

Marketing Practices and Problems of Cotton Cultivators in Nagapattinam District

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ABSTRACT

Cotton is one of the most important fiber and cash crop of India and plays a dominant role in the industrial and agricultural economy of the country. Cotton is generally referred to as “White Gold”. It provides the basic raw material (cotton fibre) to cotton textile industry. Cotton in India provides direct livelihood to 6 million farmers and about 40 -50 million people are employed in cotton trade and its processing. The most important cotton growing regions in India are Gujarat, Maharashtra, Punjab, Haryana, Bihar, Andhra Pradesh, Karnataka, Tamil Nadu. Cotton is one of the main crops in nagapattinam district. The basis of the selection was availability of cotton cultivators in the sample blocks. Total number of cotton cultivators in sample blocks was 112, which constituted the population of the study. Out of which 72 cotton cultivators were selected by using sample size determination formula. Yamene, 1967. The study includes the marketing problems faced by the cotton cultivators. The reasons are many-lack of regulated markets, ungraded produce, no Agmark, inadequate storage and warehousing facility etc. At present, the conditions have been greatly improved. Today, agriculture being modernized, leads to manifold productions. The role of marketing is fast changing. Hence the researcher is attempted to analyze the prospects and problems in marketing of cotton in Nagapattinam district as it is one of the leading and traditional agricultural products in Tamilnadu.

KEYWORDS: Marketing Process, Cotton Cultivators, Marketing problems

INTRODUCTION

Agriculture is most important in India’s economy. However, the country had to face spells of drought now and then resulting in a setback to agricultural production. Indian farmers have shown remarkable response to the new technological innovations in agriculture. There has been a spurt in the demand for high yield varieties of seeds, fertilizers and modern farm implements in recent years. Cotton is one of the most important fiber and cash crop of India and plays a dominant role in the industrial and agricultural economy of the country .Cotton is generally referred to as “White Gold”. It provides the basic raw material (cotton fiber) to cotton textile industry. Cotton in India provides direct livelihood to 6 million farmers and about 40 -50 million people are employed in cotton trade and its processing. Cotton grows in equable and dry climate. The best soil for cotton cultivation is **Black Cotton Soil**. The most important cotton growing regions in India are Gujarat, Maharashtra, Punjab, Haryana, Bihar, Andhra Pradesh, Karnataka, Tamil Nadu.

STATEMENT OF PROBLEMS

Cultivation of agricultural goods is more complicated than the production of non-agricultural goods. Cultivation of cotton poses more problems when compared to other agricultural commodities. The present study is very helpful to know the marketing condition of cotton in Nagapattinam district. Cotton is one of the main crops in nagapattinam district. The study includes the problems faced by the cotton cultivators. The reasons are many-lack of regulated markets, ungraded produce, no Agmark, inadequate storage and warehousing facility etc. At present, the conditions have been greatly improved. Today, agriculture being modernized, leads to manifold productions. The role of marketing is fast changing. Hence the researcher is attempted to analyze the prospects and problems in marketing of cotton in Nagapattinam district as it is one of the leading and traditional agricultural products in Tamilnadu.

OBJECTIVE OF THE STUDY

1. To study on marketing practices and problems faced by the cotton cultivators and suggest suitable measures to overcome the problems.

METHODOLOGY

The methodology has been followed to analyze the marketing practices and problems faced by the cotton cultivators. Interview schedule has been used for collecting the required data from the cotton cultivators. A survey method was used to collect the data from sample farmers. Out of 11 blocks in Nagapattinam district only three blocks namely, Sembanorkoil block, Mayiladuthurai block and Kuthalam block were selected purposively. The basis of the selection was availability of cotton cultivators in the sample blocks. Total number of cotton cultivators in sample blocks was 112, which constituted the population of the study. Out of which 72 cotton cultivators were selected by using sample size determination formula developed by Yamene, 1967. The sample cotton cultivators were selected randomly and proportionately from the sample three blocks. Data were collected from the respondents through direct interviewing method using a pre-tested structured interview schedule during January to March 2017.

SCOPE OF THE STUDY

This study is confined to state of Tamil Nadu in India. Cotton is being grown in almost all the states of the India. The state of the Tamil Nadu is one of the leading states in cotton cultivation accounted for 3.16% of the total Indian cotton production in recent years. The present study is based on primary data.

MARKETING OF COTTON

The marketing system in India provides sustenance for about three million people who are engaged in performing various marketing functions. In the field of exports to, the agricultural sectors accounts for about 50 per cent of the total value. The most important change in the present day market is the quality standards which were previously determined by the marketers, but are now determined by the consumers. The customer wants trial, experience and delights, which require special attention through appropriate measures in advertising, communication, distribution

and branding. Marketing begins with the assessment of customers concerns and ends with evaluation.

