Chapter – V

Findings, Suggestions and Conclusion
CHAPTER – V

FINDINGS, SUGGESTIONS AND CONCLUSION

The problems faced by farmers in marketing of agricultural products in Villupuram District have been studied in the previous chapter. An attempt is made in this chapter to summarise the main findings with suggestions and conclusion.

5.1 Findings

1. It is found from the analysis that the majority of farmers belong to the age group of 36-45 years and it’s implied that agriculture is main source of business for the farmers in this study area.

2. This finding proved that majority of the farmers is male for this field because nature of work is suitable for male where as female farmers and 35.7% of the farmers belong to above 30 years experience.

3. The researcher found that soil of the land changes from time to time because of mostly used for chemical for cultivation. Therefore, farmers should change the methods of cultivation, minimum fertilizer used, frequently used for soil test, Ground cover protects soil, provides habitats for larger soil organisms, such as insects and earthworms, and can improve water availability in this study area.

4. It is concluded from the analysis that the income earned by farmers is low because of cultivation expenses is high. Therefore, farmers have to identify how to improve agricultural income and how to reduce cultivation expenditure for the respective field.

5. It’s found that the saving is not satisfied by farmers because of agriculture price is fluctuating from time to time. Therefore, price should be regulated by Government and avoids price fluctuation.

6. It is implied that agriculture income covers income from agriculture operations, which includes processes undertaken to make the produce for sale in the market. The amount of savings has been decreased when compared with
income levels because of the agriculture sector is facing many challenges with rising demand for food items and relatively slower supply response.

7. It’s depicted from the analysis that the Factors such as fertility of land, monsoon behaviour, rainfall, irrigation, application of fertilizers, climatic conditions, marketing facilities, prices, availability of agricultural labourers etc. determine productivity of any crop.

8. It is observed that Villupuram District is known for paddy cultivation and most of the farmer’s income in the paddy cultivation. Paddy is cultivated twice a year including seasonal cultivation.

9. Since, the significance value 0.000 is less than 0.05 ($p<0.05$), the variance between different experimental conditions is significant. Hence, there is significant difference in the mean score of different crop cultivation among the farmers in this study area.

10. It was formed that farmers use well and bore well as source of irrigation. The large sized farms required more amount of water and there is significant relationship between sizes of land irrigational source. The test supported this view.

11. It is found that most of the farmers (324 sample farmer) used traditional mechanism of cultivation in this study area. Since difference between observed and expected frequencies is insignificant the null hypothesis ($H_0$) is accepted and alternative hypothesis ($H_1$) is rejected. Therefore, there is no significant relationship between size of land for cultivation and sources of irrigation among the farmers in this study area.

12. It found that the majority of the (348) farmers borrowed the required capital for cultivation in this study area according to size of land for cultivation (5 to 15 acres). Since indifference between observed and expected frequencies are insignificant. The null hypothesis ($H_0$) is accepted and alternative hypothesis ($H_1$) is rejected. Therefore, there is no significant relationship between size of land for cultivation and mode of investment among the farmers in this study area.
13. Tractor is widely used by farmers as their mode of transport in their agricultural process. It is concluded from the analysis that there is no significant relationship between size of land and mode of transport.

14. Majority of the farmers borrowed the required finance between Rs.50,001 to Rs.1,00,000 and from co-operative and nationalized banks in this study area. Since difference between observed and expected frequencies are significant. The null hypothesis (H₀) is rejected and alternative hypothesis (H₁) is accepted. Therefore, there is significant relationship between place of borrowing and borrowed amount.

15. Majority of the farmer borrowed from nationalized and co-operative banks and repayment of period is below Six years. Since difference between observed and expected frequencies are significant. The null hypothesis (H₀) is accepted and alternative hypothesis (H₁) is rejected. Therefore, there is significant relationship between place of borrowings and repayment period among the farmers in this study area.

16. From the analysis it is found that the source of significant difference among the group means. The post hoc tests are designed to examine the pair-wise differences. Age groups from multiple comparisons among the farmers have significant in the study area.

17. From this findings it is formed that borrowed loan towards the lower end above 56 years age group, which is followed by 25-35 years age group towards the higher end. Since, lower and higher end groups required for loan in those categories because of age is determines the repayment of capacity by farmers and homogeneous sub sets comparison is ‘significant’ in the study area.

