

A Research on Oil Seeds Production and Marketing in India

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ABSTRACT--

India is a very competitive market, in which many organizations fight hard for a place in the market. India is also an agriculture based country where 65% of its population still base itself on agriculture for their living and India has more than 43 percent of total land is cultivated as against 11 percent in the world and almost 15 major climatic conditions of the world are in India. Out of 60 varieties of soil available all over the world, nearly 46 varieties can be noticed in India. The direct contribution of the agricultural sector on national economy is reflected by its share in total GDP, its foreign exchange earnings, and its role in supplying savings and labour to other sectors. So, it is imperative that the researches need to focus on oil seeds marketing as it is the backbone of the Indian GDP. For that purpose this paper talks about the problems faced by the oil seeds marketers in Indian market.

Keywords: oil seeds industry, marketing problems, marketing, competitive markets

I. INTRODUCTION

As we already know that agriculture contributes to 50% of total exports in the country of India, more than 65% of population earn through agriculture and many other industries like cotton, tobacco, oil seed, tea, coffee, jute, textile, animal husbandry industries depend on agriculture directly for their survival and many other small scale industries depend on agricultural products indirectly for their necessities. This makes India a leading agricultural country and agricultural industry its backbone. Due to over crowding, less awareness, illiteracy rates, less research, mis use of resources this industry is facing many problems especially in marketing the finished crops. Moreover, the development in agriculture is an important condition for the development of the financial system. As agriculture is the major occupation of majority population it's in consonance with, smart crops and huge buying power resulting in larger demand for makers and consequently higher costs. The prosperity of farmer is additionally the prosperity of industries likewise; unhealthy crop caused depression in businesses.

Indeed, oil seed crops constitute the backbone of the Indian agricultural economy. India stands third in the world after China and USA in the production of oil seeds and contributes about 18 percent of the total oil seeds production of the world. The oil seed crops have wide adaptability and are grown under varied agro-climatic conditions throughout the world. Both the area and production have increased considerably after the inception of All India Coordinated Project on Oil seeds. The annual oil seed crops grown in the country are Groundnut, Rapeseed-Mustard, Linseed, Sunflower, Sesame, Safflower, Castor and Niger seed. Prior to commencement of green revolution, India was self-sustaining in edible oil seeds and oils. India was additionally bour-

geois of edible oil seeds. When there is introduction of green revolution in India, the production of oil seeds has shrunk sharply in early seventies. On account of sharp decrease in production of oil seeds, the country has become bourgeois of edible oils in eighties. It had been a major thing within the list of bourgeois commodities. This was a major challenge before the govt of India to induce self-reliance within the production of oil seeds by use of higher package of practices within the cultivation of oil seed crops.

To beat the stagnation in oil seeds production within the country, the govt of India had launched "Technology Mission on Oil seeds (TMO)" in 1986 to extend the assembly of oil seeds, scale back its imports and attain independence in edible oil. In a very due course of your time, variety of programs had additionally been launched particularly oil palm Development Programme (OPDP), Integrated home on Oil seeds, Pulses, oil palm and Maize (ISOPOM) across the country to spice up the production of edible oil. These programs had created a decent result as a result of the production of oil seeds had doubled considerably by 86 from 10.83 million tonnes in 1985-86 to 20.11 million tonnes in 1992-93. As a result of this, the import of oil seeds had come back down by ninety fifth throughout the corresponding amount. No doubt, Republic of India includes a prime place within the space still as within the production of oil seeds among the most important oil seeds manufacturing countries of the globe however it's not sufficient to gain the need for the ever-growing population of the country. In step with the estimate by National Council of Applied Economics research (NCAER) within the year 2000-01 that demand for edible oil was 10 million tonnes against domestic production of 7 million tonnes. NCAER had jointly forecasted that the demand of edible oils would be concerning 20 million tonnes once a year by the year 2015 against the projection of production of edible oils is concerning seven million tonnes once a year throughout constant amount.

