

**PRODUCTION AND MARKETING OF GRAPES –  
A STUDY WITH REFERENCE TO THENI AND  
DINDIGUL DISTRICTS**

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# **PRODUCTION AND MARKETING OF GRAPES – A STUDY WITH REFERENCE TO THENI AND DINDIGUL DISTRICTS**

## **SYNOPSIS**

### **INTRODUCTION**

India is preponderantly Associate in Nursing agricultural country and can still be thus within the predictable future. a massive majority of the folks regarding eighty two percent sleep in villages. Nearly seventy percent directly or indirectly depend upon agriculture for his or her keep, and around fifty percent of the whole value comes from agriculture.

Agricultural production primarily, give (a) the food required for the growing population (b) the raw materials needed for industrial production (c) the exchange attained through agricultural exports, (d) the investable surplus as an area of the domestic product and (e) a massive marketplace for the domestically factory-made merchandise. The linkage between the agricultural and therefore the non-agricultural sectors of the economy is varied.

India could be a country of peasants and agriculture provides sustenance to quite simple fraction of the Bharat population. Agriculture is that the backbone of the Indian economy and no designing for economic process may be fruitful while not the event of the agricultural sector. This sector assumes special importance within the context of the population explosion and it's

needed that agricultural designing ought to be thus devised that agricultural productivity ought to keep step with the growing population. economical agricultural management create to confirm higher and still higher productivity might make a valuable contribution to the balanced growth of the Indian economy. Agriculture occupies a central position within the Indian economy. It contributes twenty nine.Forty percent of value, using sixty four percent of the country's manpower. There are variety of sub-fields within the agriculture sector like sericulture, gardening and agriculture. Among those fields, agriculture plays a dominant role in Bharat. Horticulturalists cultivate a range of fruits in their filed. Among the varied fruits created by growers, the cultivation of grape is higher in terms of space additionally as in output compared to different fruits. Fruits cultivation is a crucial issue tributary to the prosperity of the state. In fact, the per capita consumption and production of fruits are usually taken as indices of the quality of living of the folks during a country.

In terms of nutrition, the fruits square measure a decent supply of many vitamins, mineral salts, and dietary fiber, that square measure essential permanently health. Fruits square measure health-promoting furthermore as pleasure-giving. they're smart for health owing to their low energy density and considerable amounts of dietary fiber. In India, daily consumption of fruits is simply ten grams per head compared to the suggested allowance of thirty seven grams for a diet. The per capita consumption of fruits and vegetables in Asian

nation is calculable at forty kilograms per annum. The per capita production of recent fruits alone in Asian nation, as per Report of Food and Agricultural Organization, works dead set twenty four kilograms as compared to forty kilograms for the planet. The planet market provides a decent chance for the event of recent processed fruits business in Asian nation. From the read of the domestic market, farming merchandise offer a better nutrition price. Their cultivation generates higher employment and better returns to farmers than different money crops. The varied agro-climatic conditions of soil and temperature enable Asian nation to cultivate a good vary of fruits beneath natural climate as against artificial conditions utilized in the developed countries. for example, in Europe, electrical cables square measure put in on farms to heat the soil for the cultivation of some farming merchandise.

## **SIGNIFICANCE OF THE STUDY**

Grape is a very important business crop in Bharat. it's larger economic importance among the vegetable. The importance of grapes cultivation and therefore the issues concerned within the selling of grapes have thus far received little attention from the planners, officers and government. Though, the domestic demand and export chance for contemporary grapes, grapes seeds, grapes condiment, sauces, and grapes juice square measure terribly high, they need not attracted the eye that it deserves from the policymakers. Hence, this study endeavors give specific info relating to the determinants of yield, yield

gap and yield constraints in grapes production, value and returns, functioning of the market selections relating to “when and how” to supply and “when, wherever and how” to sell the manufacture. Therefore, the identification of market structures and selling potency could counsel structure enhancements which is able to ultimately draw the eye of govt authorities for corrective action. The economic performance of the crop is of important importance in rising the economical use of resources. Hence, the study of value and returns structure of grapes would facilitate the growers in guaranteeing correct resource combos to extend the grapes yield, thereby increasing the profit. The price-spread study reveals the share of returns varied numerous functionaries within the channels of distribution which is able to facilitate the growers to consolidate the returns from various channels and to seek out the channel within which the farmer will get most share within the consumers’ cash.