MARKETING CHANNEL

A marketing channel, or channel of distribution, is a path traced in the direct or indirect transfer of ownership to a product, as it moves from a producer to ultimate consumers or industrial users. There are many intermediaries in the chain of distribution of cotton. The cotton cultivator's preference for marketing channel is exhibited in table.1

TABLE 1
PREFERENCE OF MARKETING CHANNEL

SL.NO.	PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
1.	Village traders	27	37.5
2	Commission agents	23	31.94
3	Regulated market	06	8.33
4	Cooperative marketing society	12	16.67
5	Ginning mills and others	04	5.56
6	Total	72	100

Source: Primary data

In the above the table, indicates that 27 (37.5)out of 72 respondents have chosen the village traders, 23 respondents preferred to market their produce through commission agents, 12 respondents were interested to market their produce through cooperative societies, 6 respondents chose regulated market and remaining 4 respondents preferred ginning mills and others to market their cotton. Reason for preferring the marketing channel for most of the farmers to avoid risk and remaining farmers choose marketing channel for immediate payments.

SALE OF COTTON

Generally speaking, cultivators of any products stock it till they get remunerative rice in the market. Some of them are forced to sell it immediately due to factors beyond their control. Hence the time of sale of cotton in the study are has been analyzed and put forth in the table 2.

TABLE2
SALES OF COTTON

SL.NO.	PARTICULARS	NO.OF RESPONDENTS	PERCENTAGE
1.	Immediately after harvest over	42	58.33
2	Weight for higher price	30	41.67
3	Total	72	100

Source: Primary data

In the above table, indicates that 42 out of 72 (58.33) per cent farmers are able to sell their produce immediately after the harvest is over. It means that a majority of them have to dispose of their products at less favorable prices indicating that it is a forced sale. On personal enquiry it was found that they had sell the products to the local traders from whom they had borrowed loans and whose accounts therefore had to be settled immediately and also were found to store cotton in their

own premises due to the absence of adequate storage facilities. It is gratifying to note that 42.67 per cent of cultivators are willing to wait to earn a higher price for their produce.

PROBLEMS OF MARKETING OF COTTON

1. Non availability of go down facility
2. Unremunerated price
3. Using unregulated weight
4. Price fluctuation
5. High transport cost
4. Poor Government support.
5. High market cost.
6. Unauthorized deductions.
7. Lack of market information
8. Poor Government support.
9. Price fluctuation
10. Improper method of sales.

Many of the above problems can be solved if the farmers resort to regulated marketing their produce. It also suggested that the regulated market shall use its own transport vehicle for the purpose of bringing the agricultural produces from neighboring villages by reasonable rate of transport.

FINDINGS

Having analyzed the problems faced by the cotton cultivators, an attempt has been made to study the marketing. There are intermediaries in the chain of distribution of cotton. The village traders play a dominant role in the channel of marketing of cotton. Nearly 37.5 of per cent the total quantity has been marketed through village traders. Commission agents who have marketed nearly 31.94 percent of the total quantity followed it. The majority of respondents faced the major problems are 'Poor government support' and 'Improper method of Sale'.

SUGGESTIONS

- It is noticed that the prices prevailing in the cotton markets are highly fluctuating which effects the margin of the farmers. In order to avoid this situation, a steady demand for the cotton has to be identified by expanding the global market for cotton which would boost the sales volume as well as the price in the local market.
- To solve the problems of inadequate storage facilities, it is recommended that cooperative organization or regulated markets shall come forward to construct their godowns in villages

at least in big villages so that the farmers may make use of these godowns at economical rates.

- The other equally important inference of the study is finance related problem. To safeguard the grower sellers from the exploitative activities emerging out of lack of adequate finance, the grower-sellers may be given the necessary financial assistance by the Regulated and the Co-operative Marketing societies at nominal rates of interests.

- The study revealed facts that the care taken by the regulated and co-operative marketing society in protecting the stored cotton in their godowns is satisfactory comparing to the care taken by the commission agents. In this context the authority concerned may take extra efforts and satisfy the storage needs of the cotton cultivators.

CONCLUSION

The analysis of the marketing practices of cotton reveals that there is a good future in Nagapattinam district. Since India is the home for cultivating cotton, the government can encourage the farmers to export directly to other countries to enable them to have a fair share of the profit earned through international trade and foreign exchange. The demand for cotton can be assessed through the export promotion council in and also abroad. The government could come forward to extend the credit facilities to the farmers in accordance with their requirements even by accepting the pledging of their future cultivation and production of cotton.

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