



A STUDY ON SOCIO ECONOMIC CHALLENGES OF THE RED CHILLI FARMERS WITH REFERENCE TO WARANGAL DISTRICT OF TELANGANA

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ABSTRACT

India is one of the finest cooking lovers residing area in the world, maybe it is because of the spices which add the flavour of the curries and dishes. One of the most popular and significant among the spices is Red chilli which gives the colour and pungency to the cooking. The research mainly concentrated on the crop of the Red chilli in Warangal district of Telangana which considered the one of the largest producers along with Khammam and others in Telangana State. The research was carried out on agricultural land owned by Warangal rural and district. Farmers were selected from both Warangal remote villages and Rural areas for sample is concerned. The research carried for almost for one year from July 2019 to July 2020. The research conducted through survey method where the sample taken from the various mandals from the Warangal district. This research is consisted with many stages with location deciding location of sampling as deliberate sampling with necessary requirements. Primary study of is with respect to the Warangal district where the objectives were finalised with source of the information obtained in primary data. As far as Secondary Data is related with finding of the facts from the previous studies in this area of the studies. The research continued with visiting the Government and Non-Government agencies to understand the scenario of the Red Chilli production and markets in Warangal District.

INTRODUCTION

Chilli belongs to Capsicum and it has many varieties, when it gets ripened and dried it will become the Red Chilli which consider one of the most delicious and important ingredients in all types of curries in India and various parts of the world. Without spices we can't expect the taste of any dish or curry, especially the southern parts of the India will have lot of consumption and usage in almost all the areas of cooking, without Red chilli or powder one can't expect the preparation of the food. The best times for sowing the chillies is between April and June before the monsoon because it needs water source to grow and at the same time excess water also makes it spoil its nature of significance and originality in fact. But at the time of harvesting the dry weather is necessary for production and storage. Most of the chilli grows in India, China, Ethiopia,

Myanmar, Mexico, Vietnam, Peru, Pakistan, Ghana, and Bangladesh. The above countries produce 85% of Red chilli at total production of the Chilli all over the world. Undoubtedly India is one of the largest Chilli producers in the world which consumes, exports, in fact we can say that India is the world leader in production of the chilli. India is the world's largest producer, consumer and exporter of chillies in the world. Indian Chilli is well known for colour and pungency. India exports it's chilli to various Asian nations like Vietnam, Thailand, Sri Lanka, Bangladesh and U.A.E and USA, UK, Canada, Australia, Brazil, China, Turkey, Cuba, Denmark, Egypt, France, Spain, Hungary, Italy, Latvia, Malaysia, Mexico, Indonesia, Singapore, Burma, Turkmenistan, Kuwait, Israel, Bahrain, Portugal, Norway, Romania etc., the Major Red Chilli

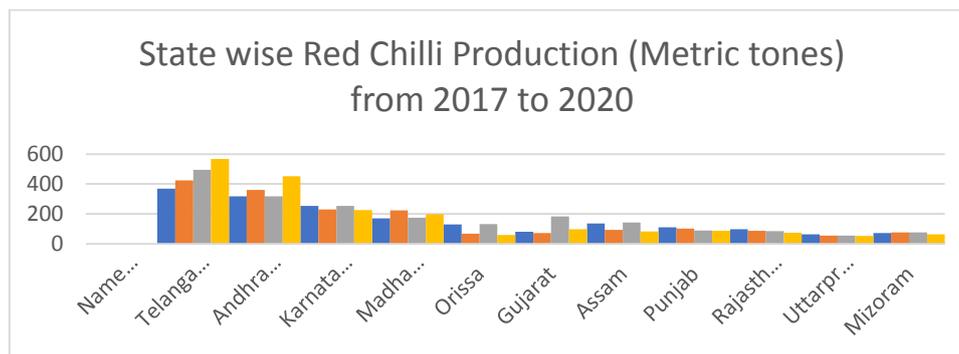
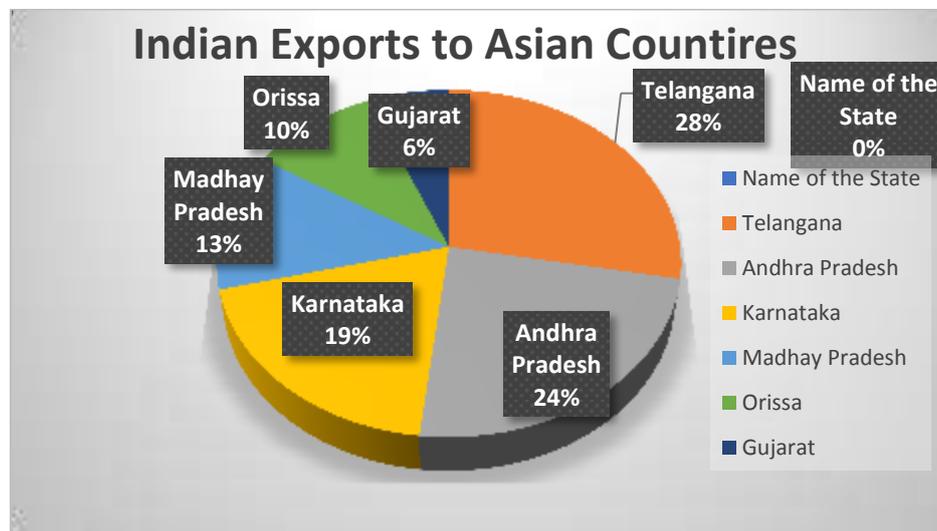


