FINDINGS

1. When hunting remained primary occupation of pre-emptive periods, it was the Samarian culture, which found cultivation.

2. The historical evidences threw light on agricultural practices and their importance. During the Mauryans' regime, superintendent of agriculture (Sitadhyakasa) was appointed and it was his duty to provide various types of facilities for the promotion of agriculture. It was also his duty to keep ready stock of goods seeds as a well as to get the lands ploughed, sown, and harvested by the slaves (dasas), labourers (Karamakaras), and prisoners (Dandapratikarstras).

3. The agriculture today faces serious challenges. The farmers are so poverty stricken and indebted that as a consequence, the death toll of farmers’ suicide is rapidly increasing. The official data on farm suicides clearly states that nearly 1.5 lakhs people committed suicides in nine years from 1997-2005.

4. Onion is one of the important vegetable crops grown in India. In terms of area, India ranks first in the world with over 480 thousand hectares accounting for around 21 per cent of the world’s area planted to onion.

5. India occupies the second position after China in onion production, with a share of 14 percent.

6. Onion is considered as one of the commercial crop and the marketable surplus ratio is high.

7. It was Jones and Mann (1963), who gave an account of origin, demystification and distribution of Onion.
8. Onion’s botanical name is Alliums, are among the oldest cultivated plant species. References to Edible onion can be found in Bible, Koran, and in the inscription of account of civilization of Egypt, Rome, Greece, and China. Onion has got a Sanskrit equivalent “plant” mentioned in pastamba pharm sutra –I dated 800 BC to 300 BC, which signifies its introduction in India.

9. Onions are grown almost all over the world in the different types of soil, strictly speaking a very rich and well-manured soil is preferred. Onion seedlings are started in the nursery beds in September – December. About 8 kilograms seeds are required per hectares. Onions tend to nature at the advent of summer. Onion is the only vegetable type, which can be stored even for a year.

10. Onion in general is cholesterol free vegetable as it occupies only 0.1 gram of fat. It contains nearly 50 calories of energy in case of Bellary onion and 59 calories of energy in case of small onions.

11. Statistics regarding world onion production reveals that the productivity of onion in U.S.A occupies the first place with 54.4 MT. in the year 2004, Netherlands with 52.8 MT and Japan occupies the third place with 48.9 MT.

12. In terms of onion production, China occupies the first place with a production of 18047 thousand metric tonnes. India occupies the second place with the production of 7515 thousand metric tonnes.

13. Area under onion in India has been steadily increasing, since 1991-92. Area under onion in the year 1991-92 was 33.8 thousand hectares and it was 495.8 thousand hectares in the
year 2001-2002. In the year 2004-2005, onions were cultivated in 593.9 thousand hectares.

14. Overall production of onion in India has been fluctuating from 1991-92 to 2001-02. The year 2001-2002 onion production was 5252.1 thousand metric tonnes. It declined to 4209.5 thousand metric tonnes in the year 2002-03, and from 2002-03, onion production recorded a positive upward trend with 6267.6 thousand metric tonnes in the year 2003-04, and 7515.4 thousand metric tonnes in the year 2004-05.

15. Productivity of onion in India has been fluctuating from 1991-92. Productivity of onion in India was 74.18 in the year 1991-92. It was 10.59 in the year 2001-02 and production of onion was 12.65 in the year 2004-05.

16. In India, Maharashtra ranks first, in terms of area, Karnataka occupies the second rank in terms of areas under onion and Gujarat occupies the third place.

17. In terms of production, Maharastra occupies the first place with 1422.3 thousand metric tonnes in they year 2004-05. Gujarat occupies the second place with 1340.6 thousand metric tonnes.

18. In terms of productivity, Gujarat occupies the first rank with 22.9 per cent, Haryana occupies the second place and Bihar occupies the third place.

19. Area under onion in Tamil Nadu, was 30897 hectares in the year 2001-02 it increased to 28664 hectares. In 2002-03 and 2003-04 it declined to 23000 approximately. In the year 2004-05, onion was cultivated in 26491 hectares.

20. Perambalur district is a centrally located inland district of Tamil Nadu, spread over 3690.07 sq. kms, which was
trifurcated from the erstwhile composite, Tiruchirappalli
district and was formed on 1st November 1995.

21. Perambalur is the leading district of Tamil Nadu in terms of
onion production. In 2004-05, production of onion in
Perambalur district amounted to 66052 tonnes, it accounted
for nearly 25.76 percent to state production.

22. In terms of onion production in Tamil Nadu, the district of
Dindigul occupies the second rank with the production of
38652 tonnes. It accounts for 15.08 percent to state
production in the year 2004-05.

23. Tiruchirappalli occupies the third place in terms of
production of onion in Tamil Nadu, with 28026 tonnes and
with a share of 10.93 percent to total state production.

24. Age-wise classification of sample cultivators reveals that 29
percent belong to the age group of less than 20 year 46.63
percent fall between 30 years and 60 years and 27.33 are
above 60 years.

