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ECONOMICS OF MANAGEMENT OF AGRO BASED INDUSTRY WITH REFERENCE TO COCONUT

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Economics of Management of Agro Based Industry With Reference To Coconut

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Abstract – *The agro based industry is regarded as an extended arm of agriculture. The development of the agro industry can help stabilize and make agriculture more lucrative and create employment opportunities both at the production and marketing stages. The broad-based development of the agro-products industry was improving both the social and physical infrastructure of India.*

Since it would cause diversification and commercialization of agriculture, it was thus enhance the incomes of farmers and create food surpluses. The agro-industry mainly comprises of the post-harvest activities of processing and preserving agricultural products for intermediate or final consumption. It is a well-recognized fact across the world, particularly in the context of industrial development that the importance of agro-industries is relative to agriculture increases as economies develop. It should be emphasized that 'food' is not just produce. Food also encompasses a wide variety of processed products. It is in this sense that the agro-industry is an important and vital part of the manufacturing sector in developing countries and the means for building industrial capacities.

Keywords: *Economics, Management, Agro Based Industry, Coconut, Farmers, Agriculture, Income, Food, Activities, Industrial, Development, Importance, Increases, Countries, India, etc.*

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INTRODUCTION

The potential for agro-industrial development in the developing countries is largely linked to the relative abundance of agricultural raw materials and low-cost labour. The most suitable industries in such conditions are indeed those that make relatively intensive use of these abundant raw materials and unskilled labour and relatively less intensive use of presumably scarce capital and skilled labour. However, in spite of the fact that agro based industries has a long history of development and its importance in national economy is steadily growing, there is very few literature are available (Bhagban, 2000) The edifying review of literature covering the studies at national and regional level provides some insight into their methodological aspects. It also proves that the micro level studies are scanty and no firm generalizations are established. In fact, it is not possible to arrive at such generalizations due to diversity of circumstances. In a vast country like India with varied resource base and socio economic conditions, such macro level studies may not throw much light on the problems of all regions (Rajagopal, 1989) Thus, micro level studies are necessary for understanding the prospects and problems of each agro processing industries in different regions of our country. The present study conducted in Kannur district, one of the industrially backward districts in an industrially backward state of India say Kerala, is a

modest attempt in this direction (Kanvinde, 1980). This is throwing much light on the problems and prospects of rural industries at the district level. Thus, the present study is important because of its coverage of the manifold aspects of the coconut oil milling industry as an agro-industry (Kusumam, 1981).

REVIEW OF LITERATURE:

Today's agricultural marketing has to undergo a series of exchanges or transfers from one person to another before it reaches the consumer. There are three marketing functions involved in this, i.e., assembling, preparation for consumption and distribution. Selling on any agricultural produce depends on some couple of factors like the demand of the product at that time, availability of storage etc. (Papola, 1981). The products may be sold directly in the market or it may be stored locally for the time being. Moreover, it may be sold as it is gathered from the field or it may be cleaned, graded and processed by the farmer or the merchant of the village. Sometime processing is done because consumers want it, or sometimes to conserve the quality of that product (Bawinder, Manu, 1989). The task of distribution system is to match the supply with the existing demand by whole selling and retailing in various points of different markets like primary,

secondary or terminal markets. Indian states, namely Kerala, Tamil Nadu, Andhra Pradesh and Karnataka, which together account for 90% of area and 93% in production. This crop has a significant impact on social and cultural impact on the coconut cultivators. Marketability and price established of coconut and it by products determines the economic condition of farmers (Khot, and Kamala, 1966. Desai, and Narayanan, 1967. Dhawan, 1969. Pillai, 1972). Among the coconut tract of southern India, Tamilnadu holds foremost share in coconut area and production after the state of Kerala.

❖ **The agro based Industry is broadly categorized in the following types:**

- (i) Village Industries owned and run by rural households with very little capital investment and a high level of manual labour; products include pickles, papad, etc.
- (ii) Small scale industry characterized by medium investment and semi-automation; products include edible oil, rice mills, etc.
- (iii) Large scale industry involving large investment and a high level of automation; products include sugar, jute, cotton mills, etc.

❖ **Coconut:** The coconut tree is of the palm family, and is the only species of the genus *Cocos* growing 30 m tall. The coconut is the fruit of this tree. These trees are common in the tropical regions, like in tropical Asia, and Trinidad and Tobago. The fruit as a whole is a very useful one and each and every part of it can be put to some use or the other. For example, the outer layer of the coconut is coir is used by many industries to make a variety of products, the water in the raw coconut is a good drink, the seed is used in cooking, and oil is also derived from the nut.

❖ **Coconut Water:** A fresh coconut when opened has an opaque and a clear textured sweet fluid, which is called the water of the coconut. As is believed, it is not the coconut milk, but is simply coconut water. It is often consumed as a cooling and refreshing drink, by the people living in hot and humid climatic conditions. More water content can be found in young green coconuts, whereas the as they mature the water gets absorbed in the flesh of the nut.

It is often touted as a health drink, as it has high content of potassium and minerals, which help the body to recover from rigorous exercise. Green coconuts, with some age spots are ideal for drinking. The taste of the coconut water depends upon the place, where it has been grown. For example, the Indian coconuts are a little salty, whereas the coconuts from Brazil have a sweet water and flesh. Coconut water acts like a medicine for people, who wish to control their blood pressure and obesity. As coconut has fewer calories than orange juice, it forms an important component of a healthy diet. It contains loric

acid, which is present in mother's milk. It also boasts of potassium content much higher than many energy drinks. Care should be taken that the water is had fresh, as it tends to lose its nutrients after it combines with the environment.

❖ **Benefits of Drinking Coconut Water:**

Coconut water is a natural drink and has many benefits, which may be listed as follows:

- Drinking coconut water keeps the body cool and also aids in maintaining a normal body temperature
- It facilitates the effective transfer of nutrients and oxygen to the cells
- As coconut water is an isotonic beverage, it orally re-hydrates the body and naturally replenishes the body's fluids, which are lost while exercising
- It also helps to raise the metabolism rate of the body, thereby promoting weight loss
- This elixir also gives a boost to the immunity system, and strengthens the body's ability to detoxify and fight diseases
- Coconut water is an effective digestive tract cleanser
- It proves beneficial for diabetic patients to control diabetes Aids your body in fighting viruses that cause the flu, herpes, and AIDS
- Helps keep the pH balance in check, thereby reducing the risk of cancer

CONCLUSION:

India is an agricultural country and one third population depends on the agricultural sector directly or indirectly. Agriculture remains as the main stay of the Indian economy since times immemorial. About 18 % of the country's income is from agriculture sector which provides employment to more than half of the work force in the country. With food being the crowning need of mankind, much emphasis has been on commercializing agricultural production. In earlier days when the village economy was more or less self-sufficient the marketing of agricultural products presented no difficulty as the farmer sold his produce to the consumer on a cash or barter basis. The agro based industry is regarded as an extended arm of agriculture. The development of the agro industry can help stabilize and make agriculture more lucrative and create employment opportunities both at the production and marketing stages. The broad-based development of the agro-products industry was improving both the social and physical infrastructure of India.

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