produced states in India Telangana, Andhra Pradesh, Karnataka, Tamilanadu and Madhya Pradesh.

Red Chilli Supply and Demand (in lakh tonnes)

Particulars	2016 - 17	2017 - 18	2018 - 19
Opening Stock	3.84	1.87	2.39
Production	10.73	13.76	10.50
Import	0.00	0.00	0.00
Total Supply	14.57	15.63	12.89
Consumption	8.70	8.80	8.50
Exports	4.00	4.44	3.85
Total Demand/Usage	12.70	13.24	12.35
Ending Stock	1.87	2.39	0.54
Average Monthly Consumption	0.73	0.73	0.71
Stock to Month Use	2.58	3.26	0.76
Stock to Consumption Ratio %	14.72	18.05	4.37

Source: Agri watch



ABOUT WARANGAL - TELANGANA

The District originally formed a portion of the ancient Kingdom of the Andhra kings, who subdued the whole of the Deccan. During the eighth century it was 'Orukal', the capital of Yadava Kings of Tuluva Andhra's. For nearly two hundred years, from the middle of the twelfth century, it formed part of the territories of the Kakatiya's of Warangal. Prola Raja is said to have captured the Chalukyan King,

Tailapadeva-III and successfully waged wars with other kings. His son Rudra-I extended his possession while Raja Ganapatideva claims to have defeated the King of Kalinga and to have had the Kings of Southern Gujarat and Bengal as his vassals, ruling as far south as the Nellore district of the present Andhra Pradesh State. Ganapatideva was succeeded in about 1257 A.D. by his daughter Rudrama Devi, who was mentioned as the ruler of the country by Marco Polo. The name of Warangal is said to be a corrupt form of Orukal, which was probably the original designation



of the old town. This seems to have been adopted by the early Muslim historians of India. Orangallu and Orugallu are the two variants of this appellation. Warangal is well known for Red Chilli in Telangana State along with Khammam and others it has several mandals where the production of Red chilli used to take place. Giving some respite to the farmers who had been reeling under severe financial crisis due to the heavy rains that battered Telangana during the monsoon, the red chilli prices have risen to a record-level in Warangal district. Though the red chilli from Warangal district has always been famous across the State, now the demand for the crop has risen to a phenomenal level, as a result of which both farmers and traders are making beelines to the Enumamula agriculture market in the district, which is one of the biggest markets in the entire continent.

REVIEW OF LITERATURE

An attempt is made to review the available literature on agro- based industries in general and Red Chilli in particular, and its importance in Indian economy. There are good number of studies in this area. However, most of the studies are related to an Agri culture products such as sugar, tea, coffee etc. The studies conducted on Red Chilli are limited in number. Hence, the researcher has reviewed related literature, and which generate more employment which is the need of Indian Economy. In the book on “Agro industries & economic development by Baidyanath Misra, Gyana Chandra Kar and Surendra Nath Misra(2002) it has been stressed that in the context of the economic development of the country, setting industries which make use the producers of agriculture directly or indirectly are considered more desirable. Such a development has a two way effect i.e. Agriculture helps agro-related industries to make use of the raw materials directly supplied by this sector and it facilitates the growth of those types of industries which produce several inputs like fertilizer, pesticides and agricultural implements that help to promote the productivity and expansion of agriculture. In research article, 'Karnataka Farmers' Suicides Signs of Distress in Rural Economy', Muzaffar Assadi, discusses about the famer suicides in Karnataka and reasons for suicides. He says more than 20 peasants in the northern districts of Karnataka - Bidar, Raichur, Gulbarga, Dharwad have committed suicides over the last three months by consuming pesticides. The heavy losses they incurred due to crop failure and mounting debts to the moneylenders seem to be the main reason. Muzaffar Assadi (2006), in his research paper 'Agrarian crisis and Farmers' suicide in India: Dimension, Nature and Response of the state in Karnataka', talked about farmers' suicide in different parts of India over the past one decade and he quoted that it was reflecting due to the deep rooted agrarian crisis and this crisis began in decade of 1980s when farmers' movement