Additionally, an outsized range of intermediaries are concerned within the selling of grapes. So, this study reveals all the assembly and selling issues two-faced by the grapes growers and therefore the ways that and suggests that to beat these issues. this can be terribly helpful to the grapes growers to earn fairly high profit and it'll induce different farmers to grow grapes rather than different crops. Two similar things are often compared however two various things can't be compared. supported this idea the research worker has compared to adjacent districts, Theni and Dindigul for production and selling as a result of the soil kind, climate and therefore the like square measure similar within

the two districts. Hence, by highlight the comparative study of the Theni and Dindigul districts for grapes, this study would even be useful for the policymakers in distinctive the vital institutional, useful and psychological feature constraints and to require necessary steps to extend the assembly and productivity of grapes in Theni and Dindigul districts.

## **STATEMENT OF THE PROBLEM**

At present, the development of agriculture does not merely depend upon increasing agricultural produce and productivity but also upon the promotion of a better and well-organized marketing system. Agricultural marketing is the system of marketing by which the agricultural goods are moved from the field of farmers to the places of ultimate consumers.

All agricultural commodities face problems in production and marketing and especially because of the problem of fluctuating prices. This results in uncertainty in farm incomes, which in turn discourages the use of modern production techniques. The problem is all the more pronounced for fruits, vegetables, and spices, as they are seasonal and highly perishable. Further, the availability of storage and processing facilities is very low with respect to these crops. These problems provide a fertile ground for market imperfection and manipulative trade practices, with the result the producers often have to face unfavorable terms of trade. In any planned economic development program, the exchange of goods assumes a vital role in maintaining the equilibrium between

production and consumption. Agricultural marketing is one of the manifold problems which have a direct bearing upon the prosperity of the cultivators and also on the decision of acreage allocation for different crops.

The major problems in grapes marketing are the distress sale and the seasonal fluctuation of prices for small farmers. The cost of production is significantly higher than the average cost of production incurred by the large farmers. They borrow money at a high rate of interest; sell their produce at unfavorable prices.

Inadequate transport facility, lack of market information, poor marketing practices and small quantities of marketable surplus have a direct bearing on grapes marketing. Mostly, the small farmers sell grapes in small quantities to the village traders and commission agents. The role of intermediaries in the marketing of grapes is a vital parameter.

Therefore, the present study attempts to examine the cost returns determinants of yield, yield gap and channels of distribution of grapes hat throw light on the strategies to be adopted for further development.

## **OBJECTIVES OF THE STUDY**

The following are the main objective of the study ***“PRODUCTION AND MARKETING OF GRAPES – A STUDY WITH REFERENCE TO THENI AND DINDIGUL DISTRICTS”***

1. To estimate the cost and returns structure of grapes with respect to small and large farmers;
2. To examine the net return distribution and extent of inequality in the distribution of net return in grapes cultivation;
3. To identify the determinant yield of grapes for the small and large farmers;
4. To examine the yield gap and yield constraints of grapes cultivation.
5. To identify the determinants of marketable surplus and the existing marketing channels in grapes;
6. To evaluate the marketing cost, marketing margin, price spread, marketing efficiency of different channels and to identify the problems faced by the grapes cultivators in the marketing of grapes;
7. To offer suggestions for enhancing the production and marketing efficiency of grapes.

## **IMPORTANCE OF THE STUDY**

The study space has additional facilities for the assembly of grapes and additionally the study associated with the assembly and promoting of grapes in Theni and Dindigul Districts. There's a necessity for the scientist to fulfill each the growers and agents. Intermediaries like commission agents and wholesalers don't seem to be within the cluster of statutorily duty-bound to keep up records



and submit any periodical account. They hesitate to point out the proper fighters for concern of tax authorities.

