

PROBLEMS FACED BY ORGANIC PRODUCERS IN COIMBATORE DISTRICT

**1. M.Baskaran, Part time Research Scholar, Department of Economics,
NGM College, Pollachi, Coimbatore District.**

**2. Dr.P.Krishnathulasimani, Head & Associate Professor, Department of Economics,
NGM College, Pollachi, Coimbatore District.**

ABSTRACT

Environmental problems are still the main concern for the entire world and human beings. Air pollution, greenhouse effects and ecological unbalances, are the main environmental problems that have occurred till now along with the activities of human being. As environmental concerns have increased, majority of customers prefer to buy greener products. The influence of the green consumer will grow as environmental awareness among consumers spreads and improvements are made to the environmental information available through eco-labeling schemes, consumer groups and consumer guides (Peattie, 1995). Environmental and economic concerns are changing the marketplace, customers' needs are evolving and brand loyalty is being redefined. Companies that integrate green strategies into their product development, operational processes and marketing activities are finding new opportunities for competitive advantage. Green has become a mainstream issue driving millions of consumers to find out how they can live a more eco-friendly existence.

KEY WORDS: Government support, High cost, lack of awareness etc.,

I.1. INTRODUCTION

Natural culture results from the organic disposition where nature is spoken to overall or represented as a whole. Its objective is an economical and environmentally adjusted farming framework creating fantastic staples and securing and utilizing natural resources. India at present holds the ninth position among 178 nations that effectively practice organic agriculture and markets for organic products. At present, the nation is home to in excess of 835,000 organic makers, 699 processors, 669 exporters and 1.49 million ha zone under natural cultivation. However, with just a pitiful 0.4per cent of the all-out rural land region assigned for natural development, the industry presents broad extension or expansion. According to "India Organic Food Market Forecast & Opportunities, 2020", the market for organic food in India is anticipated to grow at a CAGR of over 25per cent during 2016-20.

A significant pattern that is being watched is progressive development of natural sustenance as a basic piece of the everyday diet among the privileged populace in India. Rising wellbeing cognizance among white collar class customers in significant urban communities crosswise over India has been the key calculate adding to development the market. In contrast to customary sustenance, which includes utilization of substance composts and pesticides, organic nourishment items are made utilizing normal items. As a result, execution of different benchmarks to improve the nature of natural sustenance created in the nation is relied upon to impel development in India's organic market throughout the following five years and ahead.

I.2. REVIEW OF LITERATURE

‘A production system which avoids or largely excludes the use of synthetic compounded fertilizer, pesticides, growth regulators and livestock feed additives. To the maximum extent possible, organic farming systems rely upon crop rotation, crop residues, animal manures, legumes, green manures of farm organic waste and aspects of biological pest control to maintain soil productivity, to supply plant nutrients and to control insects, weeds and other pests’ (cited in Browne et al, 2000).

The growing health concerns and increasing non-tariff barriers like Sanitary and Phyto Sanitary (SPS) measures in the international market (Naik, 2001), coupled with non-viability of modern farming on a small scale, are some of the factors behind the move from chemical based to organic production and consumption systems.

I.3. STATEMENT OF THE PROBLEM

The Government of India and the state governments have found a way to improve the administrative system of natural items alongside revealing numerous plans to boost organic farming. On the administrative front, Food Standards and Safety Authority of India (FSSAI), in December 2017, have perceived both the affirmation frameworks (NPOP and PGS-India) substantial for natural sustenance items. Marketing considerations are important for organic producers. Opportunity to receive premium for organic products have heightened producer’s interest in the organic production and marketing. Organic products are specialty items and have high growth rate. So special marketing techniques and efforts are needed in its

case. Producers must research potential market for size, consistency and competition. They must match their production to their market. Organic marketing is quite different from that of regular marketing. Organic markets are still a niche segment in which specific buyers are targeted. Careful selection and development of target markets, distribution channels, certification, awareness creation etc., are important in the case of organic Marketing. Such marketing requires different skills than regular marketing and may call for additional costs in the initial stages. Through the implementation of appropriate marketing strategies producers and companies can organize organic production and influence consumers' purchasing behaviour.

I.4. OBJECTIVES OF THE STUDY

1. To identify the problems faced by the organic producers.
2. To give suggestions to solve the above said problems.

I.5. METHODOLOGY OF THE STUDY

Research design is the basic frame work which provides guide lines for the rest of the research procedure. The research design used in this study is descriptive research design, since it describes clearly the characteristics of the sample as expressed by the respondents. The data collected for the study includes primary and secondary data. The primary data was collected from the respondents through questionnaire. The secondary data was collected from company's publication in the form of annual report, Journal publication. Government report and academic research findings are also taken into consideration for this present study. The study

is descriptive in nature, with the convenience sampling method being adopted. Since the population of the study is found to be infinite. The researcher has selected 120 as the sample size. The study area was Coimbatore District. Garrett ranking techniques has used in this study.