in different parts of India began demanding remunerative prices, writing off loans, etc and impact of globalization in recent years. It all began in Andhra Pradesh and later in Punjab, Maharashtra, Kerala and Karnataka. These were the farmers who can be called Market Oriented Autonomous Farmers, belonging to different social groups or backgrounds. Despite the best efforts of the government, the crisis was continuing. In the thesis 'Marketing of Dry Chillies in Karnataka-A Management Appraisal', researcher Shivashankar.K (2007), stated that Agricultural marketing in India has not received as much attention as that in the field of agricultural production. For the farmer, disposal of his produce has become as important as the adoption of modern production technology in improving yield levels. The journey of each product from the farm to the ultimate consumer plays a crucial role in determining the price for the farmer. The evolution of new production technology cannot "be sustained without the improvement in agricultural marketing system unless simultaneous efforts are effected. T.S. Devraja (2009) published a book “Financial Performance of Agro based industries”. He analysed in the book the various estimate of processing agro based units in 2007-2008. He felt Processing and marketing risk of these units are less. Technology used also within the research of the entrepreneur. The capital productivity ratio and labour productivity ratio is high. In view of paucity of capital and more population, these types of rural industries are more suitable to Indian conditions and create employment directly and indirectly.

OBJECTIVES OF THE STUDY

- Study about the Red Chilli farmers and growers and how they are helping to Agriculture industry.
- To examine the present status of Red chili in India in terms of its importance, employability and exports.
- To study the Socio-economic status of Red chili cultivators, Farmers and analyse problems of Red Chilli cultivators in the selected study area of Warangal in Telangana District.
- To study the role Socio economic factors which influence the farming of the Red Chilli Business in Warangal District.
- To identify bottlenecks in the Red Chilli farming and suggest suitable measures to the policy formulators, and Farmers.

RESEARCH METHODOLOGY

The research was carried out on agricultural land owned by Warangal rural and district. Farmers were selected from both Warangal remote villages and Rural areas for sample is concerned. The research carried for almost for one year from July 2019 to July 2020. The research conducted through



survey method where the sample taken from the various mandals from the Warangal district. This research is consisted with many stages with location deciding location of sampling as deliberate sampling with necessary requirements. Primary study of is with respect to the Warangal district where the objectives were finalised with source of the information obtained in primary data. As far as Secondary Data is related with finding of the facts from the previous studies in this area of the studies. The research continued with visiting the Government and Non-Government agencies to understand the scenario of

the Red Chilli production and markets in Warangal District. A Separate questionnaire was prepared for farmers and growers to get additional information to strengthen the research and it's out puts for effectiveness. The data is collected from 1300 Farmers, concentrated at Warngal rural and remote areas and all the farmers who are having Red Chilli plantation from selected 12 mandals in Warngal district. All the operational problems pertaining to the industry were studied during the period of 2019-20. The response of the farmers is based on their ability to recall the information as well as their experience.

Distribution of selecting Chilli Farmers

Particulars	Warangal Rural	Other places of district	Total
Total	1950	1860	3820
Unregistered Agri lands	400	370	770
Registered and operating as per the records of district	1570	1500	3050
Un used Agri lands	250	210	450
Agri Lands Operating	1300	1300	2600
Agri selected for study (50%)	650	650	1300

LIMITATIONS OF THE STUDY

- In this present survey, due to time, financial, and geographical constraints, it was limited to Warangal District of Telangana only. The problems of farmers in Warangal are unique and different from rest of the country.
- The researcher area is confined to three divisions and 36 mandals of Warangal, due to the availability of Red Chili farmers, followed by the business activity of the Red Chili, in the above selected areas.
- Most of the Chili farmers are illiterate and hence are not able to maintain proper records. However, the researcher taken necessary care to elicit information to check

from different sources to check reliable of data.

- The primary data collected from the farmers and growers based on their opinions and expressions, are taken as a data for this study. There is every scope of bias in their expressions.
- The results are more significant and relevant to Telangana State only. The results may not be so suitable for the other states, as the nature and problems are geographic specific and its dynamic nature of the market.
- The role of promoting agencies found to be very minimal is providing required guidelines as such their role and performance are not precisely measured.

