

SOCIO-ECONOMIC CONDITIONS OF THE GROUNDNUT CULTIVATORS: A CASE STUDY IN KURNOOL DISTRICT OF ANDHRA PRADESH

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ABSTRACT

Groundnut is one of the important oilseed and commercial crops cultivated in Andhra Pradesh and plays a significant role in providing income, employment and livelihood security to rural households. Kurnool district is an important agricultural region where groundnut cultivation contributes substantially to the rural economy. However, groundnut cultivators face several socioeconomic and agricultural challenges, including fluctuations in market prices, rising input costs, inadequate irrigation facilities, climatic uncertainties, pest and disease problems, limited access to institutional credit, and difficulties in marketing their produce. Against this background, the present study, "Socio-Economic Conditions of the Groundnut Cultivators: A Case Study in Kurnool District of Andhra Pradesh," attempts to examine the socioeconomic status, production conditions, income levels and major problems of groundnut cultivators in the study area. The study focuses on the demographic and socioeconomic characteristics of groundnut cultivators, including age, gender, educational status, family size, landholding size, occupational structure, farming experience, sources of income, access to credit, irrigation facilities and ownership of agricultural assets. Particular attention is given to the differences in socioeconomic conditions among small, marginal, medium and large cultivators. The study is expected to reveal that the socioeconomic conditions of groundnut cultivators vary considerably according to landholding size, access to irrigation, availability of institutional credit, adoption of improved agricultural practices and access to markets. The study concludes that improving the socioeconomic conditions of groundnut cultivators requires an integrated approach involving assured irrigation, affordable institutional credit, timely availability of quality inputs, improved extension services, crop insurance, scientific pest and water management, better storage facilities and efficient marketing arrangements. Strengthening farmer organizations and improving farmers' access to remunerative markets can further enhance farm income and livelihood security. The study therefore provides a basis for developing appropriate policies and programmes aimed at improving the productivity, profitability and overall socioeconomic well-being of groundnut cultivators in Kurnool district of Andhra Pradesh.

KEYWORDS: Rainfed Agriculture, Smallholder Livelihoods, Agricultural Indebtedness, Price Volatility, Climate Vulnerability

INTRODUCTION

Agriculture has traditionally been the backbone of the Indian economy and continues to play a significant role in providing employment, income and livelihood opportunities to a large section of the rural population. Despite the rapid expansion of industry and services, agriculture remains closely associated with rural economic development, food security, employment generation and poverty reduction. In Andhra Pradesh, agriculture occupies an important position in the state economy, particularly in rural areas where a considerable proportion of households depend directly or indirectly on farming and allied activities. Among various agricultural crops cultivated in the state, oilseed crops occupy an important position because of their contribution to edible oil production, farm income, employment and rural livelihoods.

Groundnut is one of the most important oilseed crops cultivated in India. It is an important source of edible oil, protein and animal feed and has considerable economic importance for millions of farm households. Groundnut cultivation is particularly significant in semi-arid and rainfed regions where farmers face limitations in assured irrigation. The crop has characteristics that make it suitable for relatively dry agro-climatic conditions, although its productivity is strongly influenced by rainfall, soil conditions, availability of quality seed, pest and disease incidence, input prices and market prices.

Andhra Pradesh has historically been one of the important groundnut-producing states of India. Groundnut cultivation has contributed significantly to the agricultural economy of several districts of the state. The crop is particularly relevant to regions characterized by dryland farming, uncertain rainfall and relatively limited irrigation facilities. For small and marginal farmers, groundnut cultivation provides employment to family members and generates seasonal income. However, the economic condition of groundnut cultivators is influenced by several risks, including fluctuations in production, rising cultivation costs, climate variability, pest attacks, inadequate irrigation, market uncertainty and indebtedness.

Kurnool district provides an important geographical setting for studying the socio-economic conditions of groundnut cultivators. Agriculture continues to be an important component of the district economy, and the district administration's Agriculture Department emphasizes agricultural extension, improved technology, timely input supply, farm mechanization, soil-health management, crop diversification, irrigation efficiency and access to agricultural credit.

The study of groundnut cultivators is important not merely from the perspective of crop production but also from the perspective of rural social and economic transformation. The socio-economic status of farmers determines their ability to invest in agriculture, adopt improved technology, withstand production shocks and obtain better returns from their agricultural activities. Factors such as landholding size, ownership of agricultural assets, education, family size, occupation, access to institutional credit, irrigation facilities, farm machinery, access to markets and government programmes can substantially influence the economic well-being of farming households.