18. From the problems of facilitative function describes 2151 (28.01%) farmers have Strongly Agree. It is seen that most of the farmers have strongly agree (SA) with the problems of facilitative function like Problems on separation wastage, No timely bidding and lack of cattle shed with water facilities in this the study area.
19. There is no timely bidding in agricultural marketing and this is considered as a very serious problem faced by farmers and they opined that transport is not a problem at all.

20. It was formed that there is significant completion between the variables such as in availing loan, Very less repayment period, Crop insurance, Poor banking facilities, High cost of acquiring modern instruments, High rate of interest, Problems on availing subsidy, Assistance by Government, More formalities, Less amount of loan, More processing time, No cordial relationship with farmer, interference of private money lenders.

21. The step wise multiple regression models indicates out of the problems related to financial facilities of explanatory variables, 14 Variables namely, \(X_2, X_3, X_4, X_5, \) and \(X_{14}\) have significantly contributing to \(X_1\). The analysis of variance of multiple regression models for \(X_1\) indicates the overall significance of the model fitted. The coefficient of determination \(R^2\) value showed that these variables put together explained the variations of \(Y\) to the extent of 0.874. Scarcity of electricity, Water electricity, Problems acquiring technical knowhow, Problems on availability of agri. Labours, Problems on applying modern technology, Problem on monsoon, Problems on rainfalls down, Problems on acquiring innovative ideas, Problems on unavailability of good seeds, Low yield, Poor canteen, Unhealthy inter personal relationship, High cost of fertilizers, Problems in availability of fertilizers.

22. It is known from the statistical analysis that the market for agricultural products in India is not perfectly competitive in the sense that the farmers do not usually get adequate information about the price that prevail in big and organised markets. Due to lack of communication facilities, the information about market prices rarely reaches the farmers.

23. The researcher found from the result of analysis that the many fraudulent practices are observed in rural markets. The entire method of transaction is against the interest of the farmer. In the mandis, the farmer has to approach a broker (a dalal) to be able to dispose of his produce to the arhitiya. These two intermediaries often use code words to settle the price under cover and not in
open. Although they act for both the buyer and the seller, they serve the interest of the buyer than that of the seller by forming collusion with the arhitiya. Moreover, false weights and measures are used and unnecessary deduction is made from the quoted price on the pretention that his produce is of inferior quality.

24. Difficult to marketability, unjustified rates for the products, improper payment
Out of the 29 problems in marketing grouped into 5 factors have been extracted and these three factors put together explain the total variance of these factors to the extent of 92.498% total variances. The 18 statements were grouped together as factor I 99.271% of the total variance. The 7 statements constituted the factor II 0.616% of the total variance. The 4 statements constituted the factor III 0.075% of the total variance. The 1 statement constituted the factor IV 0.039% of the total variance. Thus the factor analysis condensed and simplified the 29 statements and grouped into 5 factors on priority basis, explaining 100% of the variability of all the 29 statements.

25. In the data analysis considered for 13 variables (No cordial relationship with farmer, Interference of Private money lenders, Less amount of loan, More processing time, Poor banking facilities, High cost of acquiring modern instruments, Problems on availing subsidy More formalities' High rate of interest' Assistance by Government, Crop insurance' Problems in availing loan, Very less repayment period, of financial facilities but after rearrange modified indices have not considered for problems in availing loan, less amount of loan, more processing time and no cordial relationship with farmers in Villupuram District because modified indices (MI) is high. Therefore those financial facilities have most difficult study in this study area.

26. It is understood that there is no covariance between assistance by government and more formalities of problems related to financial facilities in this study area.
5.2 Suggestions

On the basis of this study, made the following suggestions to improve the marketing practices of Agriculture products and to solve the problems that arise in this respect:

1. Illiteracy, lack of awareness about recent developments in the field of agriculture and poor socio-economic background of the farmers is some of the fundamental reasons for continuously decreasing agricultural productivity. In addition to this, high level of income gap between rich and poor farmers, agricultural and non-agricultural employees are responsible for non-fulfilment of even the basic necessities of Indian farmers. Therefore government should take the initiatives to increase the agricultural productivity in the study area and to fulfil the gap of income range among the farmer.

