

Available online @ www.iaraindia.com
 RESEARCH EXPLORER-A Blind Review & Refereed Quarterly International Journal
 ISSN: 2250-1940 (P) 2349-1647 (O)
 Impact Factor: 3.655 (CIF), 2.78 (IRJIF), 2.62 (NAAS)
 Volume X, Issue 36
 July-December 2022
 Formally UGC Approved Journal (63185), © Author

A STUDY ON PERFORMANCE OF AGRO BASED INDUSTRIES IN SHENKOTTAI TALUK, IN TENKASI DISTRICT

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Abstract

The Agro Processing Industry is an important sector of the Indian economy. The agro processing industry sector, which has experienced acceleration during the period 1990-95 has slowed its pace in the past half decade as, the manufacturers have realized that the consumer is yet to familiarize himself with the products available in the market. The agriculture and industry are related to each other. Increased farm productivity promotes industrialization. There is slow development of agro industries in underdeveloped countries due to lack of purchasing power in the hands of the people. There is also lack of modernization in the farm sector. Industries and agriculture remains competitive in short run but in the long run they turn out to be complementary. In this article to expose a study on performance of agro based industries in shenkottai taluk in Tenkasi district.

Keywords: *Agro Based Industries, CTIF, Problems of Agro based Industries, Challenges of Agro Based industries.*

INTRODUCTION

The agriculture and industry are related to each other. Increased farm productivity promotes industrialization. There is slow development of agro industries in underdeveloped countries due to lack of purchasing power in the hands of the people. There is also lack of modernization in the farm sector. Industries and agriculture remains competitive in short run but in the long run they turn out to be complementary.

The highly industrialized countries have strong base of agriculture. Agriculture helps industry by various ways. It supplies raw material to industries. It provides food to people engaged in the industries, increase

purchasing power of the community, which helps to purchase industrial goods. Savings by agriculture helps industries for capital formation.

Paramasivan C, & Pasupathi R (2016) Agro-based industries can play an important role to a large extent in solving the problem of poverty, unemployment and inequality in India and can significantly contribute to the overall development of the economy by efficiently utilizing the local raw materials which consequently may result in increase of gainful employment opportunities to poor people mainly landless, marginal and small farmers. The Agro Processing Industry is an important sector of the Indian economy. The agro

processing industry sector, which has experienced acceleration during the period 1990-95 has slowed its pace in the past half decade as, the manufacturers have realized that the consumer is yet to familiarize himself with the products available in the market. In shenkottai Taluk is one of the western ghats deltals, it is fully agriculture oriented places are there so in this Taluk majority of the agro based industries are running and controlled depends upon the agriculture. In this article to discuss about the performance, problems and challenges of agro based industries in shenkottai Taluk.

Objectives:

1. To Study the agro based industries in India to general.
2. To Measure the agro based industries in Shencottai Taluk.
3. To Find-out there performance of agro based industries in Shencottai Taulk.
4. To Analyse the agro based industries in Shencottai Taluk.

Agro-based industries:

Agro industries are those units which add value to agriculture products/residues, both food and non-food, by,

- Processing into products which are marketable or usable or edible.
- Improving storability.
- Providing the link from farm to the market or part thereof.

Agro industry also includes Hi-Tech and Bio-technology based agriculture. "Agricultural Product" means produce of agriculture, horticulture, sericulture, floriculture, fisheries and includes minor forest produce and live stock based products. Agro-industry processes, outcomes of plant or animal origin by transformation and preservation through changing physical and chemical characteristics and packaging. It has tremendous contribution to economic development.

1. It transforms raw material into finished products for consumption.

2. It constitutes a significant proportion of the developing countries' production and exports.
3. It develops food system that provides the nutrients which are critical for wellbeing of the expanding population.

Scope of the study:

In Shencottai Taluk is one of the borders of Tamil Nadu and Kerala, in this place very naturalized and agriculture oriented activities done in this place. The varieties of agro-based industries are doing entrepreneurship based upon agriculture related raw materials. So, in this taluk wider scope for agro-based entrepreneurship, doing in various places.

