



“ CHALLENGES AND OPPORTUNITIES OF AGRICULTURAL MARKETING IN INDIA”.

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ABSTRACT:

Agriculture is the largest source of employment in India, and food accounts for about half of consumer expenditures. A good marketing system is one, where the farmer is assured of a fair price for his produce and this can occur only when the following conditions are obtained. The number of mediators between the farmer and the consumer should be small; the rancher has legitimate putting away pleasantries with the goal that he isn't constrained to enjoy trouble deals, In this exploration paper agrarian promoting framework is a connection between the homestead and the non-ranch parts. It incorporates the relationship of agrarian crude materials supply to preparing enterprises, the assessment of interest for homestead sources of info and crude materials, and the strategy identifying with the showcasing of ranch items and data sources. The some challenges in domestic agricultural marketing in India. Variation in Market Charges, Neglect of Rural Markets, Absence of a Common Trade Language, Controls Under Essential Commodities Act, Lack of infrastructure like storage, transportation, telecommunication, quality control, packaging, price risk management, addition of spot markets with commodity exchanges. In this research paper focuses on various opportunities of agricultural marketing.

KEYWORDS: Agriculture, Marketing Efficiency, Subsidies, Challenges, Households, Multinational, Improvement.

INTRODUCTION-

India has a huge horticultural crude material base, and in the present occasions of advancement of economy, agribusiness is additionally experiencing an ocean change. The worldwide organizations are racing to India in the zones of inexpensive food and handled nourishments with the desire for using this tremendous agrarian base. This has made open doors just as difficulties in the zone of rural promoting. On one hand, there are open doors for the advertiser, then again the land property of the ranchers are getting littler and littler. They are unfit to make substantial ventures and receive rewards of scale. The costs of rural items are falling, while the expense of data sources is expanding. This circumstance has made a few more up to date game plans in the field of agrarian advertising in India. Marketing is as dangerous to better performance in agriculture as farming itself. Therefore, market reform and marketing system development have to to be an integral part of policy and strategy for agricultural development. Although a substantial progress has been achieved in technological improvements in agriculture by the use of high-yielding variety seeds and chemical fertilizers, and by the adoption of plant protection measures, the rate of growth in farming in developing countries limping behind the desired levels . Marketing is one of those facilities needed for overall economic development of nations.

***OBJECTIVES OF THE STUDY-**

The detailed objectives of the study are-

1. To study the agriculture marketing process.
2. To analyze the various challenges of agriculture marketing.
3. To study the opportunities of agriculture marketing.

*** METHODOLOGY OF THE STUDY-**

The study is based on secondary data. The secondary data was obtained from government reports, various books, journals, economic surveys and various websites. These are the important sources of the research paper.

***CONCEPT OF AGRICULTURE MARKETING-**

The term agrarian showcasing is made out of two words – farming and promoting. Horticulture, in the broadest sense, implies exercises went for the utilization of regular assets for human welfare, i.e., it incorporates all the essential exercises of generation. Be that as it may, for the most part, it is utilized to mean developing yields and domesticated animals. Marketing encompasses a series of activities. The some definitions of Agricultural Marketing are as follows-

1. **Philip Kotler** has defined marketing as a human activity directed at satisfying the needs and wants through exchange process.
2. **American Marketing Association** defined marketing as the performance of business activities that directs the flow of goods and services from producers to users.
3. **Thomsen characterized** the agrarian showcasing contains every one of the tasks, and the organizations leading them, associated with the development of homestead created nourishments, crude materials and their subordinates, for example, materials, from the ranches to the last shoppers, and the impacts of such activities on ranchers, brokers and purchasers.

Everywhere throughout the different specialists finishes up agrarian promoting framework is a connection between the homestead and the non-ranch segments. It incorporates the association of horticultural crude materials supply to preparing businesses, the appraisal of interest for ranch information sources and crude materials, and the strategy identifying with the showcasing of homestead items and data sources.