25. Of the total sample cultivators, 20.00 percent are illiterate,
48 percent attained SSLC, 14.33 percent have HSC as their
qualification, and 17.67 have degree as their highest
educational qualifications.

26. Of the 300 sample cultivators, 77 cultivators earn less than
Rs.20,000 as their annual income. 92 cultivators earn
between Rs.20,000-40,000 as their income. 64 cultivators
earn income ranging between Rs.40,000 and Rs.60,000. Only
67 with 22.33 percent earn Rs.60,000 as their annual income.

27. In case of marital status, the majority of them (83.33 percent)
are married and remaining 16.67 percent are unmarried.
28. It is interesting to note that, of the total sample cultivators, majority with 30.67 percent have family size of 6-8 children and 29.33 percent have above 8 children.

29. In case of Religion, 64.00 percent are Hindus, 18.33 percent are Christians, and 17.67 are Muslims.

30. Caste-wise classification reveals that 46.67 percent belong to MBC category 18.00 percent belong to BC, 15.33 percent belong to SC/ST category and 20,000 belong to other category.

31. In case of land utilization, 17.33 percent use less than 20 percent. 20-40 percent is used by 21.67 percent, 40-60 percent is used by 21.67 percent sample cultivators, and 80-100 percent is effectively used by 24 percent of sample cultivators.

32. Of the 300 onion cultivators 183 (61.00 percent) cultivate onion only once and 117 sample cultivators (39.00 percent) cultivate twice a year.

33. Regarding the type of soil, majority (49.33 percent) of them has black soil and 18 percent cultivated have Red soil type.

34. 47.33 percent of the sample onion cultivators rely on private moneylender as their source of finance. 16.00 per cent of onion cultivators get finance from primary Agricultural Cooperative Bank, 19.00 percent get finance through various commercial banks. Only 17.67 use their own fund.

35. Sources of information about onions by cultivation play a crucial role. 37.33 percent expressed those agricultural offers as their main source of information. Majority with 26.33 percent cultivate and practice on their own acquired knowledge, 18.67 rely on the peer group and relatives for
their sources of knowledge regarding farm practices, and 17.67 do rely on media/radio.

36. 31.67 percent of onion cultivators have rich experience in onion cultivation. 30.33 percent are new to onion cultivation with less than 5 years. 23.67 percent of sample cultivators have 5-10 years of experience in onion cultivation. 14.66 percent cultivators have been cultivating onions for more than 15 years.

37. 32.67 per cent of onion cultivators expressed village custom as the reasons for onion cultivation. 18.67 expressed that they cultivate because it is remunerative. 22.00 said that rich experience in this field as the reason for onion cultivation. 13.66 opted suitable soil type and another 13.00 per cent choose other reasons for onion cultivation.

38. It is inferred that storage facility is the main problem of marginal farmers as it fetched the first rank unfair role of intermediary is their second problem.

39. In case of problems faced by small farmers, increase in input cost ranks first and storage facility is the second main problem of small farmers and scarcity of labour is the third main problem as it fetched third rank.

40. Scarcity of labour remains the main problem of medium of farmers as it fetches the first rank. Monsoon failure is the second major problem of medium farmers as it fetched the second rank. Increase in input cost fetched the third rank.

41. Unfair role of intermediary is the main problem as it fetched the first rank. Problems of storage facility are the second major problem faced by large farmers as it fetched the second rank. Scarcity of labour is the third major problem faced by large farmers, as it fetched the third rank.
42. In case of satisfaction Index of marginal farmers, they are satisfied with the factors directing flow of onions from cultivators to consumers and giving advice to cultivators. It is found that the dissatisfaction is highest for the factor helping for large-scale production by collecting huge order. Next comes guiding the cultivators in fixing prices of onions.

43. The sample marginal farmers are not satisfied with the role of middlemen in marketing of onion as the ultimate satisfaction index is -4.84 (minus 4.84).

44. In case of small farmers, the dissatisfaction is highest for the factor giving advice to cultivators on a small commission. Next is “performing the function of merchandising”.

45. In general the sample small farmers are not satisfied with the role of intermediaries in marketing of onion as the ultimate satisfaction index is -0.30 (Minus 0.30).

46. Medium farmers are not satisfied with the role of middlemen in marketing of onion as the ultimate satisfaction index is -1.82 (minus 1.82).

47. Large farmers are satisfied with the factors “looking for advertisement and publicity, giving advice to them and helping for large scale production.

48. Large farmers are very much dissatisfied with the factor guiding the cultivators in pricing the onion. Next comes performing the function of merchandising.

49. In general the sample large farmers are not satisfied with the role of middlemen in marketing of onion as the ultimate satisfaction index is -1.43 (minus 1.43).
Problems faced by Onion Intermediaries

50. It is inferred that lack of association / organization is the main problem of commissions and transportation is the next main problem faced by commission agents.

51. The Kendall’s coefficient of concordance is 0.451, which reveals that there is high degree of concordance (agreements) among the commission agents in the order of problems.

52. From the mean rank of problems faced by village merchants, it is inferred that ‘poor quality of onion is the main problem. The second main problem is the problem of repaying the loan by cultivators, and the third problem is delay in payment of retailers.