Methodology:

In my research study is descriptive in nature, using both primary and secondary data. Primary data were collected through interview schedule, and Secondary data were collected from various books, journal, magazines, research reports government annual reports and various published and unpublished sources.

Sampling Technique:

In Shencottai Taulk is one of the centre part of Tenkasi District. Simple Random Sampling method was used in my research study.

Sample Size:

In Shencottai Taluk above 1500 Agro Based Industries are there, off which I have taken 50 Agro Based industries were taken as a sample respondents.

Period of the Study:

The research period is during from January 2020 to March 2020, which include data collection and theory collection period.

Area of the Study:

The proposed research study is conducted in Shencottai Taulk, only, other places is not considered in my research study.

Limitations of the Study:

In this study is taken only agro-based industries in Shencottai Taluk. It is not taken in full Tenkasi District. It is not

covered all other entrepreneur, and does not cover all type of entrepreneurship, in Shencottai Taluk.

Table No.1
State-Wise Cumulative Loans Sanctioned and Released Under CTIF
(Amount in \$ crore)

S.NO	State	Loan Sanctioned		Loan Disbursed	
		Central Share	State Share	Central Share	State Share
1	Andhra Pradesh	88.41	513.87	22.63	489.34
2	Assam	168	0	0	0
3	Bihar	134	0	67.73	0
4	Chhattisgarh	126.69	0	42.32	0
5	Gujarat	8158.5	3611.03	3577.81	1383.04
6	Jammu & Kashmir	21.14	0	9.58	0
7	Jharkhand	1847	518	450.85	518.1
8	Karnataka	1837.34	0	563.06	733.35
9	Madhya Pradesh	3537.52	2863.18	569.45	3682.84
10	Maharashtra	3365.31	7826.13	603.7	19.31
11	Manipur	309.86	73.56	152.41	1233.27
12	Odisha	2299.67	3216.49	1016.29	0
13	Punjab	143.7	0	52.42	101.45
14	Rajasthan	983.85	196.32	52.42	101.45
15	Telangana	3316.98	0	268.89	0
16	Uttar Pradesh	4569.86	0	201.23	0
Total		30907.87	18818.6	7863.6	8.160.70

Source: 2018-19 Annual Report

The above table No.1 Explains the State-Wise cumulative Loans Sanctioned and Released Under CTIF, The State of Gujarat Loan Sanctioned off which Central govt share of 8,158.50 crores and State govt shares of 3,611.03 crores. The

Loan disbursed off which the Central govt shares of 3,577.81 crores and State govt shares of 1,383.04 crores were disbursed between the Agriculture sector.

Table 2
Financial Institutions of Respondents

S.NO	Financial Institutions	Frequency	Percentage
1.	DIC	12	24
2.	TAHDCO	18	36
3.	Co-operative society	8	16
4.	Commercial bank	5	10
5.	Private sector bank	7	14
Total		50	100

Source: primary Data

The above table No.2 Shows the Financial institutions of the respondents, 36 percent of the respondents were TAHDCO of institutions, 24 percent of the respondents were DIC of institutions, 16 percent of the respondents were Co-

operative society of institutions, 14 percent of the respondents were private sector bank of institutions, 10 percent of the respondents were commercial bank of institutions.

Table 3
Some of the Major Challenges of Respondents

S.NO	Some of the major challenges	Frequency	Percentage
1.	Same products	22	44
2.	Price	6	12
3.	Others	18	36
Total		50	100

. Source: Primary Data

The above table No.2 Explict the Some of the major challenges of the respondents, 44 percent of the respondents were same product of the

major challenges, 36 percent of the respondents were others of the major challenges, 12 percent of the respondents were price of the major challenges.

Table 4
Prime problems their routine operations

S.NO	Prime problems their routine operations	Frequency	Percentage
1.	Machine Problem	16	32
2.	Money Problem	22	44
3.	Other Problem	12	24
Total		50	100

Source: primary Data

The above table No.4 Explicit the Prime problems their routine operations of the respondents, 44 percent of the respondents were money problems their routine operations, 32 percent of the

respondents were machine problems their routine operations, 24 percent of the respondents were other problems their routine operations.