To fulfil the gap of thirteen million tonnes once a year, the efforts can have to be compelled to be needed to accelerate the expansion rate of production of oil seeds by 15 August 1945 once a year against the prevailing rate of growth of four-dimensional once a year. For fast the assembly of oil seeds, province will play a major role in years to ahead.

Province has wealthy soil and agro-climatic condition that are appropriate for seed crops. Their irrigation network is healthy to use the high technology within the culti-

Revised Manuscript Received on June 10, 2019.

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variation of seed crops. In spite of higher agro-climatic condition, the typical yield of oil seeds is low as compared to close states. Of the whole space beneath oil seeds within the country, U.P. accounted for less than five.60%. Most of the oil seeds, particularly rapeseed/mustard, linseed, groundnut, helianthus and Sesamum are big within the state. Among these seed crops, mustard accounted for lion's share is eighty four.28% followed by seven.18% of groundnut. Province is that the second largest producer of mustard next to Rajasthan. The foremost standard seed is mustard in U.P. Groundnut and Sesamum indicum are Kharif season oil seeds where as mustard and flax seed are rabi oil seeds. The whole space beneath oil seeds was three.48100000 hectares in 1950-51 that has jumped to nine.40100000 hectares in 2008-09, showing 172.24% increase over the amount. As much as mustard is both there, the world beneath mustard was one.18100000 hectares in 1950-51 that has exaggerated to six.22100000 hectares in 2008-09, registering over four fold increase over the amount. Against this, the world beneath groundnut and flax seed has faded sharply throughout the corresponding amount. It shows that total space beneath oil seeds in U.P. has been maintaining increasing trend from 1950-51 to 2008-09. The utmost increase in space beneath mustard was detected followed by Sesamum indicum throughout the study amount. The contribution of oil seeds within the total worth of output in agriculture in U.P. from 2004-05 to 2010-11 is shown in Table-I-1. Table-I.1 shows that the contribution of oil seeds within the total worth of the output of agriculture was a pair of .6% at this value throughout a pair of 004-05 that has marginally faded to 2.4% throughout 2010-11. The contribution of oil seeds within the total worth of the output of agriculture ranged between a pair of 0.4% and 2.9% at current cost throughout the study amount.

It shows that the contribution of oil seeds in agriculture financial gain is extremely miserable as compared to alternative crops. As way because the contribution of oil seeds within the total worth of output in agriculture at constant value is bothered, table-I-1 shows that the contribution of oil seeds was a pair of .6% through out a pair of 004-05 that has faded to 2.1% in 2010-11. the utmost contribution of oil seeds in agriculture financial gain was a pair of .9% in a pair of 007-08 followed by 2.8% in 2005-06. It ranged between a pair of .1% and 2.9% in 2010-11 and 2007-08 severally. This analysis shows that the contribution of oil seeds within the total worth of the output of agriculture at current and constant costs was a lot of for less same throughout the study amount. It reflects that seed crops don't seem to be obtaining due weightage as compared to sugarcane, potato, rice, wheat etc

We all know the importance and the contribution of oil crop to the Indian economy, the usage of oil in India is also comparatively very large, because of Indian cultural food items which use oil as the basic ingredient, the consumption and usage of oil on a daily basis is very necessary in Indian scenario. So, ultimately the production and marketing of oil seeds must be profitable. But, the profits are not reaching the expectations of the farmers, marketers and government. Here, we need to look into the problems which are stopping the marketers from choosing this industry.

Even though the marketer has planned and implemented this kind of processes, there will be some problems with the marketing of the products, especially in the area of oil seeds, which are very important for the economic condition of any country especially India.

