi-square test, and probability analysis used for interpreting data. It inferred that high income was ranked first for motivating factors for onion growing followed by short duration. Traditional was ranked third and own interest ranked fourth respectively. It can infer that there is a significant difference in the mean scores of different groups of farmers by land used for cultivation of onion. The chi-square analysis reveals that the factors are age and education are significant at 1% level. Family type and monthly income are significant at 5% level of significance. The outstanding factors are not significant at 5% level. Onion growing is profitable in Tuticorin District. The commodity always remains in demand irrespective of the type of season. As could be seen from the data, the price fluctuation reported by 49 percent of the sample farmers. It indicated the magnitude of this problem faced by the onions farmers. Inadequate transport facilities and the high cost of transport were stated to be the problem by 25 percent of the sample farmers. From the discussions with the sample farmers, it found that most of the farmers had the problems faced by the onion growers in the production of onion were a large number of middlemen, involvement among traders in reducing prices, high transport cost, high rates of seeds and fluctuating prices. The farmers also face lack of scientific knowledge of the technology and inadequate availability of seed of good keeping quality cultivators.

Keywords: labour intensive, vegetables, onion, intermediaries, motivating factors scientific knowledge

## I. INTRODUCTION

Vegetable culture being of short duration, generally labour intensive and some crops can take from the unit area in a season or year, it is suitable for increasing the income of small farmers and make more efficient use of land and labour resources for agricultural development (Maitry et al., 2003). Onion is one of the most significant vegetables cum condiment crops of the Liliaceous family developed in India. It ranks second only to tomato regarding total annual making in the world. Onion consumed by all classes of people – poor and rich and hence, assumes a place of a nessential item. Among fresh vegetables, onion, tomato, and mushroom are reported to be highly export-competitive (Kumar, Praduman, 1996). At present, India stands second more massive producer of onion in the world next only to China (FAO, Production Yearbook, 2008). India ranks first in the world accounting for around 21 percent of the world area, planted to the onion. Globally, the country occupies the second position, after China, in onion production with a production share of around 14 percent. The productivity of onion is low at around 11.4 metric ton/ha, which is significantly lower than the world average of 17.3 metric ton/ha. Besides India and China, the other major onion-producing countries are Turkey, Pakistan, Iran, Japan, Brazil, United States of America and Spain. It produced for both domestic consumption as well as exports. India produces 4.0 million tons onion from 0.4 mha with the productivity of 10 tons/ha (Singh and Pal, 2001). Onion bulbs

are having medicinal properties recommended for the person suffering from high cholesterol, asthma, weakness, lethargy and lack of vitality. It is also useful in curing hay fever, dropsy, catarrh diabetes and chronic bronchitis (Malik et al., 2004).

A farmer produces many products on the farm and uses many inputs to produce each of his products. His object is to maximise the profits from farming. Moreover, in this connection, we should note that only a particular combination of products and a particular combination of inputs used to produce each of the product included in the product basket will yield maximum profits (Soni, 2007).

Farmers are of the opinion that the crop duration, lesser cost of cultivation, storability and better profits compared to other crops leads them to prefer cultivation of onion after onion (TNAU, 2008). The prices and production are subject to severe fluctuation owing to the change in seasons and the operation of trade cycles, besides, farm sector is associated with problems of the organisation of finance, marketing and others (Benjamin et al., 2000). Small onion constitutes more than 80 percent of this production. Tamil Nadu accounts for 5 percent of onion area (Small onion and Bellary onion) and contributes 3.74 percent of production. According to the trade sources nearly 70 percent of the area is occupied by small onion and remaining 30 percent is by Bellary onion. CO1, CO2, CO3, CO4, CO (On) 5, MDU 1 and Bangalore rose are essential small onion varieties raised by farmers. According to trade sources, the usual small onion mainly cultivated in

three seasons, but now the product is available on the market throughout the year in Tamil Nadu. Therefore the present study attempted to throw light on socio-economic condition, motivating factors and marketing problems of onion cultivators in Tuticorin District.

**Objectives of the present study**

- 1.To collect data on the socio-economic structure of onion cultivators in Tuticorin district.
- 2.To estimate the motivating factors for onion growing in the study area.
- 3.To identify the income inequality of the onion growers.
- 4.To study the problems faced by farmers in marketing onions.

**METHODOLOGY**

The present study based on both primary and secondary data. Primary data collected through interview schedule. Tuticorin district purposely was chosen as it is a district where the production of onion is more. A sample of 140 onion cultivators in Vilathikulam Taluk has selected from 5 villages in Vilathikulam taluk of Tuticorin district of Tamilnadu State based on simple random sampling technique. Primary data for this research study collect from July 2016 to June 2017. Secondary facts have collected from books, journals, newspapers, internet andbulletins. Percentage, standard deviation, F test, Gini coefficient,chi-square test, and probability analysis used for interpreting data.