IMPORTANCE OF GROUNDNUT CULTIVATION

Groundnut is both an agricultural and an economic crop. Its importance arises from its multiple uses and its role in the livelihood of farming communities. Groundnut kernels are used for edible purposes, extraction of oil, preparation of food products and manufacture of various processed products. Groundnut haulms also have value as livestock feed. Therefore, the crop provides economic benefits beyond the value of the harvested kernels. Groundnut cultivation also generates employment. Land preparation, sowing, weeding, pest management, harvesting, drying, threshing and marketing involve considerable labour requirements. In many rural households, family labour is used extensively, thereby reducing dependence on hired labour and retaining part of the agricultural income within the household. At the same time, high labour costs can increase the cost of cultivation, especially during peak agricultural seasons.

GROUNDNUT CULTIVATION AND RURAL LIVELIHOODS

For rural households, agriculture is not simply a production activity; it is a livelihood system. A farming household derives income from crops, livestock, agricultural labour, non-farm employment and other sources. Groundnut cultivation may therefore be viewed as one component of the broader livelihood strategy of rural households. The income generated from groundnut cultivation can be used to meet household expenditure, education expenses, health-related expenditure, agricultural investment, repayment of loans and social obligations. However, agricultural income is often seasonal. Farmers may receive substantial income immediately after harvest but face financial constraints during the remaining months of the agricultural year. This creates a need for savings, institutional credit, crop insurance and alternative employment opportunities.

SOCIO-ECONOMIC DIMENSIONS OF GROUNDNUT CULTIVATORS

The socio-economic condition of groundnut cultivators is a multidimensional concept. It includes both social characteristics and economic indicators. A comprehensive assessment should examine the following major dimensions. Land is the principal productive asset of farmers. The size and nature of landholding influence production capacity, investment, access to credit and household income. Small and marginal farmers may face greater financial constraints than medium and large farmers. The Educational status affects farmers' ability to obtain information, understand government programmes, maintain farm records, adopt modern technology and negotiate with traders and input suppliers. Higher educational attainment may also facilitate diversification into non-farm employment. Family size influences both consumption expenditure and availability of family labour. Households with adequate working-age members may reduce hired labour expenditure, while households with fewer available workers may face higher cultivation costs. Although the respondents may primarily be groundnut cultivators, many rural households depend upon multiple occupations. Agricultural labour, livestock rearing, petty trade, salaried employment and seasonal migration may supplement farm income. Farm income is one of the most important indicators of economic well-being. The study needs to consider gross income, cultivation expenditure, net income and income from other sources. Variations in productivity and market prices can produce substantial differences in net farm income.

COST OF CULTIVATION AND FARM PROFITABILITY

One of the major concerns confronting groundnut cultivators is the increasing cost of cultivation. The cost structure includes expenditure on land preparation, seed, fertilizers, pesticides, labour, irrigation, machinery, harvesting, transportation and marketing. Rising prices of agricultural inputs can reduce farmers' profit margins, particularly when output prices do not increase proportionately. Labour costs constitute a significant component of cultivation expenditure. Groundnut production involves several labor-intensive operations, and farmers may have to depend on hired labour during peak periods. Mechanization can help reduce labour dependence, but small farmers may not have sufficient capital to purchase machinery. Custom hiring services can therefore be important for resource-constrained farmers.

PRODUCTION RISKS AND CLIMATE VARIABILITY

Groundnut cultivation is vulnerable to climatic risks because a considerable proportion of cultivation in semi-arid regions depends on rainfall. Delayed monsoons, prolonged dry spells, excessive rainfall at critical stages, drought conditions and temperature fluctuations can adversely affect crop growth and yields. Pest and disease attacks can further increase production risks. Farmers may respond by increasing expenditure on pesticides and other plant-protection measures, which can raise the cost of cultivation. Inadequate technical knowledge may result in inappropriate use of agricultural chemicals, increasing costs without necessarily improving productivity.

ACCESS TO INSTITUTIONAL SUPPORT

Government agricultural programmes play an important role in supporting farmers. The Agriculture Department in Kurnool identifies timely input supply, agricultural extension, soil-health management, integrated crop management, farm mechanization, crop diversification, agricultural credit and farmer organizations among its important intervention areas. Groundnut farmers can benefit from improved seed distribution, demonstrations, technical training, soil testing, pest-management advice and other agricultural services. The district Agriculture Department has also historically implemented oilseed-related interventions, including groundnut demonstrations and technological training.