II. LITERATURE REVIEW:

Metkewar and Acharya, (2001) urged attainable alternative to approach the matter of formulation of the arrival-prices data systems for the regulated markets in Maharashtra; They urged that a model-free approach would be acceptable as in ward applicable practical forms and examining the soundness of the dynamic system would be an awfully tough task given the varied economic processes touching the system and given the state of knowledge that's maintained at the market committees.

- a) A dynamic system
- b) Artificial neural network and
- c) Fuzzy-phasespace.

Yan Bo and Bu Yibio, (2003) studied the agricultural promotion system in China and located that "the major data sources of Chinese farmers were alternative farmers, tv and broadcast. The Chinese farmers weren't sensitive to the value changes on the long run market and international market. Similar results were obtained by Ran and Astuti, 2003"

Shreshtha (2003) has known that "Duplication of efforts, lack of standardization, associate inadequate network for data flow, lack of coordination and integration among varied agencies as the number of restrictions of Market data system in Nepal. The scientist additionally reported that the data services served the requirements of the policy makers instead of the producers and traders"

According to Puja Mondal (2003), Republic of India has the biggest space and production of oil seeds within the world. 5 major oil seeds viz., groundnut, sesamum, oil seed and mustard, flax seed and castor seed occupied 212.24100000 hectares (2002-03) that is over fifteen percent of internet space planted.

If the world occupied by alternative oil seeds like soybean, cotton seed, sunflower, herb and Niger seed is additionally enclosed, the full space occupied by oil seeds becomes concerning twenty percent of the net area planted. It must, however, be noted that the production of oil seed has in variably fall short of four demand and there has in variably been a requirement to import oil seeds or their product for meeting the demand of our ever-growing population. With restricted scope of delivery further area below oil seeds, increase in oil seed production can get to return primarily from lands saving to technologies highlight mix of high yield plant kind, common place crop

management practices and balanced crop nutrition. There are massive scale regional variations within the space, production and productivity changes in oil seeds. Solely many states like Haryana, Madhya Pradesh, Rajasthan and West Bengal exaggerated their seed production each through area growth and productivity improvement. Kashyap and Raut, (2006) in their paper urged that "marketers sought to style inventive solutions like marketing to beat challenge typical of the agricultural atmosphere like physical distribution, channel management promotion and communication. The "anytime anywhere" advantage of e-marketing results in economical value discovery, offer second economy

of the dealing for commercialism and an additional clear and competitive setting” Brithal, et al., (2007) in their study urged that “By building economical and effective provide chain using state of the art techniques it's attainable to serve the population with added food, whereas at the same time guaranteeing remunerative costs to farmers.” Sidhu et al. (2008) “he utilized a coinciding (four) equation model to estimate the contribution of institutional credit towards the utilization of production inputs, non-public investments and agricultural growth. The study unveiled that offer of production credit doubled which of investment credit exaggerated by concerning eight percent throughout the amount 2001-02 to 2003-

04. The connection between the utilization of variable inputs and production credit disbursement was found to be extremely important.

An identical relationship prevailed between non-public capital formation and investment credit. Therefore results have more exhibited important and positive impact of capital investment on productivity with the physical property of 1.02. It, therefore, becomes imperative that 1st the demand for agricultural credit in every state/region be assessed, counting on crop patterns and current inputs and capital needs in regard to targeted output growth rate and so, policy framework ought to be placed in place to satisfy the needs, rather than increasing the credit provide uniformly across the board all to the states/regions of the country. Such a policy generally proves harmful which seems to have happened within the geographical region agriculture.”

Tripathi and Prasad, (2009) reported that “Indian agriculture has progressed not solely in output and yield terms however the structural changes have additionally contributed.”

Pathak, (2009) in his analysis paper expressed that “the contribution of agriculture within the growth of a nation is planted by the expansion of the product inside the sector itself further because the agricultural development permits the other sector to develop by the products made within the domestic and international market.”

