A Study on Production and Marketing of Fruits and Vegetables in Kerala with Special Reference to Vegetable and Fruit Promotion Council Kerala (VFPCK)

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Received: June 25, 2018
Accepted: August 12, 2018

ABSTRACT
Kerala state has been leaning on neighbouring Tamil Nadu and Karnataka states to meet the demand of vegetables and fruits for a long period. According to a report in the Hindu, around Rs 1500 crores worth of vegetables is importing to the state. Similarly, Rs 1050 crores of fruits had been imported to Kerala state in the year 2016-17. In 2012 Kerala had only 22 per cent self-sufficiency in vegetable production but has increased to 64 per cent due to the effectiveness of government measure in 2016-17. The production and marketing of fruits is also not different from the vegetable production of the state. Reasons for the low production of vegetables and fruits are to be studied and carefully evaluated with the sole objective of attaining self-sufficiency in production in the state. For the promoting vegetable and fruits production and for the effective marketing a government agency named Vegetables and Fruits Promotion Council of Kerala has started in 2001. The present study has three objectives such as depict the services and initiatives of VFPCK for the promotion of vegetable and fruit production in Kerala, to evaluate the effectiveness of group marketing strategy of VFPCK and to assess the perception of farmers in the production and marketing assistance given by VFPCK. To have an evaluation for the effectiveness of group marketing of VFPCK we resorted to secondary data with respect to the growth of organic farming societies, farmer enrolment in societies, their products marketed, revenue growth, trend in various schemes, introduction of various schemes, seeds distributed through the agency, etc. To assess the effectiveness and efficiency in the production and marketing assistance, primary data collected from selected farmers were used. A considerable growth has been recorded during the period as 126.7 percentage growth was recorded in the number of societies during the reporting period. Similarly, 124 per cent is the growth in the number of farmers joined in these societies during the period from 2013 to 2017. Efficiency of VFPCK is evaluated by farmers in the following order based on mean ranks a) Rate of commission charged for the group marketing - selling of their products - mean score - 4.2. b) Price of the seeds distributed were reasonable - mean score - 4.1. c) Quality of seeds were good, mean score - 3.9. c) Assistance in group marketing centres - 3.6, d) Time of seed distribution - mean score - 3.2. e) Advertisement and information dissemination of activities, mean score - 3.1. Farmers are dissatisfied in two aspects such as Facilities in collection centres and Assistance information dissemination and motivation Group farming.

Keywords: Group farming, organic farming, vegetable and fruits, distribution facilities, group marketing.

INTRODUCTION
The land of Kerala is so blessed with rich fertile soils, unique agro-climatic conditions and characteristic monsoon, had agriculture as the mainstay in its economy long back. The study on vegetable production of Kerala is a significant subject as the state tries to hike up the production with all its measures. Kerala which has been leaning on neighbouring Tamil Nadu and Karnataka states to meet the demand of vegetable for a long period. According to a report in the Hindu, around Rs 1500 crores worth of vegetables is importing to the state. In 2012 Kerala had only 22 per cent self-sufficiency in vegetable production but has increased to 64 per cent due to the effectiveness of government measure. The production and marketing of fruits is also not different from the vegetable production of the state. Among 100 types of fruits consumed in the state we produce only number of fruits like banana, mango, pineapple, papaya, orange and rambutan on commercial basis. As a result of far reaching efforts of the ministry of agriculture, Horticorp, VFPCK, Kerala agricultural university and LSGs vegetable production has increased to a considerable level.

Significance of Study
The Study on Production and Marketing of Fruits and Vegetables in Kerala with Special Reference to VFPCK is intended to look into the present status of vegetable and fruit production of Kerala, which will unearth the lead role done by various agencies entrusted in fruits production, storage, processing and marketing by various agencies especially VFPCK. Though our soil is rich in fertile and availability of water is plenty, the rate of production of fruits and vegetables is very low in the land of Kerala compared to other states and to the national average. As VFPCK is considered as effective agency in the group marketing of vegetables and fruits in Kerala, their performance should be critically evaluated in the present study. The
scope of study includes the opening up of present problems and suggestions for solving them both in the production and marketing of vegetables and fruits in Kerala. The present endeavour will also light into the ways and means of improving the performance efficiency of all agencies including VFPCK.

