

Today's Agricultural Marketing Issues

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Abstract: For marketing of goods farmers face many problems such as transportation, warehouse, middle agents, etc. So that they can't get margin or benefit of their goods. This happens from so many years but still it is not improved because of the education, not aware about technology etc. As we know "Agriculture is the backbone of India", 70-80% people depend on agriculture. Government helps farmers by providing a scheme but all farmers are not getting the benefit of the scheme; many farmers are far away/unaware about the scheme. For avoiding the problem in selling of goods, here some possible solutions are given which can help farmers.

Keywords: Margin of goods, Regular market, Training to farmers, cooperative marketing, storage facility

Introduction:

"Agriculture is the backbone of India" but when we see the Indian Agriculture, there are some points to be considered to develop Agriculture and Agriculture. For that purpose many governmental institutions, marketing boards, cooperative marketing institutions, warehousing cooperatives etc., have been established primarily to help the farmers. However, various studies indicated that modernization in agricultural marketing could not keep pace with the technological adoptions in agriculture. The various marketing functions like grading,

standardization, storage, market intelligence, etc., need to be improved to meet the present day requirements of the farmers. But understanding the nature of marketing is very helpful to Indian farmers; such knowledge of marketing information helps to know why markets are not developing and what measures are required to develop the markets. Farmers face a number of problems in marketing of goods which decrease the margin to farmers and also divert farmers from production of such commodities. Indian farmers mostly face the problem like a large number of intermediaries handling a variety of agricultural commodities, the intermediaries characterized by seasonality, bulkiness, perishability, etc. the intervention of many middlemen, the producer's share in consumer's is reduced.

Another problem is Lack of Information about Production and marketing of commodities, however is essential for producers, traders, consumers as well as the Government, for running of market work efficiently. The relevant market information deals with character and volume of supply of commodities, the present and expected level of consumers' demand, current price quotations and future price trends for different farm products and their probable impacts on prices. In India most of the farmers are having small land and it is scattered. This can discourage the farmers from production of good quality products

and use of new technology for improving the agricultural practises. Farmer face problem for marketing of their produce because of small holding of land which results in small quantity of same variety of goods and it is not an easy task for collecting the same variety goods together and sale in to the market, which leads to low pricing and low margin to farmers. Some products are perishable which are not stored for 2-3 days such type of product are necessary to sold in the market immediately after the harvest but due to presence of middle man and some other factors like more supply of the goods are hammer on the price of the goods, so there is no options for farmer, he sold it in low price.

Lack of transport services is also major issue in the agriculture marketing. The absence or insufficient transport service in agricultural leads to decrease the farmer interest in the production of good quality products for export. Farmers are unable to marketing their products in urban areas, due to seasonality of transport service, high freight charges, lack of good quality roads and transport vehicles, unsuitability of the present transport facilities for transportation of some products like fruits, vegetables, eggs, and etc. Some time farmer pay excess amount for transport other than profit generated in marketing of goods. Indian farmers are not aware about the Handling, Packing, Packaging, and Processing of the goods. For efficient and orderly marketing of agricultural products, careful handling and packing are required. Present packing and handling are inadequate. For example, Tomato farmer not take care for treatment in the packing and initial handling of tomato. Green leafy vegetables are packed in carets or tray and which are place one above other which will be heated up quickly at the centre, due to that vegetable are wilt and rotted soon. Workers or passengers are

allowed to ride on top of a load of vegetables, which will result in physical damage. Careless handling of fruits and insanitary handling of the produce are other problems. Poor handling and packing expose the products to substantial physical damage and quality deterioration. If there are no processing facilities, e.g. tomatoes, it means all the harvested crops must be sold within a given time and because there are packaging problems, quite a substantial part of the produce may be lost before getting to the market. Not only do these losses cut down the supply of products reaching the consumers, but also raise the price of the remaining portion, which must bear all costs. Inadequate storage facilities are the cause of heavy losses to farmers in many parts of the world; and this result in serious wastage of foodstuffs, and increased costs to producers. There are no scientific storage facilities for perishable products (fruits, milk, meat, vegetables, fish, etc.). This storage loses of food grains occur at all stages between the farm level and the final level of consumption. Such losses occur from physical damages due to pest infestations, rodents and quality deterioration, discoloration and unpleasant odour which would make the product unfit for human consumption. Most markets lack storage and warehousing facilities and the amount of wastage that occurs due to the lack of these facilities often account for increasing cost of marketing and, hence, retail prices.