2. One of the main handicaps with Indian agriculture is the lack of cheap and efficient means of transportation. Even at present there are lakhs of villages which are not well connected with main roads or with market centres. Most of the roads in the rural areas are bullock-cart roads and become useless in the rainy season. Under these circumstances the farmers cannot carry out their produce to the main market and are forced to sell it in the local market at low price. Linking each village by metalled road is a gigantic task and it needs huge sums of money to complete this task.

3. Inadequate finance, untimely finance and inconsistent or contradictory policies of government have aggravated farmers’ problems severely. Timely and sufficient availability of credit on regular basis is one of the enabling factors that are responsible for high agricultural output. Availability of formal credit influences the output in many dimensions for instance, it can be used to purchase good quality seeds during the seeding season that enables a farmer to maximize the yield over the cultivated area or it can also be used to replace the informal credit which is more often than not accompanied by high rate of interest.

4. Agriculture producers are confronted currently with a situation of low prices and increasing costs. Margins become smaller, to the point that they make
production unattractive as a business. Some even consider shifting to an alternative business. To correct this situation there are basically two alternatives: increase sales, through alternative channels or products make may production more efficient, that is, produce more with less several marketing and produce quality tools allow producers to maintain a competitive advantage. Easy and effective marketing techniques that can have an impact in improving the financial results of the fresh produce business in the short term. Real point-of-sale market tests will demonstrate how certain attractive and innovative products will increase sales and profitability. A price-demand curve can also be tested to optimize revenue point-of-sale retail tests for certain generic crops, it is hard to differentiate based on product only. This is more often the case with vegetables. Providing additional information with the product to the retail customer and end-consumer allows for a certain differentiation and can weigh in the purchase decision.

5. A reliable harvest forecasting system allows the scheduling of sales and special offers with retail clients. This forecasting system allows the integration of the client in the harvest planning, smoothing out production peaks and avoiding excess inventories and old agriculture products in storage. Efficient forecasting systems collect field information periodically regarding cultivation of agriculture produces and available volumes. A good forecasting system allows for sales planning and accurate delivery of agreed up on volumes and quality.

6. Optimum maturity at harvests maximizes field productivity (kilograms per hectare) as well as fruit quality of the agriculture produces. Leading producers can market the produces at the optimum ripeness through adequate harvest, packing, cooling and handling systems. Each variety has a seasonal production peak, depending on their genetic characteristics and day degree requirements. Additionally, playing with farm locations at different altitude and latitude allows the advancement or delay of these production peaks. A well planned production plays with varieties and farm geography and smoothes out production curves.
7. It is suggested that the good marketing plan is an absolute must for a successful farm business. The farmer should know the present market and the customers. Start by growing vegetables and agriculture produces that are popular with people in study area. Make sure the farmer grow enough of each crop, and make the quality of the agricultural produces. Then consider the best way to sell them to the customers.

8. If the farmer have a big farm or live far away from customers, the farmers want to sell their products to one place, such as a store and restaurant. This is called wholesale marketing. Selling the products this way is faster than other ways of selling. It is also a good choice if the farmers are not comfortable meeting and talking to a lot of people. Wholesale marketing will probably not make them as much money as selling directly to the customer, and they may not get paid right away. But it is a simple, easy way of selling.

9. Many farmers sell agriculture produce at a farmers market or a roadside stand. Some farmers let customers pick their own vegetables. Many people come to the farmer's market to buy vegetables. Farmer can sell a lot of vegetables, so they need to bring enough vegetables and agriculture produces to last the day. If they want to sell their produces at a farmers market, look for a market that is: In a busy area; well known by a lot of customers; clean and well managed.

10. People like to stop at roadside stands to buy fresh vegetables. The farmer can sell their agricultural produces without travelling far, and they can make money selling only one or two crops. For instance, fresh-picked sweet corn, tomatoes, and pumpkins sell well.

11. Customers who stop at roadside stands like to see colourful plants, gardens, animals, even clean gardening tools. They also like to know the cultivation, crop growing and harvesting. It is suggested that if the market place is near the farmers’ garden, make sure about the garden is in good condition and customers can see the produces.