Statement of the Problem

Production of fruits and vegetables in Kerala is done in the private sector lead by individuals in small areas of land. There were no efficient collection and marketing strategy had been followed or practiced in the state so as to provide a support and minimum price to the cultivators. Since the inception of Vegetables Fruits Promotion Council of Kerala in 2001 as the successor organisation of Kerala Horticulture Development Programme, the agency has been criticised in the inefficiency of attainment of its cherished objectives such as group farming and marketing. Irrespective of the criticism, VFPCK is the only agency of government to support the fruits and vegetable cultivators in the state, in the absence of this agency would be multi-staged exploitation in all fields of cultivators both in the supply of inputs and marketing of their produces. The problem understudy is to evaluate whether the agency could cherish the objectives of it, how does it supports the farmers of small size in the state.

Objectives of the study

Following are objectives of the study
1) To describe the services and initiatives of VFPCK for the promotion of vegetable and fruit production in Kerala.
2) To evaluate the effectiveness of group marketing strategy of VFPCK
3) To assess the perception of farmers in the production and marketing assistance given by VFPCK

METHODOLOGY

The design of present study is descriptive and analytical in nature. The study attempts to describe the production and consumption of vegetables and fruits in Kerala. It attempts to analyse the marketing strategy followed by VFPCK and perception of farmers in the effectiveness of production assistance given by them. The study is based on primary and secondary data. Primary data was collected from selected farmers of organic farming society registered under VFPCK. Secondary data was collected from published sources such as annual reports of VFPCK and Economic Review, government of Kerala.

Data source and collection of data

Data from farmers are collected through a structured questionnaire. Secondary data will be obtained from agricultural department government of Kerala, VFPCK, State Planning Board and other published sources. Farmers for sample data collection were selected from among the members of organic farming societies managed by VFPCK. Primary data were collected from selected 200 farmers from 20 societies across the state of Kerala. Data collected were tabulated and analysed by using statistical techniques such as mean, ranking and chi-square test.

Services and initiatives of VFPCK for the promotion of vegetable and fruit production in Kerala.

Vegetable and Fruit Promotion Council Kerala (VFPCK) is an organisation constituted under section 25 of the Indian Companies Act 1956 by government of Kerala. VFPCK was formed as a successor organisation to the project termed Kerala Horticulture Development Programme, a joint venture of Government of Kerala and European union. Since inception VFPCK is determined to make remarkable changes in the livelihood of the farmers by improving their capacities by providing adequate support in the areas of production, credit, insurance and marketing. VFPCK is a company with majority stake of farmers and the government and financial institutions as the other major shareholders. Self help groups of farmers constitutes 50 percent of shares government of Kerala has 30 per cent and other related institutions hold 20 percent of VFPCK's shares. The council arise out of European union desire to experiment with the use of SHG’s and the Kerala government to increase fruit and vegetable production in Kerala in order to create a self-sustaining food supply and fill the states supply-demand gap. Initial investment of 137 crores was made by the European union and the government of Kerala to start the council. A study was conducted by Dr. V N Sreekumar, Asstt. Professor in Social Work, University of Kerala named 'Vegetable and fruit promotion council Kerala – A sustainable development initiative in Agriculture. In his study he found that in the last 11 years of its operation VFPCK has convincingly demonstrated that we can improve agriculture in India in a very different way that we can improve livelihood of farmers without giving them subsides and running out of cash. Another case study has been done by TECHNO SERVE titled Developing the fruits and vegetable sector in Kerala; A study on the vegetable and fruit promotion council of Kerala. There observation was that
the VFPCK has achieved great success in increasing the states production of fruits and vegetables and ensures that farmers have benefited from this increase.

Following are the major services of VFPCK
1. Produce and supply seedlings to farmers from hi-tech seedling production units.
2. Promotion of mushroom cultivation
3. Promotion of organic farming and bio-organic products
4. Terrace gardening scheme in Urban areas named harithanagari.
5. Group marketing of vegetables and fruits in Kerala to help farmers in the selling of their products.
6. Group farming through the creation of organic farming scheme.
7. Special schemes for tribal development.