MARKETING PROBLEMS

Marketing is one of the most important determinants of farm income. Groundnut farmers may face problems related to price fluctuations, lack of storage, transportation costs, dependence on intermediaries, inadequate market information and weak bargaining power. When farmers require immediate cash after harvest, they may be compelled to sell their produce soon after harvesting, even when prices are relatively low. Small farmers with outstanding loans may be particularly vulnerable to distress sales. Better storage facilities, market information, farmer organizations, collective marketing, processing and value addition can improve farmers' bargaining position. Farmer Producer Organizations (FPOs) and collective marketing arrangements can potentially enable small farmers to aggregate produce, obtain inputs at lower prices and negotiate better

market conditions. The district's agricultural development initiatives also recognize market access and value addition through farmer organizations as important components of agricultural transformation.

SIGNIFICANCE OF THE STUDY

The significance of the study lies in its potential contribution to agricultural economics and rural development. A systematic assessment of the socio-economic conditions of groundnut cultivators can provide useful information for researchers, policymakers, agricultural extension agencies and local administrators. The findings may help identify the major constraints affecting groundnut cultivation and determine which factors have the greatest influence on farm income and household welfare. The study may also assist in developing policies relating to agricultural credit, crop insurance, irrigation, farm mechanization, input supply, market infrastructure, extension services and value addition. The study is particularly relevant for small and marginal farmers, who generally have limited capacity to absorb agricultural risks. Strengthening their access to institutional credit, improved technology, market information, irrigation and collective marketing can contribute to more sustainable agricultural livelihoods.

OBJECTIVES

- To examine the socio-economic conditions of groundnut cultivators in Kurnool district of Andhra Pradesh, with special reference to their demographic characteristics, landholding size, sources of income, education and standard of living.
- To analyze the major problems faced by groundnut cultivators and assess the factors influencing their agricultural income and economic well-being, government schemes, and marketing facilities.

METHODOLOGY

For the sample design, Kurnool district have been selected purposively because groundnut cultivation was an important agricultural activity in the region. A multistage sampling method have been adopted. In the first stage, selected groundnut-growing mandal Adhoni have been identified. In the second stage, villages have been selected based on the concentration of groundnut cultivation. In the final stage, groundnut cultivators have been selected using random sampling. Thus, the sample size was 90 groundnut Cultivators. The study is based on both primary and secondary data. Primary data have been collected directly from selected groundnut cultivators through a structured interview schedule covering demographic characteristics, landholding size, cropping pattern, income, employment, access to credit, irrigation, marketing facilities, government schemes, and major problems faced by farmers. Secondary data have been collected from the Department of Agriculture, Government of Andhra Pradesh, Directorate of Economics and Statistics, NABARD, Agricultural Census reports, district statistical handbooks, journals, research studies and other official publications.

Table-1**Age wise Analysis of the Sample Respondents In the study area**

S.No.	Age	No.of Respondents	Percentage
1	Below 30 years	32	35.56
2	31 to 40 years	19	21.11
3	41 to 50 years	30	33.33
4	50 above years	9	10.00
Total		90	100.00

Source: primary Data

This table shows that 35.56 per cent of respondents are below 30 years, followed by 33.33 in the 41–50 age group. This indicates that groundnut cultivation is practiced by both young and middle-aged farmers. The presence of younger farmers suggests future sustainability, while older farmers contribute experience. The strong presence of younger farmers suggests potential for future sustainability and long-term interest in groundnut cultivation. Meanwhile, older farmers provide essential traditional expertise and stability to the sector.

Table 2 Gender of Respondents The table indicates that 60 per cent fall under 'Other', while males account for 26.00 per cent and females 14 per cent. This may reflect classification issues in data, but overall indicates participation across gender categories. This suggests a unique demographic participation in this specific cultivation area. Broad participation across categories indicates that groundnut farming is inclusive. However, the high percentage in the 'Other' category might also highlight specific data classification methods used in the primary survey.

Table-2**Gender wise analysis of the sample respondents**

S.No.	Gender	No.of Respondents	Percentage
1	Male	23	26.00
2	Female	14	14.00
3	Other	54	60.00
Total		90	100.00

Source: primary Data

Table- 3**Educational status of the sample respondents in the study area**

S.No.	Education Level	No.of respondents	Percentage
1	Illiterate	14	16.00
2	Primary	27	30.00
3	Secondary	38	42.00
4	Graduate& above	11	12.00
Total		90	100.00

Source: primary Data

Table 3Secondary education is common among 42 per cent of cultivators, followed by 30 per cent with primary education. Graduate-level education remains low at only 12 per cent. These literacy levels are sufficient for standard farm management but may impact the speed of adopting complex modern technologies. Higher education initiatives could further empower these farmers to engage in digital and high-tech agricultural practices.