Possible solution for Improve Agricultural Marketing

Improving the marketing system of agricultural products would help the farmer to better his economy. The following are suggested measures that could reflect an improved agricultural marketing system:

1. Establishment of Regulated Markets

A regulated market is one, which aims at the elimination of the unhealthy and unscrupulous practices, reducing marketing charges and providing facilities to producers. An example recently Maharashtra government has started Shetkari to Grahak yojana, which help in direct contact of farmer to consumer and margin to producer is more than that of indirect marketing.

The regulated market however has the following benefits:

- a) Farmers are encouraged to bring their produce directly to the markets
- b) Farmers are protected from the exploitation of market functionaries
- c) Farmers have access to up-to-date market information
- d) Marketing costs are lowered and producers share will be increased.

2. Standard specifications and grading should be designed to be useful to as many producers, traders and consumers as possible i.e., standards should reflect market needs and wants. One grade should have the same implications to producers, traders and consumers in the quality of the product.

3. Improvement in Handling and Packing by adoption of new techniques for the physical handling of commodities throughout the various phases of marketing, for e.g. the use of cold storage (mechanical refrigeration) in handling of perishables, new methods of packing etc. The most appropriate handling

and suitable containers among the available ones are meant to use against dust, heat, rain, flies etc., to prevent considerable physical losses and quality deterioration.

4. Provision of Storage Facilities for reduction of physical damage and quality deterioration in the products nature and characteristics and the climatic conditions of an area. To this effect, a licence warehouse is required. A licence warehouse has the following benefits:

- a) Reduces the wastage in storage of various commodities by providing scientific storage facilities
- b) Assists the government in orderly marketing of agricultural commodities by introducing standard grade and specifications
- c) Issues warehouse receipts, a negotiable instrument in which commercial banks advance finance to the producers and dealers
- d) Assists government in the scheme of price support operations.

5. Link-up and associated road development is the success of market structure. The availability of efficient transportation encourages the farmers to the markets of their option to derive the price benefits. Rural roads particularly are in bad state during all seasons and more so during rainy season. Investment on roads should be given top priority. Also another problem is that perishables cannot be transported in closed wagons hence there is a need to provide necessary ventilation in

whichever means they are to be transported.

6. Provision of Agricultural Marketing Training to Farmers

Provision of training is of utmost importance in view of the malpractices resorted to by various market functionaries. The farmer needs to be trained in product planning i.e. crops and varieties to be grown, preparation of produce of produce for marketing, malpractices and rules and regulations, market information, promotion of group marketing, etc.

7. **Cooperative marketing** is the organized sale of farm products on a non-profit basis in the interests of the individual producer. Cooperative marketing are organized by farmers themselves and the profits are distributed among the farmer-members based on the quantity of the produce marketed by them. The agricultural marketing system should basically ensure that the producer is encouraged to increase production, besides assuring the farmer remunerative prices for his produce and supplying the commodities to the customers at reasonable prices. In view of this, cooperative marketing societies should be established for meeting the requirements of the farmer. The benefits of cooperative marketing include:

- a. Make arrangement for the sale of produce of the members
- b. Provides credit facilities to the members on the security of agricultural produce
- c. Provide grading facilities, which would result in better price

- d. Make arrangement for scientific storage of the member's produce
- e. Arrange the supply off inputs required by the farmers
- f. Undertake the system of pooling the produce of the members to enhance the bargaining power through unity of action
- g. Arrange for the export of the produce to enable the farmers get better returns
- h. Act as an agent of the government in procurement of food-grains, etc.

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