	SC/ST	13.33
Marital status	Unmarried	21.33
	Married	71.00
	Widow/ Widower	7.67
Ownership of the house	Owned	49.00
	Leased	12.67
	Rented	38.33
Monthly Personal Income (Rs.)	Less than Rs.3,001 –	21.33
	Rs.3,001 – Rs.6,001	49.00
	Rs.6,001 and above	29.67
Acres of Land used	Below 2 acres	10.8
	2 – 5 acres (Small)	59.5
	5 – 10 acres	27.0
	Above 10 acres	2.8
Problems faced	Large number of	7.00
	Fluctuating	49.00
	Involvement among traders in	12.0
	Transport cost	25.0
	Lack of storage	8.0

Source: Primary Data

**RESULTS AND DISCUSSION**

**Socio-personal characteristics of respondents (n=140)**

Variable	Categories	Percent
Gender	Female	82.33
	Male	17.67
Age(in years)	Less than 30	8.00
	30 – 40	45.33
	40 – 50	26.00
	50 and above	20.67
Education	Illiterate	21.67
	School Level	44.67
	College Level	19.66
	Technical Level	14.00
Family Size	Below 3	30.67
	3 – 5	46.33
	5 and above	23.00
Family Type	Nuclear Family	64.00
	Joint Family	36.00
Nature of work	Skilled	64.00
	Unskilled	36.00
Religion	Hindu	69.33
	Muslim	13.00
	Christian	17.67
Community	BC	29.00
	MBC	57.67

It inferred that the majority of the respondents (45.33percent) belong to the age group of 30 to 40 years, followed by 40 to 50 years (26.00 percent). 20.67percent of the respondents belongs to the age group of 50 years, above, and (8.00percent)below 30 years. The mean age of respondents worked out to be 36.68 years. It has inferred that the majority of 82.33percent are male and rest 17.67 percent are female respectively.

As per the data, 64.00percent of workers are skilled workers, and the remaining 36.00percent of workers are too unskilled workers. It has revealed that majority of 69.33percent of the respondents are Hindus, while, 13.00percent are Muslims and 17.67percent are Christians.

The table revealed that a maximum of 44.67percent of the respondents are having school level education, followed by 21.67percent respondents are illiterate, and 19.66 percent of the respondents have a college-level education. 14.00percent of the respondents have a technical level education.

It has inferred that 64.00 percent belonged to the nuclear family system and the remaining 36.00 percent belonged to the joint family system. The table reveals that a maximum of 71.00percentrespondents are married while 21.33 percent are unmarried and7.67percentis widow/ widower.

A maximum of 46.33 percent of respondents has a family size of 3 – 5 members, followed by 30.67 percent having a family size of below 23.00 percent have a family size of 5 and above.It shows that 49.00percent of the respondents in

respondents have owned houses, whereas 12.67 percent and 38.33 percent respondents have leased and rented houses respectively.

The table shows that a majority of 49.00 percent respondents earn a monthly income of Rs.3,000 to Rs.6,000 followed by 29.67 percent, Rs.6000 and above and 21.33percent earn less than Rs.3000. The mean monthly personal income worked out to be Rs. 4750. A list of all the onion creating farmers from each selected villages was prepared and classified in four groups, i.e. Marginal (Below 2 acres) small (2 – 5 acres), medium (5 – 10 acres) and Large (above 10 acres) based on land holding size of the farmers. 59.5 % of farmers are having 2 – 5 acres (small farmer) followed by 5 – 10 acres (medium farmer) 27.0%, marginal farmer, (10.8%), and large farmer (2.8%) landholding.

As could be seen from the data, the price fluctuation reported by 49 percent of the sample farmers. It indicated the magnitude of this problem faced by the onions farmers. Inadequate transport facilities and the high cost of transport were stated to be the problem by 25 percent of the sample farmers. Collusion among traders and reduction of prices by the traders were also reported as a problem by an equal number of (12 percent) sample farmers. About 8 percent of the sample respondents attributed the lack of storage and processing facilities as yet another critical problem in order. Finally, a large number of intermediaries reported as a problem by 7 percent of the respondents.

#### Motivating factors for onion growing

Motivating factors for onion growing	Average Score	Rank
High income	59.61	I
Traditional	47.53	III
Short duration	52.69	II
Own interest	41.72	IV

Source: Computed from Primary Data.

It inferred from the table that high income was ranked first motivating factors for onion growing followed by short duration. Traditional was ranked third, and own interest ranked fourth respectively.

#### Gini Ratio

Gini coefficient ratio G	Before financial inclusion	After financial inclusion
	0.38619	0.20153

The Gini ratio was estimated to analyse the distribution of personal income of the farmer before and after cultivating

onion in the study area. The estimated values of Gini ratio before and after cultivating onion indicate that there is no perfect equality among the farmer personal income. However, the decrease in the value of Gini ratio from 0.38619 to 0.20153 shows that the income inequality between the farmer has decreased after cultivating onion.

#### Distribution of sample farmers by the extent of land used for onion cultivation

SOURCE	DF	SS	MS	F
Between groups	6	7408	12.57	82.51**
Within groups	3516	2403	0.648	

\*\*Significant at 1 % level

It can be inferred from the Table that there is a significant difference in the mean scores of different groups of farmers by land used for cultivation of onion.

#### The Summary of Opinion of the farmers

Factors	Chi-Square Value	Result
Age	17.38	Significant**
Educational Qualification	15.81	Significant**
Family Size	4.09	Not Significant
Family type	12.73	Significant*
Marital status	7.82	Not Significant
Monthly income	12.08	Significant*
Nature of employment	5.37	Not Significant

The opinion of the respondents and socio-economic characters relationship applied to chi-square test. The selected variables only applied in this model. The table reveals that the summary of the respondents. The chi-square analysis reveals that the factors are age and education are significant at 1% level. Family type and monthly income are significant at 5% level of significance. The outstanding factors are not significant at 5% level.

#### CONCLUSION

Onion growing is profitable in Tuticorin District. The commodity always remains in demand irrespective of the type of season. From the discussions with the sample farmers, it found that most of the farmers had the problems faced by the onion growers in the production of onion were a large number of middlemen, involvement among traders in reducing prices, high transport cost, high rates of seeds and fluctuating prices.

The farmers also face lack of scientific knowledge of the technology and inadequate availability of seed of good keeping quality cultivators.

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