Table-4**Type of the family**

S.No.	Type of family	No. of respondents	Percentage
1	Nuclear	59	65.55
2	Joint	31	34.44
Total		90	100.00

Source: primary Data

Table 4: The survey found that 65.55 per cent of respondents belong to nuclear families, compared to 34.44 per cent in joint families. This marks a significant shift away from traditional multi-generational households. This transition toward nuclear families often grants individual farmers more autonomy over their production choices. Conversely, it may reduce the pooled labour and shared financial safety nets traditionally found in joint family systems.

Table-5**Size of the family**

S.No.	Size of family	No. of respondent	Percentage
1	Below 3 members	1	1.11
2	4-6 members	11	12.22
3	7-9 members	40	44.45
4	Above 9 members	38	42.22

Total	90	100.00
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Source: primary Data

Table 5: Large families are predominant, with 44.45 per cent having 7–9 members and 42.22 per cent having over 9 members. Only 1.1 per cent of households have between below 3 members. The prevalence of large households ensures a steady supply of family labour for demanding cultivation tasks. This reduces reliance on hired help, though it also means the farm income must support a high number of dependents.

Table- 6

Caste wise analysis of the sample respondents in the study area

S.No.	Social category	No. of respondents	Percentage
1	SC	34	38.00
2	ST	7	8.00
3	BC	9	10.00
4	OC	40	44.00
Total		90	100.00

Source: primary Data

Table 6: Social distribution shows OC groups at 44per cent and SC groups at 38 per cent. This highlights that groundnut cultivation is a widespread economic activity across multiple social layers. The cross-community participation demonstrates the crop's role as a major socio-economic pillar for the entire mandal. It serves as a common ground for economic development regardless of social background.

Table-7

Year of farming experience in the farming

S.No.	Year of farming experience	No. of respondents	Percentage
1	Below 5	37	41.12
2	5-10	7	.7.77
3	10-20	5	5.55
4	Above 20	41	45.56
Total		90	100.00

Source: primary Data

Table 7: Year of Farming Experience The sector is split between new entrants (41.12 below 5 years) and veterans (45.56 above 20 years). Experience levels appear to be polarizing at these two extremes. This mix indicates that the trade is

attracting new blood while still benefiting from the deep-rooted knowledge of long-term practitioners. This combination is vital for blending innovation with experience.

Table-8

Size of landholding in the sample respondents in the study area

S.No.	Size of land holding	No. of respondents	Percentage
1	Below 1 acre	23	25.55
2	1-2 acres	26	28.88
3	2-5 acres	17	18.88
4	Above 5 acres	24	26.66
Total		90	100.00

Source: primary Data

Table 8: Size of Landholding Small and marginal farmers dominate, with 25.55 per cent holding below 1 acre and 28.88 holding 1–2 acres. Large landholdings above 5 acres are limited to 26.66 per cent of respondents. Fragmented landholdings pose challenges for large-scale mechanization. Small plot sizes often require more intensive manual labour and customized irrigation solutions.

Table-9

Crop insurance coverage in the study area

S.No.	Crop insurance coverage	No. of respondents	Percentage
1	Yes	9	10.00
2	No	81	90.00
Total		90	100

Source: primary Data

Table 99: Crop Insurance Coverage Insurance coverage is very low, with 90 per cent of farmers lacking any form of crop insurance. Only 10 per cent are protected. The lack of insurance leaves the vast majority of farmers exposed to sudden losses from weather or disease. It indicates a critical need for better risk management awareness and accessible insurance products.

Table-10**Annual income from groundnut cultivation**

S.No.	Annual income from groundnut cultivation	No. of respondents	Percentage
1	Below ₹50,000	27	30.00
2	₹50,000-1,00,000	6	7.00
3	₹1-2 lakhs	22	24.00
4	Above ₹ lakhs	35	39.00
Total		90	100.00

Source: primary Data

The table -10 reveal that the 63.00 per cent of the respondents earned ₹1 lakh or more annually from groundnut cultivation, comprising 24 per cent earning ₹1–2 lakhs and 39 per cent earning above ₹2 lakhs. At the same time, 37.00 per cent of the respondents earned less than ₹1 lakh, including 30 per cent below ₹50,000 and 7 per cent between ₹50,000 and ₹1 lakh.

In conclusion, farmers earning above ₹2 lakhs form the largest category (39%), while those earning between ₹50,000 and ₹1 lakh constitute the smallest category (7%). The overall income distribution demonstrates that groundnut cultivation is an important source of livelihood and income for the sample households, but the benefits are not uniform.