***Agricultural Marketing Process:-**

Farming promoting process includes wide assortment of capacities, for example,

- 1) Assembling
- 2) Grading and institutionalization
- 3) Processing and Storage
- 4) Transportation
- 5) Wholesaling and retailing

The procedure of agrarian promoting starts with the rancher and end up with the shopper. In the middle of these two extraordinary finishes one can discover numerous arbiters like transporters, stockroom proprietors, commission specialists, wholesalers, and retailers and so on playing out their obligations to empower the horticultural advertising procedure to achieve its fruition

(1) Assembling:-

Toward the beginning of the procedure, the amassing of merchandise is significant. Horticulture produce is gathered in little parcels and after that collected into vast ones. This capacity winds up fundamental due to little size of ranches and little amount of creation.

(2) Grading and institutionalization:-

At the point when products are gathered, evaluating and consistency must be attempted. On account of the distinction in tastes and needs of the purchasers, whatever is collected is to be arranged

in various parts as indicated by their inborn characteristics, for example, shading, size, taste and utility. The classification is affected based on certain particular attributes which are systematized into evaluations and after that become standard by which the collected parcels are judged.

(3) Processing and Storage:-

Some of the agrarian wares may, at that point, experience the handling. For instance, wheat might be transformed into flour, cotton into material and oilseeds into oil. Amid the preparing the merchandise are changed in order to expand their timeframe of realistic usability and to make them more satisfactory to the buyer than in their unique structure. The counterfeit merchandise may not, notwithstanding, be quickly discarded and may require space for capacity. The necessities of capacity brings into the presence of distribution centers and godowns.

(4) Transportation:-

For the last utilization, the products must be moved from the purpose of capacity to the point where they are in genuine interest. This may require their transportation over long separations and crosswise over numerous grounds. It might be important to store them again for some time on entry before they could be sold to the wholesalers and through them to the retailers.

(5) Wholesaling and retailing:-

The undertaking of making the merchandise accessible to the buyer for the last utilization is endowed upon the wholesalers and the retailers. They are the last connection during the time spent rural promoting and they assume crucial job in the whole procedure.

***Challenges of Agricultural Marketing:-**

Organized marketing of agricultural merchandise has been promoted in India through a network of regulated markets owned, operated, and managed by Agricultural Produce Market Committees (APMCs). Most of the State Governments and Union Territories have enacted legislation (APMC Act) to provide for regulated markets and as on today, 7557 markets have been covered under regulation. Besides, there are 21,731 Rural Periodic Markets (RPMs), about 15 percent of which function under the ambit of regulation. The major challenges in domestic agricultural marketing are as follows:

1. Variation in Market Charges: -According to the provisions made in the APMC Act of the States, every market Committee is authorized to collect market fees from the licensees (traders) in the prescribed manner on the sale of notified agricultural produce brought by the farmers or traders in the market area at such rates as specified by the State Government. The number of commodities brought under the ambit of regulation varies from state to state. The market fee varies between 0.50 percent in Gujarat to 2 percent in Punjab and Haryana. The charges payable by buyers and sellers are also different. Several state governments have introduced other taxes that create substantial confusion.

2. Neglect of Rural Markets :- There are more than 21000 rural periodic markets which have remained outside the process of development. These markets constitute the first contact points between the producer seller and the commercial circuits. Most of these markets lack the basic minimum facilities.

3. Absence of a Common Trade Language: - Different set of specifications for agricultural commodities are followed by different organizations in the country. The standards laid down in the PFA Act are the National Standards. Besides this, there are Ag-mark Standards, BIS Standards, Standards followed by

Army, Standards fixed by Warehousing Corporations and those by Food Corporation of India for procurement purposes. Traders of different commodities have got their own trade standards in

different localities in the country. Thus, the absence of common trade language is a major deterrent for evolving a spirited agricultural marketing system in the country.

4. Variation in Entry Tax and Sales Tax :-

The rates of entry tax and sales tax levied on different agricultural commodities vary from State to State which increases the cost of agricultural produce and gives distorted signals to farmers hampering production growth, and brings trade distortions. These also create hassles on the state borders causing considerable delays in interstate movement of goods.

5. Controls under Essential Commodities Act: -

Though central government removed all restrictions on storage and movement of commodities, many state governments are still enforcing several control orders promulgated under the EC Act. These control orders give rise to rent-seeking by the enforcement functionaries at the border check points creating artificial barriers on the movement and storage of agricultural commodities. There has not been sufficient publicity about the withdrawal of restrictions under ECA. With the reintroduction of stocking limits recently, the situation has again become complex.