The retailers as a gaggle area unit additional cooperative and their figures area unit fairly reliable.

Grape production and promoting helps rural poor agriculturists to boost their customary of living and socio-economic conditions. It bases on agricultural social science. It creates employment opportunities for poor categories each rural and concrete. it's found that the varied hurdles area unit baby-faced by growers and middlemen. the govt. ought to offer additional incentives to the growers and additionally develop the export potentiality of the districts.

## **METHODOLOGY**

The selection of an acceptable methodology, the study space, applicable analysis style, and analytical tools could be a pre-requisite for substantive analysis of any economic and social study. Hence, the methodology adopted for the study has been mentioned during this section.

This section is dedicated to a presentation of the methodology, which incorporates a selection of the study space, the sampling technique, assortment of information, a amount of study, methodology of study, tools of study and measure of variables employed in the current study.

### **Choice of the Study Area**

Grapes are select as a reference crop for this study on account of its industrial and domestic importance. The dynamic selling practices, warranting innovative improvisation and unpredictable value fluctuations have an instantaneous impact on the economy of the cultivators of this crop have conjointly prompted the selection of this trade goods for this study.

The final objective of the study is to work out the value, come back and selling practices of grapes in rain-fed and irrigated spaces in Theni and Dindigul districts farming the study area, return beneath the class of irrigated and rain-fed areas severally. Further, the foremost production and selling centers area unit found in these two districts. Hence, Theni and Dindigul districts are elect deliberately for this study as they're the leading grapes manufacturing districts in state.

### **Collection of Data**

For the present study, both primary and secondary data have been used. To get acquainted with the farming and marketing conditions in the study area, a reconnaissance survey of the area was done. Based on the information gathered, four well-designed pre-tested interview schedules, one for grapes growing farmers and another three for market intermediaries were drafted and used in the field survey to collect primary data. Before undertaking the main survey, the interview schedules were pre-tested by a pilot survey in order to test

the validity of the interview schedules. It facilitated the removal of the 'non-response' and unwarranted questions and the modified final schedules were prepaid on this basis.

The selected respondents were contacted in person and the objectives of the study were explained to them to enlist their response and co-operation. Though the farmers did not maintain records and accounts, by virtue of their long experience they were able to narrate the cultivation practices, cost and returns with a high level of accuracy. However, care was taken to ensure the validity of the information by adequate crosschecking of the data furnished by them.

From the selected farmers, the details regarding cropping pattern, investment pattern, cost of cultivation, gross and net income, marketing cost, sales practices, and specific problems were gathered by personal contact. To evaluate the efficiency of grapes marketing, details regarding the mode of operation of different market intermediaries and the system of price regime were collected. Besides, information about the cost incurred and profits earned by different market intermediaries was also gathered for working out the cost of marketing and price-spread. The data collected have been tabulated, processed and subjected to statistical analysis.

Secondary data relating to location, climate, rainfall, soil type, production, infrastructural facilities and the like were collected from the offices

of the Assistant Director of Statistics and District Collectorates of Theni and Dindigul. Data relating to prices prevailing in Theni and Dindigul markets were obtained from the records of the Association of Commission Agents of the respective markets to study the spatial performance of grapes prices.

### **Sampling Design**

Stratified Multistage Proportionate Random Sampling Technique has been adopted for the present study, taking Theni and Dindigul districts as the universe, the taluks the stratum, the village as the primary unit and grapes cultivators as the ultimate unit.

Theni district comprises five taluks namely Uthamapalayam, Bodi, Theni, Aundipatti, and Periakulam. There are eight revenue blocks, three in Uthamapalayam (Uthamapalayam, Cumbum and Chinnamanur), two in Aundipatti (Aundipatti and Myladumparai) and one block each in Periakulam, Theni and Boditaluks. In Dindigul district, the sample villages have been selected in eight taluks namely Athoor, Dindigul, Kodaikanal, Ottamchatram, Natham, Vedachandure, Nilakkottai and Palani.