Data Analysis, Interpretation and Findings of the Study
To have an evaluation for the effectiveness of group marketing of VFPCK we resorted secondary data with respect to the growth of organic farming societies, farmer enrolment in societies, their products marketed, revenue growth, trend in various schemes, introduction of various schemes, seeds distributed through the agency, etc. To assess the effectiveness and efficiency in the production and marketing assistance, primary data collected from selected farmers were used. The opinion was collected in a five point scale, where 5 shows highly effective and 1 shows least effective. Mean scores and rank has been drawn from eight variables, which were considered important in production and marketing of vegetables and fruits.

1. Growth of Organic Farming Societies and Number of Farmers
The primary data collected were tabulated and analysed with mean and ranking methods. The secondary data collected were used for substantiating the conclusions drawn.

Table 1 Growth of Organic Farming Societies of VFPCK

<table>
<thead>
<tr>
<th>Particulars</th>
<th>2013 - 14</th>
<th>2014 - 15</th>
<th>2015 -16</th>
<th>2016 - 17</th>
<th>Average growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic farming-societies</td>
<td>114</td>
<td>196</td>
<td>202</td>
<td>213</td>
<td>126.74</td>
</tr>
<tr>
<td>No. of farmers in society</td>
<td>105320</td>
<td>156748</td>
<td>184200</td>
<td>194700</td>
<td>124.01</td>
</tr>
</tbody>
</table>

Source: secondary data

Figure 1: Comparison between the growth of organic farming societies and growth in the number of farmers.

Table 1 gives data of growth in the number of organic farming societies in Kerala during the period from April 2013 March to 2017. It also depicts the number of farmers associated with the societies under the VFPCK. A considerable growth has been recorded during the period as 126.7 percentage growth was recorded in the number of societies during the reporting period. Similarly, 124 per cent is the growth in the number of farmers joined in these societies during the period from 2013 to 2017. All these shows the popularity and effectiveness of VFPCK in the field of farming and marketing of vegetables and fruits in Kerala.

2. Growth of Self-Help Marketing Societies under VFPCK
Data on the growth and trend of marketing societies and their marketed quantities were collected and tabulated below.

Table 2: Growth of Self Help Marketing under VFPCK

<table>
<thead>
<tr>
<th>Items</th>
<th>2013 - 14</th>
<th>2014 - 15</th>
<th>2015 -16</th>
<th>2016 - 17</th>
<th>Average Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of societies</td>
<td>192</td>
<td>204</td>
<td>262</td>
<td>278</td>
<td>113.59</td>
</tr>
<tr>
<td>Quantity of commodities</td>
<td>623500</td>
<td>944670</td>
<td>1147800</td>
<td>1213000</td>
<td>126.23</td>
</tr>
</tbody>
</table>

Research Paper
Table 2 depicts the trend of the number of societies working under VFPCK as Self Help Marketing societies during the period 2013 – 14 to 2016 – 17. Under each society there was 7 units with 20 farmers producing vegetables and fruits. A growth rate of 113 was recorded during the period. Considering the marketing quantities of these societies, an increase was recorded from 623500 metric tons to 1213000 metric tons of vegetables and fruits with a considerably accepted growth rate of 126.23. During the period sales were increased at an alarming rate at 180.69 percent.