6. Other Barriers: -

Lack of infrastructure like storage, transportation, telecommunication, quality control, packaging, price risk management, integration of spot markets with commodity exchanges, pledge financing through a chain of accredited storage and warehouse receipt system, cool chains, market led extension, and conducive framework for promotion of Contract farming is some of the other important constraints for competitive agricultural marketing system in the country.

***Opportunities in Agricultural Marketing:-**

The various opportunities of farmers in Agricultural Marketing in India are as follows-

1. India is gifted with varied agro-climate, which facilitates production of temperate, sub-tropical and tropical agricultural commodities. There is growing demand for agricultural inputs like feed and fodder, inorganic fertilizers, bio-fertilizers.
2. Biotechnology applications in agriculture have vast scope in production of seed, bio-control agents, industrial harnessing of microbes for bakery products.
3. Export can be harnessed as a source of economic growth. As a signatory of World Trade Organization, India has vast potential to improve its present position in the World trade of agricultural commodities both raw and processed form. The products line include cereals, pulses, oilseeds and oils, oil meal, spices and condiments, fruits and vegetables, flowers, medicinal plants and essential oils, agricultural advisory services, agricultural tools and implements, meat, milk and milk products, fish and fish products, ornamental fish, forest by products etc.
4. At present processing is done at primary level only and the increasing standard of living expands opportunities for secondary and tertiary processing of agricultural commodities.
5. The vast coastal line and internal water courses provides enormous opportunity for production of marine and inland fish and ornamental fish culture gaining popularity with increase in aesthetic value among the citizens of India.
6. The livestock wealth gives enormous scope for production of meat, milk and milk products, poultry products etc
7. The forest resources can be utilized for production of byproducts of forestry.
8. Beekeeping and apiculture can be taken up on large scale in India.
9. Mushroom production for domestic consumption and export can be enhanced with improvement in the state of art of their production.
10. Organic farming has highest potential in India as the pesticide and inorganic fertilizer request are less in India compared to industrial nations of the world. The farmers can be encouraged and educated to switch over for organic farming.

11. There is wide scope for production and promotion of bio-pesticides and bio-control agents for protection of crops.

12. Seeds, hybrid and genetically customized crops, have the highest potential in India in the future, since the productivity of high yielding varieties have reached a highland.

13. Micro-irrigation systems and labor saving farm equipments have good potential for the years to come due to declining groundwater level and labor scarcity for agricultural operations like weeding, transplanting and harvesting.

14. Production of vegetables and flowers under green house conditions can be taken up to harness the export market.

15. Trained human resources in agriculture and related sciences will take on agricultural extension system due to dwindling resources of state finance and downsizing the present government agricultural extension staff as consulting services.

16. The enhanced agricultural production throws open opportunities for employment in marketing, transport, cold storage and warehousing facilities, credit, insurance and logistic support services.

*CONCLUSION:-

Agriculture is the main source of livelihood for population. All those who live in rural areas directly or indirectly depend on agriculture for their livelihood. The owner farmers directly depend on agriculture. Farming advertising process includes Assembling, Grading and institutionalization, Processing and Storage, Transportation, Wholesaling and retailing. The process of agricultural marketing begins with the farmer and end up with the consumer.

Organized marketing of agricultural commodities has been promoted in India through a network of regulated markets owned, operated, and managed by Agricultural Produce Market

Committees (APMCs). The some challenges in domestic agricultural marketing in India. Variation in Market Charges, Neglect of Rural Markets, Absence of a Common Trade Language, Controls under Essential Commodities Act, Lack of infrastructure like storage, transportation, telecommunication, quality control, packaging, price risk management, integration of spot markets with commodity exchanges.

In India vary much opportunities of Agricultural Marketing. Organic farming has highest potential in India as the pesticide and inorganic fertilizer application are less in India. Micro-irrigation systems and labor saving farm equipments have good potential for the years. Production of vegetables and flowers under green house conditions can be taken up to harness the export market. Trained human resources in agriculture and allied sciences will take on agricultural extension system. At present processing is done at primary level only and the rising standard of living expands opportunities for secondary and tertiary processing of agricultural commodities. Marketing efficiency are shown to have the potential not only to increase income and employment economy wide, but to provide positive price impacts for both agricultural producers and consumers and benefits to all households particularly for rural and low-income households.

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