Table 5
Agro-Business Firms in Challenges in the Marketing of their Products of Respondents

S.NO	Agro-business firms in challenges in the marketing of their products	Frequency	Percentage
1.	Yes	22	44
2.	No	12	24
3.	Do not know	16	32
Total		50	100

Source: Primary Data

The above table No.5 Explains the Agro-business firms in challenges in the marketing of their products of the respondents, 44 percent of the respondents were yes challenges in the marketing of their product, 32 percent of

the respondents were do not know challenges in their marketing of their product, 24 percent of the respondents were no challenges in their marketing o their product.

Table 6
Problems Facing the Marketing of Agro-Business Products of Respondents

Problems facing the marketing of Agro-business products	Level of significance									
	1.	2.	3	4	5	Total		4	5.	Total
The emerging competitive environment	12	8	7	13	10	50		13	10	50
Frequency percentage	24	16	14	26	20	100		26	20	
The challenges customer satisfaction	14	7	6	5	18	50		5	18	50
Frequency percentage	28	14	12	10	36	100		10	36	
Failure to adopt to changes	8	21	4	9	8	50		9	8	50
Frequency percentage	16	42	8	18	16	100		18	16	
Failure to search out for prospective market niches	14	12	8	6	10	50		6	10	50
Frequency percentage	28	24	16	12	20	100		12	20	
Depreciation of the and other micro-economic issue (cost of production)	12	9	9	12	8	50		12	8	50
Frequency percentage	24	18	18	24	16	100		24	16	
Lack of bigger market of sell produces	13	9	5	12	11	50		12	11	50
Frequency percentage	26	18	10	24	22	100		24	22	

Source: primary Data

Scale:

1= Most non-significant; 2= Non-significant; 3= Neutral

4= Significant; 5= Most significant;

The above table No.6 shows the problems facing marketing of Agro-business products ,of the respondents, The emerging competitive environment, 26 percent of the respondents were suggest in significant, 24 percent of the respondents were suggest in Most non-significant, 20 percent of the respondents were suggest in Most significant, 16 percent of the respondents were suggest in Non-significant, 14 percent of the respondents were suggest in Neutral, and The challenges customer satisfaction, 36 percent of the respondents were suggest in Most significant, 28 percent of the respondents were suggest in Most non-significant, 14 percent of the respondents were suggest in Non-significant, 12 percent of the respondents were suggest in Neutral, 10 percent of the respondents were suggest in Significant, and Failure to adopt to changes, 42 percent of the respondents were suggest in Non-significant, 18 percent of the respondents were suggest in Significant, 16 percent of the respondents were suggest in Most non-significant, 16 percent of the

respondents were suggest in Most significant, 8 percent of the respondents were suggest in Neutral, and Failure to search out for prospective market niches, 28 percent of the respondents were suggest in Most non-significant, 24 percent of the respondents were suggest in Non-significant, 20 percent of the respondents were suggest in Most significant, 16 percent of the respondents were suggest in Neutral, 12 percent of the respondents were suggest in Significant, and Depreciation of the and other micro-economic issue (cost of production), 24 percent of the respondents were suggest in Most non-significant, 24 percent of the respondents were suggest in Significant, 18 percent of the respondents were suggest in Non-significant, 18 percent of the respondents were suggest in Neutral, 16 percent of the respondents were suggest in Most significant, and Lack of bigger market of sell products, 26 percent of the respondents were suggest in Most non-significant, 24 percent of the respondents were suggest in Significant, 22 percent of the respondents were suggest in Most significant, 18 percent of the respondents were suggest in Non significant, 10 percent of the respondents were suggest in Neutral.