The data regarding the area under grapes in 20018-19 in all the villages of the five taluks have been prepared from the records of the respective taluk statistical offices of Theni and Dindigul and five villages in each taluk, which account for the highest total area under grapes cultivation in the descending

order of magnitude and these five villages have been selected as the study unit for primary data collection.

A list of grapes cultivators in the selected villages has been obtained from the records of the village Administrative Officers of the villages concerned. The proportionate probability sampling technique has been used to randomly select 300 cultivators, 150 each from Theni and Dindigul districts.

In order to analyze the marketing cost, marketing margin and price – spread, thirty intermediaries, ten in each category (that is, five each for Theni and Dindigul) namely village traders, commission agents, wholesalers/ retailers have been randomly selected. The selected respondents were contacted individually and the required information was collected from them.

### **Period of Study**

The field survey was conducted in June-July to Gregorian calendar month 2018 for monsoon crop and Gregorian calendar month – March, Gregorian calendar month 2019 for summer crop for assortment of primary information. This era relates to the most cultivating seasons of grapes within the study space. The information collected relate to the agricultural year 2018-19.

## **TOOLS OF ANALYSIS**

While analyzing the data the following tools were applied:

- ✓ Multiple log-linear regression model of the Cobb-Douglas
- ✓ Chow's F- test
- ✓ Garrett's Ranking Technique
- ✓ Moving Average Method and Residual Method
- ✓ Trend and Linear Growth Rates
- ✓ Correlation Coefficient Method
- ✓ Concurrent Margin Method

## **SCOPE OF THE STUDY**

The main focus of the present study is to assess the production and marketing of grapes in Theni and Dindigul Districts. In Tamilnadu, four districts i.e. Theni, Coimbatore, Dindigul and Dharmapuri has cultivated the grapes. Theni district leads first and Dindigul second place in these districts. Grape is an important commercial crop in India. The grape growers are also facing the same problems i.e. lack of storage facilities, the domination of middlemen, poor knowledge in exporting etc., as an ordinary agriculturist in India. A minimum number of growers only cultivate the grapes in this area. The Central and State governments should facilitate to easy marketing of grapes in Theni and the other three districts.

## **LIMITATIONS OF THE STUDY**

The data and knowledge concerning grapes cultivation and selling were collected through a survey methodology, that is, by conducting personal interviews with the sample farmers and intermediaries. The sample farmers don't maintain any record concerning the cultivation expenses, input prices, and returns. Therefore, they need to remember and furnish the desired info from their memory. However, utmost efforts were taken to elicit info from the respondents and cross-checks were created at many points to substantiate the accuracy. Since, this study was administered during a hand-picked region underneath bound special agro-climatic conditions and additionally for a particular period of only one crop-year, a generalization of findings needs to be finished care.

## **CHAPTER SCHEME**

The present study has been organized and presented in seven chapters.

Chapter I introduces the subject and deals with the origin and uses of grapes, its production in India, its production in Tamil Nadu, the significance of the study, statement of the problem, objectives of the study. Further, the reviews the earlier studies, the methodology which includes the choice of the study area, period of study, sampling procedure, collection of data, methods and tools of analysis and measurement of variables, limitations and chapter scheme.

Chapter II deals with the review of literature

Chapter III describes the profiles of the study areas.

Chapter IV analyses the cost and return structure of grapes cultivation. This chapter compares the net returns between the two groups of sample farmers and also compares the extent of inequality in net return distribution in Theni and Dindigul districts.

Chapter V identifies the determinants of the yield of grapes in Dindigul and Thenidistricts.

Chapter VI is devoted to a discussion of the marketing practices, marketing channels, and marketable surplus. Further, an attempt is made to study the marketing cost, marketing margin, marketing efficiency of different channels and problems encountered by the cultivators in the marketing of grapes.

Chapter VII presents a summary of findings along with suggestions.