Criteria of Nativity

Size of Agriculture land	Group I Mandal	Group II Mandal	Other State	Total
Less than 5 Acres	150 (48.39)	160 (51.61)	-	310 (23.84)
5 to 20 Acres	320 (45.71)	340 (48.57)	40 (5.72)	700 (53.85)
More than 20 Acres	110 (37.91)	90 (31.03)	90 (31.03)	290 (22.31)
Total	580 (44.62)	590 (45.38)	130 (10.00)	1300 (100.00)



We can understand with this table that there are 3 categories of Agriculture Land cultivators as far as Red chili is related.

Age Groups of Cultivators

Age Group (years)	Number of Farmers			Total
	Group- 1 Mandals	Group - 2 Mondals	Other States	
25 - 30	40 (50.00)	40 (50.00)	-	80 (6.16)
30 - 35	20 (28.58)	50 (71.42)	-	70 (5.39)
35 - 40	250 (45.45)	300 (54.55)	-	550 (42.30)
40 - 45	150 (50.00)	150 (50.00)	-	300 (23.07)
45 - 50	120 (60.00)	50 (25.00)	30 (15.00)	200 (15.38)
50 - 55	-	-	100 (100)	100 (7.70)
Total	580 (44.62)	590 (45.38)	130 (10.00)	1300 (100.00)

It is recorded through personal interview with them that the Farmers have started Chilli recently.

Educational Qualifications of Farmers

Size of Agriculture land	Illiterate	Primary	SSC	Graduates	Postgraduates	Total
Less than 5 Acres	-	60 (19.35)	130 (41.93)	90 (29.04)	30 (9.68)	310 (23.85)
5 to 20 Acres	-	140 (20.00)	300 (42.85)	210 (30.00)	50 (7.15)	700 (53.85)
More than 20 Acres	-	50 (17.24)	120 (41.37)	100 (34.49)	20 (6.90)	290 (22.30)
Total	-	250 (19.23)	550 (42.30)	400 (30.77)	100 (7.70)	1300 (100.00)

The educational qualification of the Farmers is shown in (19.23 per cent) Farmers had Primary education, whereas 55 (42.30 percent) possessed S.S.C. It is interesting to notice that there are large numbers of Farmers (nearly 38%) were graduates and post-graduates.

Caste Composition of the Farmers

Social Community	Less than 5 Acres	5 to 20 Acres	More than 20 Acres	Total
Reddy	240 (23.76)	540 (53.46)	230 (22.78)	1010 (77.69)
Vysyas	10 (25.00)	20 (50.00)	10 (25.00)	40 (3.07)
Telaga	40 (22.22)	100 (55.56)	40 (22.22)	180 (13.85)
Velama	20 (33.33)	30 (50.00)	10 (16.67)	60 (4.62)
Baliya	-	10 (100)	-	10 (0.77)
Total	310 (23.85)	700 (53.85)	290 (22.30)	1300 (100.00)

A study of the social background of the farmers revealed an interesting fact, supporting the backwardness of this region. In rural areas especially in the backward region, still the custom among the people is that they stick to their old traditional professions and feel that they are unfit to enter other professions especially business.



Family Size of Red chilli farmers

Number of Dependents	Number of Farmers	Percentage
1-2	200	15.39
3-5	320	24.61
5-7	570	43.84
8-10	210	16.16
Total	1300	100.00

As can be seen from the table about 68.45 per cent of the Farmers has between 3-7 dependents

each, while nearly 16 per cent of farmers have 8 to 10 dependents each. The farmers had two dependents each constitute only 15.39 percent.

Parental Educational Qualifications of Farmers

Educational qualifications	Number of Farmers	Percentage
Illiterates	190	14.61
Primary Education	1010	77.70
S.S.C	100	7.69
Total	1300	100.00

The farmers were asked about the education and occupation of their parents. The details are furnished in Tables 5.6 and 5.7. 77.70 per cent of the respondents reported that their parents had only

primary education. 14.61 per cent of the Farmers replied that their fathers were illiterates. The remaining 7.69 per cent of the Farmers had mentioned that their fathers studied up to S.S.C.

Parental Occupation of the Farmer

Occupation	Number of Farmers	Percentage
Agriculture	130	10.00
Money Lending	250	19.24
Business	920	70.76
Total	1300	100.00

The above analysis indicates that the parental background has profoundly influenced the

farmers in their academic pursuits and business activities.