3 Effectiveness of group marketing strategy of VFPCK in the Fruits and Vegetable production.

Table 3: Effectiveness of group marketing of VFPCK

<table>
<thead>
<tr>
<th>Items</th>
<th>2015-16</th>
<th>2016-17</th>
<th>Trend per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>75218775</td>
<td>100966127</td>
<td>+34</td>
</tr>
<tr>
<td>Expenditure</td>
<td>177082008</td>
<td>188161958</td>
<td>+6</td>
</tr>
<tr>
<td>Loss</td>
<td>43807364</td>
<td>32983528</td>
<td>-25</td>
</tr>
<tr>
<td>Grant given by Govt</td>
<td>218059354</td>
<td>271096311</td>
<td>+24</td>
</tr>
<tr>
<td>Seeds Expenditure</td>
<td>45366200</td>
<td>100141680</td>
<td>+120</td>
</tr>
<tr>
<td>Amount spend on constructing collection centres</td>
<td>70000000</td>
<td>60000000</td>
<td>+85</td>
</tr>
<tr>
<td>&quot; Onamsamrithi&quot;</td>
<td>7291323</td>
<td>7239607</td>
<td>-1</td>
</tr>
<tr>
<td>Tribal development scheme</td>
<td>63374</td>
<td>135158</td>
<td>+113</td>
</tr>
</tbody>
</table>

Source: (Annual report of VFPCK)

Table 3 shows an increasing trend in Revenue, Expenditure, Grants, Seeds expenditure, construction of centres and tribal development for the period between 2015 – 16 and 2016 – 17. Whereas Loss of VFPCK has increased by 25 percent. A considerable quantity of seeds has been distributed in the year 2016–17 and the growth is recorded 120 % in the year than the previous year. VFPCK initiated to start more collection centres during 2016-17 considering the previous years. A new scheme called Tribal Development Scheme was also recorded a high growth during the period considered in the study.

4. Assessment of Effectiveness of Production and Marketing Assistance of VFPCK

To assess the effectiveness of production and marketing of produces of farmers, primary data were collected from 200 farmers of the state who were active members of group farming and marketing of VFPCK, mean scores are drawn and ranked considering eight variables, which were important in a five point scale.

Table 4: Effectiveness of Production and Marketing Assistance of VFPCK

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Variables considered</th>
<th>Mean scores</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Assistance information dissemination and motivation Group farming</td>
<td>2.2</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>Seed distribution-proper time</td>
<td>3.2</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Quality of seeds distributed</td>
<td>3.9</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>Price of seeds</td>
<td>4.1</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Assistance in group marketing centres</td>
<td>3.6</td>
<td>4</td>
</tr>
<tr>
<td>6</td>
<td>Rate of commission charged for the marketing</td>
<td>4.2</td>
<td>1</td>
</tr>
<tr>
<td>7</td>
<td>Facilities in collection centres</td>
<td>2.1</td>
<td>8</td>
</tr>
<tr>
<td>8</td>
<td>Propaganda of VFPCK</td>
<td>3.1</td>
<td>6</td>
</tr>
</tbody>
</table>

Source: Primary data

While quantifying the perception of farmers engaged in group farming and marketing strategies of VFPCK, it was seen that (table 4) farmers are satisfied with respect to
1. Rate of commission charged for the group marketing- selling of their products – mean score- 4.2
2. Price of the seeds distributed were reasonable- mean scores – 4.1
3. Quality of seeds were good, mean score -3.9
4. Assistance in group marketing centres- 3.6
5. Time of seed distribution –mean score- 3.2.
6. Advertisement and information dissemination of activities, mean score-3.1

Farmers are dissatisfied in following two aspects
1. Facilities in collection centres
2. Assistance information dissemination and motivation Group farming
Conclusion

The present study a Study on Production and Marketing of Fruits and Vegetables in Kerala with Special Reference to Vegetable and Fruit Promotion Council Kerala (VFPCK) is an evaluative study on the effectiveness and efficiency aspects of a government organisation which was recently started. The endeavour has lighted in the various aspects of the functioning of the organisation and also to the farmer friendliness approaches that the enterprise has taken. It was seen that working of the organisation has benefitted to thousands of farmers in the state in assisting growing and marketing of fruits and vegetables. A lot of group farming societies with the emphasis of organic fertilisation were started under the state owned enterprise. Establishment of a premier institution like VFPCK has been a boon to the farmers in selling of their perishable products in speedy manner. That it was even with freeing farmers from exploitation of middlemen. Farmers are argued that the facilitation and service of VFPCK was considerably helpful in supplying seeds at reasonable price ain time. Though the institution has done considerably a lot, the working of it has to be extended to the whole state, facilities in collection centres are to be improves and the services are to be popularised with the emphasis starting more group marketing centres.

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