Kalanithi Nesaretnam (2009) in his study on “Nutritional Attributes of vegetable oils with special reference to palm oil” opined that among the foremost vegetable oils, oil contribution is important to the world oil market and it still plays a number one role in world oils and fats market with bigger acceptance among the shoppers. His biological process studies showed no damaging effects on oil consumption.

I. V. Y. Rama Rao and V. Rajendra Prasad (2010) created an effort to assess the impact of international organization on production & productivity of oil seeds in AP by estimating the patterns of growth & magnitude of instability. Their study unveiled that growth performance of oil seeds production was higher throughout pre World Trade Organization period than post World Trade Organization period however it had been among a high degree of instability.

Kusum R., Bimmayya H., Fayaz authority P. and Ramachandran. H. D. (2011) have conducted a comparative analysis of current standing and future prospects of Rice Bran Oil and oil palm. They have created an effort to assess the acceptableness of those 2 oils. They have over that each offer high yields as compared with alternative oily yielding species and each have the flexibility to regulate cholesterol levels.

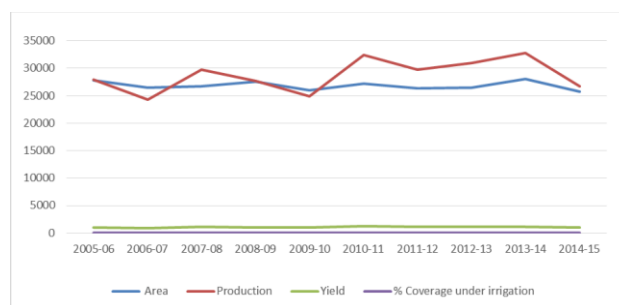
According to Vadivelu & Kiran (2013), “In order to avoid isolation of small-scale farmers from the advantages of agricultural manufacture they have to be integrated and a courier with the market information

like fluctuations, demand and provide ideas that are the core of the economy. Selling of agriculture may be created effective if it's looked from the collective and integrative efforts from numerous quarters by addressing to farmers, middlemen, researchers and administrators. It's time we have a tendency to bring out important ways in agricultural selling with innovative and artistic approaches to bring fruit of labour to the farmers.

All India Area, Production and yield of nine annual oil seeds

III. RESULTS & DISCUSSIONS

Sl. No.	YEAR	Area	Production	Yield	% Coverage under irrigation
1	2005-06	27863	27978	1004	28
2	2006-07	26513	24289	916	28.3
3.	2007-08	26693	29755	1115	27.1
4.	2008-09	27558	27719	1006	27.1
5.	2009-10	25959	24882	958	25.9
6.	2010-11	27224	32479	1193	25.1
7.	2011-12	26308	29799	1133	27.6
8.	2012-13	26484	30940	1168	NA
9.	2013-14	28051	32749	1168	NA
10.	2014-15	25726	26675	1037	NA



The graph shows a lot of fluctuation in oil seeds production because of climatic conditions, market fluctuations and the encouragement provided to farmers. But,

in the end the analysis ended in a high note, showing that awareness and encouragement in farmers has increased and the marketers are also showing interest in the crops.

IV. PROBLEMS

As the farmers in the area are less in number their first preference is to get the cereals needed for their daily usage then they go for other crops.

The lack of awareness in the farming community and lack of availability of pest control measures, lack of adequate rainfall, soil erosion, soil nutrient value variation all these are remain causes of problems in oil seed production in India.

There are no market facilities for the farmer to market their production, there are several implications in marketing the oil seeds like the quality of production produced by the farmers, the price of the



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oil seeds is not as such it yields profits so, the farmers are not showing interest in cultivating the crops.

Due to lack of awareness in technology even though the government is providing opportunities the farmers are not able to utilize them.

In India the demand for vegetable oils is expected to increase from the current level of 16 million tons to 22 million tons by 2020. The production of the oil seeds is not able to reach such kind of expectations because of fluctuations in production, lack of scientific production technology, price fluctuations, increasing cost etc.