I.6.ANALYSIS AND INTERPRETRATION

(v) GARRETT RANKING TECHNIQUE

This technique was used to rank the preference of the respondents on different aspects of the study. The order of merit given by the respondents were converted into ranks by using the following formula.

$$\text{Percentage Position} = \frac{100 (R_{ij} - 0.5)}{N_j}$$

Where R_{ij} = Rank given for i^{th} factor by j^{th} individual.
 N_j = Number of factors ranked by j^{th} individual

The percentage position of each rank thus obtained is converted into scores by referring to the table given by Henry Garrett. Then for each factor the scores of individual respondents are added together and divided by the total number of respondents for whom the scores were added. These mean scores for all the factors were arranged in the descending order, ranks given and most important aspects identified.

TABLE NO.1

PROBLEMS FACED BY ORGANIC PRODUCERS

| S.No. | Problems | Total Score | Mean score | Rank |
|-------|---|-------------|------------|------|
| 1 | Contribution of Government is not enough to encourage organic producers | 6574.8 | 54.79 | 1 |
| 2 | Lack of Awareness | 6530.4 | 54.42 | 2 |
| 3 | Inability to tap the export market. | 6273.6 | 52.28 | 3 |
| 4 | Low Yields in the initial 3 years | 6261.6 | 52.18 | 4 |
| 5 | High Input Costs. | 6142.8 | 51.19 | 5 |
| 6 | Shortage of Bio-mass | 6020.4 | 50.17 | 6 |
| 7 | Unexploited opportunities in national and international market. | 5791.2 | 48.26 | 7 |
| 8 | Absence of an Appropriate Agriculture | 5204.4 | 43.37 | 8 |
| 9 | Absence of certification | 4654.8 | 38.79 | 9 |
| 10 | Changing climatic conditions | 4546.8 | 37.89 | 10 |

Source: Primary Data.

From the table shows that table 1 reveals the organic producers faced by the problem “Government is not doing anything specifically to encourage organic producers” was ranked first by the selected sample respondents with the total score of 6574.80 and mean score of 54.79. “Lack of Awareness” was ranked second with the total score of 6530.4 and mean score of 54.42 “Inability to tap the export market.” occupied third position with the total score of 6273.6 and mean score of 52.28 respectively. “Absence of an Appropriate Agriculture” was ranked eighth with the total score of 5204.4 and mean score of 43.37 “Absence of certification” occupied ninth position with the total score of 4654.8 and mean score of 38.79.

“Changing climatic conditions” occupied last position with the total score of 4546.8 and mean score of 37.89 respectively. It is evident that most of the respondents gave top priority to “Government is not doing anything specifically to encourage organic producers” products from the others.

SUGGESTIONS OF THE STUDY

1. Government support need, specifically to encourage organic producers and to increase the consumption of organic products. Government support is needed to create the public awareness.

2. Social groups and other stakeholders must show more interest in awareness building and encouraging the producers.

3. Financial support is needed at least in the initial 3 years during when the yield is usually very less. The loss of organic producers should be supported by the government’s initiatives in educating the customers, finding out the markets and giving financial incentives. Small and marginal farmers are facing the risk of low yields for the initial 3 years on the conversion to organic farming. There are no schemes to compensate them during the gestation period. The price premiums on the organic products will not be much of help in this case.

4. Small and marginal farmers are facing the risk of low yields for the initial 3 years on the conversion to organic farming. There should be some schemes to support them and to compensate their loss during the gestation period

5. The costs of the organic inputs are higher than those of industrially produced chemical fertilizers and pesticides including other inputs used in the conventional farming system. The groundnut cake, neem seed and cake, vermi-compost, silt, cow dung, other manures, etc. applied as organic manure are increasingly becoming costly making them unaffordable to the small cultivators.

6. Large number of domestic producers 6 - 20%. The reasons behind charging high premium by the exporters are mainly the production cost, certification cost, transportation cost, processing cost, quality assurance cost, storage cost, shipping cost, labour cost and input cost. If we can identify the high cost areas of production and marketing process and can apply cost reduction techniques, the high price can be brought down and consumption can be increased.

7. The small and marginal cultivators have difficulties in getting the organic manures.

CONCLUSION

The organic producer agree that there will be an increase in the organic product sales in the next five years and they are satisfied with their business. They expressed their willingness to expand the business also. They have a highly positive expectation about the future growth of organic consumption in both Coimbatore rural and urban markets. Objectives such as increasing the earning capacity of household, poverty alleviation, social uplifting, ensuring the health of young generations, women empowerment, sustainable development, prevention of disasters caused by the pesticides, improving the environmental conditions etc.,

can be achieved through a well-developed Integrated Model of Organic Management. The government should take initiatives for this with the help of other stake holders.

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