12. Sources of nutrients - organic (compost, green and cattle manures) and inorganic fertilizers. Nutrient requirements of vegetables to determine yields and quality. The importance of following fertiliser recommendations in
relation to amounts, timing and placement. Options for improving soil fertility using green manure crops, compost and livestock manure. Handling manure and application of manure. The concept of Integrated Plant Nutrition Systems was introduced. The concept aims at maintaining or adjusting of soil fertility and plant nutrient supply to sustain a desired level of crop production.

13. The importance of weeding was emphasised avoid competition for space, nutrients, water. Certain weeds like Nicandra are alternate hosts for red spider mites. Proper harvesting methods, time of harvest, care in handling of produce, use of field storage sheds, proper packaging materials, treatment of produce and grading of produce should be kept by the agriculture department to the dependent farmers of the study area.

14. Marketing decisions should be made before planting the crop. Some marketing strategies discussed include; knowing the market requirements, when to sale, timing, off-season production, formation of association for better bargaining, formation of marketing days to create awareness, market research and crop diversification.

15. A farmer’s must do more than show up and open the tail-gate. A farmers’ market is a place where farmers must be marketers, creating an appealing, professional image for themselves and their farms and providing consistent, high-quality products and service that satisfy customers. It would be helpful to increase the sales quantity of the produces.

16. Agriculture is largely an unorganised sector. No systematic institutional and organisational planning is involved in cultivation, irrigation, harvesting. Institutional finance is not adequately available and minimum purchase price fixed by the government do not reach the poorest farmer. Hence the financial institution should come forward to provide the adequate finance facilities to the farmer towards the growth and development of producing agricultural produces.

17. Most of the farms are small and economically unfeasible. The ground reality is that majority of the farmers in India own as little as two acres of land cultivation on such small area is not economically feasible. Such small farmers
have become vulnerable. In many cases, the farmers are not even the owners of the land, which makes possible cultivation impossible because significant portion of the earning go for the payment of the lease for the land. So, institutional agencies should provide the aware programme to the maximum utilisation their own land with the available source of finance and with the required agricultural seeds.

18. Exploitation by the middlemen is the reason foot forth for not getting the best price for the produce of the agriculturists. The government should promote the plan called Uzhavar Santhai (farmers Market) where the farmers can directly sell their product at reasonable price to the consumers.

19. Government has implemented agricultural debt, waiver and debt, relief scheme in 2008 to benefit over 36 million farmers. Direct agricultural loan to stressed farmers under so called Kissan credit card were also covered under the scheme. However, most of the subsidies and welfare schemes announced by the Central and State governments do not reach the poor farmers. On the contrary, only big land lords are benefited by that scheme. Therefore the programme giving by the government should reach the ultimate users.

20. High indebtedness and exorbitant interest rates are the root cause for indebtedness and debt burden. Exorbitant interest rates have to be declared illegal and government has to take strict measures against greedy money lenders. Easy access to institutional credit has to reach the small and marginal farmers without cumbersome procedures.

21. Rural farmers are unaware of the Multi crops, to increase the annual return, it is suggested that the cultivation of multi crops such as coconut, turmeric, pineapple, banana, apple, Papaya and ginger yield the profitable result to the farmers. Just like industrial loan there is an urgent need to establish special agricultural loan rare only farming and agriculture related activity should be allowed.

22. Need to modernise agriculture, by introducing farm techniques which guarantee a definite success, and increase in youth participation on agricultural fields is economically possible. This can be attained only by implementing
new technologies. Research effort should continue for the production of crops with higher yield potential and better resistance to pest.

23. Many farmers are not aware of crop rotation, though education in urban areas has approved a lot the government has ignored the same in rural areas in general in agricultural sector in particular. This is the reason why farmers do not get adequate aware on the various schemes provided by the government. The above mentioned problem can be overcome by providing awareness programme towards encourage the crop rotation. Several farmers who own small piece of land can join together and combine all small fields into one large shank this may help in variety of ways.