Reasons for Acquiring Interest in Chilli Farming Business

Reasons Stated	Number of Farmers (N= 1300)	Percentage to total number of Farmers (1300)
Familiarity with the line of manufacture	1030	79.23
Expectation of higher profit	410	31.53
Did not get any other employment	60	4.61
Availability of help from friends and relatives	310	23.85
Other reasons	10	0.76

As can be observed from Table, 1030 out of 1300 farmers specified that their familiarity with the line of Agriculture was responsible factor for acquiring interest in the Red chilli cultivation. The other reasons given by the farmers in order of priority

were 'expectation of high profit', 'availability of help from friends and relatives', and 'did not get any other employment'.



Nature of Ownership of Business of Chilli Agri lands

Size of Agriculture land	Sole Proprietary	Partnership	Total
Less than 5 Acres	280 (90.32)	30 (9.68)	310 (23.85)
5 to 20 Acres	450 (64.29)	250 (35.71)	700 (53.85)
More than 20 Acres	90 (31.03)	200 (68.97)	290 (22.30)
Total	380 (29.23)	920 (70.77)	1300 (100.00)

Also, 68.97 per cent of the farmers are the large parts of the agriculture land is partnership concerns and only Nine agriculture land (10.98 per cent) is sole proprietary concerns.

Period of Red chilli farming

Size of Agriculture land	Years			Total
	Before 2010	2010 - 2015	2015 - 2020	
Less than 5 Acres	210 (67.74)	50 (16.13)	50 (16.13)	310 (23.84)
5 to 20 Acres	150 (21.42)	300 (42.86)	250 (35.72)	700 (53.85)
More than 20 Acres	10 (3.45)	100 (34.48)	180 (62.07)	290 (22.31)
Total	370 (28.46)	450 (34.62)	480 (36.92)	1300 (100.00)

The growth has been phenomenal since 2010 and the total number of farmers increased by the end of 2015 in Warangal District.

Nature of Ownership

Size of Agriculture land	Number of Farmers	Number of Farmers	Total
Less than 5 Acres	160 (51.61)	150 (48.39)	310 (23.84)
5 to 20 Acres	500 (71.43)	200 (28.57)	700 (53.85)
More than 20 Acres	280 (96.55)	10 (3.46)	290 (22.31)
Total	940 (72.30)	360 (27.70)	1300 (100.00)

Table reveals the nature of ownership. Out of 1300 farmers, 94 (72.30 per cent) were self-owned and the remaining 36 (27.70 per cent) were running on lease basis. It is evident that all the farmers operating on lease basis were with low farming capacity.

Almost all the cultivators belonged to the listed backward classes in the State.

- The Major finding was that many of the Red Chili Farmers were lacking education (many were illiterates), whereas most of the entrepreneurs of Agri lands were graduates and Postgraduates.
- In terms of Land holding there has been a decrease in the acres held by the Red Chili Farmers over the last few years.

SUMMARY, FINDINGS AND SUGGESTIONS

Findings:

- The demographic profile of the Red Chili Farmers showed that industry is largely a woman-oriented business. Many of the Farmers were having other occupations apart from Red chili cultivation. There are very few new entrants taking up this profession as the major age group has been above 35 years. Opportunities in other sectors and promises of better future have led most of the young generation to look for alternative opportunities.
- In India, where caste plays an important role, occupations follow/taken up based upon the caste the individual belongs to.

SUGGESTIONS

The following suggestions emerge in the light of the study observations and findings, to render Chilli cultivation a lucrative proposition by toning up its marketing operations. The suggestions lay emphasis on a fair and remunerative return for the growers and stability in their earnings. They also seek to protect the genuine interests of the Agri lands. The study offers some guidelines in responding to some of the major policy issues on the subject.

- It is imperative that education holds the key and cannot be neglected at any cost. The



government is doing its art in this regard. There is a need to educate the farmers about various aspects of the trade.

- Information must be shared by the government and publications in local languages should be circulated. Trade journals can be made available at the local panchayats.
- Since the long gestation period of the crop makes investment, an unattractive proposition, subsidized rates for manure and spraying facilities are to be offered to farmers. High-breed planting materials should also be offered free of charge to grower.
- Frequent visits by field workers from Agricultural Department and research personnel from agricultural universities would be of great use in motivating and mending the farmers to take up cultivation on scientific lines.
- It is suggested that the state government should fix a minimum and maximum price to Red Chili, while taking into consideration the cost of cultivation and the prevailing demand.
- To minimize the exploitation of illiterate and ignorant farmers and to avoid cutthroat competition among them, the government should initiate the procurement the Agricultural Marketing Department or through the concerned agency. The functioning of the regulated markets also should be toned up by creating proper facilities.

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