53. From the mean ranks of problems faced by wholesalers, it is inferred that problems of fixing the price is their main problem, and problem in payment of the outstation whole sellers is their second main problem.

54. Mean ranks of problem faced by retailers reveal that wastage of onion is the main problem and problem in fixing the price is their second main problem. Transportation is the third main problem faced by the retailers.

Reasons for being in onion trading

55. From the Kendall’s W Test Ranks of reasons for being in the onion business, it is inferred that familiarity is the main reason for doing onion trading and family business is the second main reason of commission agents.

56. The mean rank assigned to reason for doing onion business by village merchant reveal that to earn a side income is the main reason for doing the job of onion business.”
57. The mean rank of reason for doing job in onion business by wholesalers reveal that ‘it gives more profit’ is one of the main reasons, which motivates them being in onion trading.

58. To earn a side income is the main motivation factor of retailers, and family business is the second main reason to remain in onion trading as expressed by retailers.

**Seasonal Variation**

59. The gross share of price per kilogram to the growers is 83.33 percent in onion during 2002 and the net share in the consumer’s rupee is 69.55 percent.

60. The gross share of price per kilogram to the grower is 66.67 percent in onion during 2003 and the net share in the consumer’s rupee is 48.33 percent.

61. The gross share of price per kilogram to the grower is 66.67 percent in onion during 2004 and the net share in the consumer’s rupee is 49.44 percent.

62. The gross share of price per kilogram to the grower is 66.67 percent in onion during 2005 and the net share in the consumer’s rupee is 47.95 percent.

63. The gross share of price per kilogram to the grower is 80.00 percent in onion during 2006 and the net share in the consumer’s rupee is 52.67 percent.

64. The gross share of price per kilogram to the grower is 90.91 percent in onion during 2007 and the net share in the consumer’s rupee is 58.39 percent.
SUGGESTIONS

 The government should be generous in establishing Cold Storage for onion in the interest of small and marginal farmers.

 The government should establish Agmark Grading Laboratories. Separate seed centres and soil testing centres should be established in Perambalur.

 As most of the onions are transported to Dindugul for the purpose of export, the transportation cost occupies the major percentage of total marketing cost. Therefore measures should be taken to establish training facilities to boost direct export of onion from Perambalur.

 The role of middlemen should be checked and legitimized.

 The government can render regular goods carrier service facilities for enhancing movement of onion to the nearest mundies.

 Only rich farmers get the benefit of loan subsidies and it does not serve the purpose and therefore the banks should be lenient in lending loan to the marginalized.

 The horticulture should be more favourable and supportive to onion growers as it occupies the first rank in terms of production of Tamil Nadu.

 The bank especially should play major role in promoting the onion production by their easy approachable way.

 The farmers should be always well-organized.

 The farmers should form cooperative selling.

 The farmers should be more informed and get in touch with market information.

 The farmers should store their onion till the best price and sell them to gain more profit.
The onion cultivators in Perambalur district should continuously cultivate onion irrespective of the price so that a loss in one season/year will be compensated by higher market price in one season/year.

As storage facility remains the major problem for the marginal farmer, the marginal farmers should get storage on hire or try to find out other means to store.

Unfair role of intermediaries is very much seen as an evil in every agricultural marketing system. The marginal farmers should be careful in selecting the channels. They should try the cooperative marketing.

As the rising input cost is main problem for smallholdings, the cultivators should try to use natural manures, which is available in rural areas.

Scarcity of labour remain the major concern as felt by the medium farmers, the cultivators should mobilize the unused labour force and offer them incentives along with normal wage. It is also possible to share the workload with peer group farmers.

In general, there exists a high degree of dissatisfaction towards the role of intermediaries in onion marketing. Therefore the government through its marketing committee should supervise the role of intermediaries.

The farmers themselves can participate in direct selling of onion in a small scale in periodic markets.

Lack of association remain as the second main problem for the commission agents, therefore the commission agents should associate with others that will result in less marketing cost, which will bring farmers a little more profit.
The poor quality of onion is another main problem as expressed by village merchants. The farmers should produce quality onions and it is possible with active interaction with the agricultural officers. Proper irrigation, sufficient manure and pest control in time will result in good quality. Quality onion will bring fair returns.

Fixation of price is major problem as it takes so many factors into consideration. As expressed by wholesalers, to overcome the problem of fixing price, they should get updating the latest market information. They should also be ethical in making profit.

Conclusion

Indian agriculture today is facing challenges in many aspects. The shortage of labour and increase in input cost are the problems that the cultivators find it cope with. Onion is commercial crop with certain advantages. Though the role of intermediaries can not be totally eliminated, but the onion cultivators should choose the timing of sales carefully watching the market condition. They should make use of the banking facilities and reduce their financial burden. Though there can be many researches in agricultural fields, but this research is throws a light on the problems and prospects of farmers in Perambalur District. So the research of this kind is the need of the hour as most of the people rely on agriculture and related activities and will serve for the betterment of the rural cultivators.