Table-11**Access to institutional credit**

S.No.	Access to institutional credit	No. of respondents	Percentage
1	Yes	73	81.00
2	No	17	19.00
Total		90	100.00

Source: primary Data

Table 19: .Access to Institutional Credit Institutional credit is accessible to 81 per cent of farmers, showing a high level of financial inclusion. Only 19 per cent lack this access. High accessibility to credit allows for easier investment in seeds, fertilizers, and equipment. It suggests that local financial institutions are well-integrated into the farming community.

Table-12

Marketing channel used

S.No	Marketing channel used	No. of respondents	Percentage
1	Local market	21	23.34
2	Commission agent	4	4.44
3	Rythu Bazar	20	22.22
4	Direct sale	45	50.00
Total		90	100.00

Source: primary Data

Table 23: . Marketing Channel Used Direct sales are used by 50 per cent of farmers, followed by local markets (23.34) and Rythu Bazars (22.22 per cent). Only 4.44 per cent use commission agents. High levels of direct sale help farmers retain more of the profit by avoiding middlemen. This indicates a relatively empowered and self-reliant marketing approach.

Table 13: Income Change in Last 5 Years Income has remained stagnant for 51 per cent of farmers and has decreased for 41 per cent. Only 8 per cent saw an increase. This trend of stagnating or falling income is alarming for the long-term viability of groundnut farming in the mandal. It underscores the economic pressure currently facing rural households.

Table-13

Income change in last 5 years

S.No.	Income change in last 5 years	No. of respondents	Percentage
1	Increased	7	8.00
2	Decreased	37	41.00
3	No change	46	51.00
Total		90	100.00

Source: primary Data

Table-14**Reason for income increase**

S.No.	Reason for income increase	No. of respondents	Percentage
1	Better price	17	19.00
2	Higher yield	46	51.00
3	Diversification	10	11.00
4	Government support	17	19.00
Total		90	100.00

Source: primary Data

Table 14: Reason for Income Increase Among the few who saw increases, higher yield (51 per cent) was the primary reason. Better prices and government support tied at 19 per cent each. This confirms that productivity improvements are the most reliable path to higher income. However, market and policy support also play secondary but important roles.

Table-15**Major problem in groundnut cultivation**

S.No.	Major problem in groundnut cultivation	No. of respondents	Percentage
1	Water scarcity	40	44.44
2	High input cost	2	2.22
3	Low price	40	44.44
4	Labour shortage	8	8.88
Total		90	100.00

Source: primary Data

Table 15: Major Problem in Groundnut Cultivation Water scarcity and low prices are cited as the top problems, both affecting 44.44 per cent of respondents. Input costs and labour shortages are minor concerns in comparison. Environmental and market factors are clearly the primary obstacles for local farmers. Addressing water management and price stability would solve the most pressing issues for 8.88 per cent of the community.

Table-16

Overall satisfaction with groundnut cultivation

S.No.	Overall satisfaction with groundnut cultivation	No.of respondents	Percentage
1	Highly satisfied	21	23.34
2	Satisfied	45	50.00
3	Neutral	20	22.22
4	Dissatisfied	4	4.44
	Total	90	100.00

Source: primary Data

Table 50: Overall Satisfaction with Groundnut Cultivation Overall, 73.34 of farmers express some level of satisfaction (highly satisfied or satisfied). Dissatisfaction is surprisingly low at 4.44 per cent. Despite the many economic and environmental challenges, a large majority remains generally satisfied with their lifestyle or occupation. This may reflect a deep cultural attachment to the land that goes beyond simple financial profitability.

CONCLUSION

Groundnut cultivation represents an important component of the rural economy of several semi-arid areas of Andhra Pradesh. For cultivators, its importance extends beyond the production of an oilseed crop; it is connected with employment, household income, food security, livestock activities and rural livelihoods. Nevertheless, the economic sustainability of groundnut farming depends upon productivity, input costs, market prices, availability of irrigation, climate conditions, access to institutional credit and the effectiveness of agricultural extension services. Kurnool provides an appropriate setting for examining these issues because agriculture is an important component of the district economy and agricultural development programmes emphasize productivity enhancement, efficient resource utilization, farm mechanization, credit, extension and improved technology. Thus, the present study entitled “Socio-Economic Conditions of Groundnut Cultivators: A Case Study in Kurnool District of Andhra Pradesh” seeks to provide a comprehensive understanding of the economic and social realities of groundnut-growing households. The study is expected to identify the major factors influencing the livelihood conditions of cultivators, assess the profitability and constraints of groundnut cultivation, and suggest appropriate measures for improving farm income and socio-economic well-being.

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