24. Meaningful crop insurance policies are must and the client should be settled easily under the supervision of the department of Agricultural officials. Traditional crop insurance depends on the direct measurement of the damage suffered by a farmer to determine his pay out. However field loss assessment is often not feasible or expensive. Since most of our farmers are small holders. Index base insurance, on the other hand, defined parameter. It has the advantages that it is transparent and all the insurers within the defined geographical area are treated equally. It has low operational and transnational cost, while also ensuring quick payout.

25. Small farmers should be encouraged to develop alternative sources of income and the government should take up the responsibility for providing training to the farmers to acquire new skills. In drought affected area, the government should start alternative employment generation programmes to reduce the dependents on agriculture as the solo source of income. Such programmes should be standardised. Farmers should be enabled to divide their activities in to three parts. One for regular crop production, one for animal husbandry or fisheries and another timber production. These activities complement each other and also alternate source of income of farmers can be ensured.

26. Facilitating national weather risk management system that alerts farmers when there is a danger of extreme weather, would go a long way in producing losses in agriculture. Value added services like pest and disease alert applications in
combination with the weather forecast would equip the farmers to handle and manage their crops better.

27. Most of the farmers – especially the poor and marginal ones – are dependent on seeds sold in the market. Moreover, the HYV seeds which promise higher yields force the farmers to buy seeds for every crop. With spurious seeds hitting the market.

28. Nearly 80% of the 140 million farming families hold less than two acres of land. Large land holdings enable the farmer to implement modern agricultural techniques and boost productivity. Small land holdings restrict the farmer to use traditional methods of farming and limit productivity. As land holdings are small, more people invariably work on the farms in the rural areas and coupled with the obsolete technology, farm incomes come down.

29. Villupuram district is very less compared to world standards due to use of obsolete farming technology. Coupled with this, lack of understanding of the need for sustainability in the poor farming community has made things worse. Water usage is also unplanned with some arid areas misusing the irrigation facilities provided by planting water intensive crops. In areas where irrigation in the form of rivers and canals is not sufficiently available, ground water resources are heavily exploited. (Hence the proper plan should be made to avoid the wastage of water source and complete utilisation irrigation).

30. Sustainability in agriculture is of utmost importance as many problems faced by farmers are related to this. Excess fertiliser usage not only makes the plants dependent on artificial fertilisers but also erodes the land quality, polluted ground water and in case of a surface round off, pollutes the nearby water bodies. Similarly, planting crops which require more water like rice on the basis of irrigation facilities extended to areas which are water deficient uses up more water than required. Besides, the excessive evaporation cause salts to accumulate on the fields making them lose their fertility quickly.

31. Every crop requires certain climatic conditions to give the best yields. Though rice and wheat are produced in a large area in India, certain areas can readily switch to other crops to get better productivity. India is importing cooking oil
from abroad though we have the necessary conditions to grow more oilseeds here. Heavy dependence on traditional rice and wheat points to the lack of a proper national plan on agriculture. Excess stocks in a few crops lead to problems in the selling of the produce, storage and shortage of other essential farm output. Moreover, if the farm output is skewed towards crops like rice, irrigation and ground water facilities are misused by a farmer, which leads to a host of other problems. (The farmers of study area should be educated to grow the crops of oil seeds in the best available soil).

32. Seed problems can be overcome by creating in house seed banks at the village level for traditional crops (thereby reducing farmer dependence on external seed banks), selling Government approved seeds through proper channels (to eradicate spurious seeds) and strict penalties on seed marketing companies in case the seeds do not match the claims – germination and yield - of the companies. Terminator seeds should not be encouraged as a matter of principle as they force farmers to buy seeds for every crop.

5.3 Conclusion

Marketing of agricultural products is entirely different from the marketing of other products. In the agricultural marketing farmers are just producers and price takers and not price makers. This study analyses the problems of marketing of agricultural products in Villupuram district. The small and marginal farmers are facing severe problems in marketing their products. In the case of large farmers they are able to manage these problems to certain extent.

Among the several problems faced by the farmers in the study area, the problem of price disadvantage is due to the presence of middleman in the market. Besides, poor storage and transport costs are the matter of great concern. The sample farmers in this study face these problems frequently and they are not satisfied with the measures taken by the authorities concerned. If the above said suggestions are fulfilled, the farmers would enjoy from the marketing of their produce and their lives would flourish.