In Andhra Pradesh oil palm is extensively cultivated in West Godavari, Krishna, East Godavari and Khammam districts. Out of 46 mandals in West Godavari district and out of 50 mandals in Krishna district 28 and 24 mandals respectively are identified as potential for cultivation of oil palm and is done under the supervision of Horticulture Department. There are about 15000 farmers cultivating 45225 Acres of land with an approximate land holding of 3 acres per farmer in these two districts. Triangular method of planting is followed with 9 meters spacing to accommodate 57 plants per acre and 143 plants per hectare. Oil palm cultivators have to depend on bore well and drip irrigation to provide sufficient water to the issue of major concern in oil palm cultivation is that price fluctuations which is fixed by price fixation committee. Oil palm farmers find it difficult to cope with the continuous changes in FFB price.

The state of Gujarat is the largest producer of groundnut. Among the oil seeds, groundnut is the most significant crop produced within the state. The area and production of groundnut within the state represent regarding 30.9 percent and 37.1 percent respectively in Republic of India. Although the state ranks 1st in area and production of groundnut in India, the typical productivity is comparatively low as groundnut is generally full-grown under rainfed condition. Owing to high productivity under assured irrigation, groundnut cultivation in summer season is gaining quality within the state. A large variety of seed crops is full-grown in several agro-climatic regions of Republic of India. Among the oil seeds, groundnut that was the foremost necessary crop in TE 1998-99 within the country has lost its prime position to soybean in TE 2008-09.

Sesame is the oldest endemic oil plant with the longest history of its cultivation in Republic of India. Republic of India continues to be the world leader with the utmost (25.8%) production from the most important (29.8%) area and highest (40%) export of sesame within the world. Sesame is a nutritious food, nutrition, edible oil, bio-medicine and healthcare, all in one. Sesame is a medicinal plant, the Queen of oils. Sesame is a full-grown in all seasons of the year and could be a short length crop, fits well into varied cropping systems.

V. TRENDS

- Global popularity for Indian market has gained demand for oil seeds.
- The rise in poultry feed also gained demand for sunflower seeds.
- Enhancement in seed replacement rate influences positively on oil seed market.
- Rising popularity for organic food has increased demand for traditionally grown oil seeds.

- The growing awareness in farmers and technology advancement in agriculture has also opened new opportunities in oil seed marketing and cultivation.
- The rising usage of beauty products, that too organic beauty products and hair care has also influenced the rise in sales of oil seeds and indirectly worked as an encouragement to farmer so oil seeds.

VI. CONCLUSION

So, the paper concludes by saying that the problems faced by the oil seed cultivators and marketers posed a high risk situation to the seed industry and agricultural industry especially the impact is high in an agricultural based country like India. But, the increased awareness and also the helping hand of the government bringing the technology closer to the farmer and marketer, fixing promising prices which are encouraging to the farmers and marketers, other schemes has given an opportunity to the rise in market sales of oil seeds, the increased awareness of the customers for organic products in every finished product has also encouraged the sales of oil seeds cultivated using traditional methods.

Although all these pose solutions to the problems, we have no choice but to acknowledge the presence of the problem, a apt solution is to be found using deep research, the government must encourage researchers to research on the issues that causes lagging in the production and marketing of oil seeds, then only there will be clear ideas regarding the situation faced by farmers and marketers.

Many people suggest that farmers must be the marketers of their own production, for that also the farmers are to be given special training in order to sell the goods for profits as well as within the customer expectations.

The main issue is really controlling a wide spread and diverse market like India and bringing it under one price, it is simply impossible given different climates, cultures and different languages, even the methods of cultivation and trends of market are different in every state, so, it would be difficult to find a solution and one size fits all solutions are not in there.

So, it is the job of not only the government but also scientists and researchers to identify gaps and issues and research and come up with a feasible solution that can be implemented in different states. Only this can be a useful solution to all marketing problems of oil seeds.

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