Table 7

Failure to Add Value and differentiate Products of Agro-Business Firms of Respondents

S.NO	Failure to add value and differentiate products of agro-business firms	Frequency	Percentage
1.	Strongly agree	12	24
2.	Agree	18	36
3.	Neutral	8	16
4.	Disagree	5	10
5.	Strongly disagree	7	14
Total		50	100

Source: Primary Data

The above table No.7 Expose the Failure to add value and differentiate of agro-business firms of the respondents, 36 percent of the respondents were agree of failure to add value and differentiate products of agro-business firms, 24 percent of the respondents were strongly agree of failure to add value and differentiate products of agro-business firms, 16 percent of the respondents were neutral of failure to add value and differentiate products of agro-business firms, 14 percent of the respondents were strongly of failure to add value and differentiate products of agro-business firms, 10 percent of the respondents were disagree of failure to add value and differentiate products of agro-business firms.

SUGGESTIONS:

- The majority of the respondents were belongs to male category. The male agro based industries be doing business ventures in full time based in shencottaitaulk. But, the female agro based entrepreneurs were very less compute with male category. Therefore, to take initiate to develop the upcoming numbers of female category.
- The maximum of the 31-35 years age group the entrepreneurs were doing agro based industries, other age group of people do not interested about agro based industries. Hence, the central and state govt to create awareness about agro based entrepreneurship, between the other category of age group particularly to the youngsters
- The various agro based industries entrepreneurs, were procuring the educational background at secondary school level education. The other entrepreneurs like post graduate and other category of entrepreneurs are not interested doing this kind as business ventures.
- The majority of the agro based industries entrepreneurs was earning the income level of Rs. 2,00,000 to 3,00,000 only. They are doing business very small scale level business. The government to regulate these kind of industries to up list the income level.
- The married entrepreneurs, who have doing the business in very large numbers, because they are only the responsible person for all other family commitment that's why the varied entrepreneurship were interested entrepreneurship. But, unmarried youngsters are not full fledged interested about entrepreneurship, in future that in consider to developing pattern.
- The majority of the respondents who have belongs to a second generation category of entrepreneurs, they are doing business venture during 5-10-years of the age group of the industry. There fore, to create more awareness and facilitate to financial assistance to the first generation category.
- The maximum of the respondents who have registered only co-operative societies only. Because, these are agro based industries fully based upon the agriculture. So, the co-operative society also will facilitate loan and other registration facilities to the entrepreneurs.
- In agro based industries are fully processing industries for example cotton, weaving, coir products and other agro based industries were processing manufacturing methods of business activities. They are not fully interested services and other category of processing. Therefore, the manufacturing agro based industries are well profitable one in shencottai Taluk.
- The TAHDCO in the specialized financial institutions for SS/ST entrepreneurs. In shencottai Taluk the majority of the entrepreneurs were doing business venture of SC/ST

entrepreneurs. They are lending loan from other financial institutions.

- The majority of the entrepreneurs were received subsidy in 20-40 thousands only. This amount received by small scale industries but micro level of industries are not received these kind of high subsidy amount from the govt.
- The most of the agro based industries was performed by a traditional method only. They cannot aware about modern method. So, the central and state govt to put a modern method to influence to the agro-based industries.
- The majority of the agro-based industries run by only urban based industries, these kind of activities to not developing the rural based Laborer. Therefore in future most of the agro based industries to develop in rural base only.
- In rural areas some of the problems respondent, such as powerfluctuation, shortage of labour flows and other water and transport problems. So, these kind of problems to rectify by the govt, in future entrepreneurship.

CONCLUSIONS:

Entrepreneurship is one of the growing concept in recently trends, it is not only employment based, it is based only Economic, and Social development of the country. The more employment opportunities to provide in rural based peoples, and Substantial economic growth of the people. In particularly to focus about the below peoples. In shencottai Taluk more no. of agro based industries are there basically in shencottai Taluk agricultural land, in this land variety of agro based industries are there such as, oil mills, rice mills, weaving mills, and other fiber industry, handmade & handi graft products also are very good profitable business in this places. Now-a-days they are very struggling about doing the business ventures, because they are not having financial background, finance is

the life blood of the industry other establishment of the industries. Hence, the central and state govt to facilitate financial support and also giving marketing assistance provided to develop the agro based industries.

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