

**A STUDY OF MARKETING PROBLEMS AND SOLUTION  
FOR PADDY CULTIVATION IN MUTHUR DIVISIONAL  
SECRETARIAT DIVISION**



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## ABSTRACT

Paddy is consumed by nearly half of the world population as the staple food, and mostly by people who live in Asia. Sri Lanka is no exception with an average annual per capita consumption of about 100 kg. In 2004 the net harvested area of paddy in Sri Lanka amounted to 643000 hectares where 64% was cultivated during the Maha season and 36% cultivated in the Yala season giving a total production 2628000 metric tons of paddy. Even though Most of areas in Sri Lanka get high output from their paddy production, the yield is very low due to lack of marketing facility for the paddy.

The Muthur Division is one of them which are facing many problems concerning marketing of paddy. Therefore, the researcher intended to find out the major problems faced by the farmers and discover causes for it. For the purpose of finding out the causes for the marketing problems of paddy, the research considers four variables as conceptualization. Those are government policy, distribution channel, facilities and Marketing knowledge.

The information for knowing problems and causes has been collected through the structured questionnaire issued to paddy farmers in the Muthur D.S division. 200 farmer's families have been taken from 10 G.S divisions and questionnaires were issued on the basis of amount of paddy they produce.

The government policy related to paddy production and marketing are unfavorable, that is the government does not purchase the whole paddy produced in the area on a guaranteed price in a regular manner. And also some time although purchasing as in regular manner, farmer can not get actual price of their products. Due to the low price during the harvesting time it is important that paddy should be stored. Most of the paddy stores were destroyed during the war time in the area and some of the rest of the stores are available, however they have not enough space. They are unable to sell their paddy as soon as after harvesting due to lack of distribution channel. The physical objective of distribution channel includes transport and storage facilities, those are also in very poor level in this division. Although the farmers in research area have ordinary education level, they don't have enough knowledge related to marketing.

Therefore, the ultimate purpose of study is to find out causes for these problems and propose the remedies and strategies to improve the paddy marketing.

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