

## MARKETING REVIEW OF INDIA AGRICULTURE

M.KUMARAN\*

**Abstract:** India is the country of farmers. More than 70% population is still living in the countryside of the Nation. To become a developed country, India needs raw material from agricultural based and industries should also have agricultural base to increase maximum agro-based industries. In Indian economy, Agriculture plays the most important role. At global level, India ranks as a second largest farming country in the production of several dry fruits, agriculture-based textile raw materials, roots and tuber crops, pulses, farmed fish, eggs, coconut, sugarcane and numerous vegetables. Now-a-days, the export of these agricultural product are also increasing in this global market. Therefore, the marketing review is the need of study, with the same aim, current research focuses on the importance of Agriculture and its product in the global market.

**Key Words:** Farmer, agriculture, market, nation, GDP, product, etc.

**Introduction:** If we go through the History of India and agriculture sectors, Indian History has evidence in respect to the development of agriculture. There is earliest written record of these all developments of farming in India. In the Hindu valleys rice and cottons are produced- this record is found in the agricultural history of India. There are different systems in India to sale the product of agriculture. Marketing is very important to sell the product. It requires proper skill.

In Indian Agricultural marketing system the farmers can dispose their surplus produce at a fair and reasonable price. It is an efficient method to Improve in the economic situation of farmers as well as their agriculture dependency which we found as to a large extent impact on farmers' life. Therefore it is very important elaborate the arrangements of agricultural marketing in a proper way.

The procurement process, grading system for product, storing the goods, transporting and selling of the agricultural product etc. are the elements which are the part of agricultural marketing. Before learning the various kinds of agriculture market it is important to know what the meaning of Agriculture marketing is.

### **Definition of Agriculture Marketing**

The Term Agriculture Marketing is the combination of two words i.e. Agriculture and marketing.

In which the meaning of Agricultural stand as the natural source which is the part of human activity and used for the survival and welfare of human being. The activities involved in this process are the production of foods, seeds, crops etc. as a part of life stock.

---

\* ASSISTANT PROFESSOR CUM LIAISON OFFICER DDE ANNAMALAI UNIVERSITY

Another term is marketing. It meaning selling and purchasing the goods in the market is called as marketing. This means selling and purchasing the goods produced in the farming is called as agricultural marketing.

There are numerous systems of selling product in the market and the products out of which major four are given below:



### Methods of Agricultural Market in India

As shown in the above figure, there are four main and common methods of Selling Agriculture product in Indian Market. In Brief they are described as:

#### a. Sale at Village Place

This is the first method which was started since ancient era. Only the exchange method is changed. In ancient era, it was sold things to things, no money matter of there. In modern era, money is invented and exchange of goods and product is started on the basis of money. Sale at village place in modern era is as-to sell the product or goods to the moneylender or to the traders. The major drawback of this method is that is the sell on the low cost. Money lender or traders are called as mediators to purchase it on very low cost and sell it in the urban, semi urban market with good profit. This may be we called as the major responsible factor which is effecting to farmers' economy. There are few reasons behind it, as- they don't have the facilities of transportation of product, they have fear of urban and semi-urban market and they might fill better to sell from same place where there is no need of marketing skill and going direct to market, though it has low cost.

There is more than 50% Indian agriculture market depend of these kind of selling product.

#### b. Weekly Market Selling Method

This is second method of selling product of agriculture in Indian market. In Indian villages, there are some defined days of market day. It is just like a small weekly fair of market day to nearby villages, small towns and so on. Farmer takes their agricultural product to this markets

as a moving shop of their product and sell product there. It is somewhat called as surplus marketing system.

#### **c. Sale in Vegetable Market**

This is the form of selling product in the market. In semi-urban and urban market. There is one defined place of market which called as 'Sabji-mundi.' There are more than 2000 subji mundies in different places of Indian town and cities. Some places are having one subji-mundia while some are more than it. The money lenders collect the goods and product from village sale with low cost and sell it to these vegetable market with high cost. These money lender called as Dalals in India. Or some-times, the farmer directly sell their goods to wholesaler on Bit Methods and they sell it to these vegetable markets.

#### **d. Mall Marketing Method**

This is the modern concept of selling product in the market. It can be called as the global concept of marketing. The goods and agriculture product are provided to the multi-marketing shops which are called as malls. This is the concept in which maximum products are sold under one roof. Customers don't need to move from one place to another place for their product as they get everything including groceries. Here, customers have no chance of bargaining while in other marketing method which is mentioned above, customers try to reduce the cost of product and goods.

#### **Rural Market-need of Indian Economy**

Rural market is growing rapidly and during last few decades. Now we found it is bigger than urban marketing. Because most of the small scale industries in India are based on agriculture background. Industrial development has given gift of Middle group of society and social structure. Before the industrialization there were only two types of people living in society i.e. upper and lower class. Now, the middle class group is there. Hence we can say that with these three major types of the human being, the agricultural markets are divided. The purchasing of foods, seeds, vegetables are depend the life style of human being. Life stlye is depend on the way of earning source. Accordingly following are the features of agriculture marketing:

#### **a. Freedom to Moneylenders**

The group of money lenders is one of the important element of agriculture market. It makes easy to farmers to sell their product from their home place or sometimes direct from farm. For example they pick the cotton from the farmer directly and sell to the cotton mills, they purchase the trees of fruits with the seasonal contact and sell it to the fruit vendors. The saving of efforts and time is there to the farmers but profit or cost of the product is less.

#### **b. Suitable Storage Facility**

As agriculture sectors are the part of production of food, seeds which needs to avail and improve the storage capacity of the agriculture product. It requires well facilitated warehouses, storage rooms to keep safe the quality of product from harming and infection.

#### **c. Cost of the Product**

The feature of agriculture impact negatively to the farmers, though they are main source of its creations. The chance of bargaining is more in the agriculture production. Therefore as compare to other sectors, agricultural products have low cost or low price in the market. Even

farmers get agree in the bargaining process due to the fear of its damaging quality in a natural way.

**d. Lack of Regulated Market on the country side**

The agriculture products are the part of farming production but matter of selling in both sectors i.e. rural and urban due to lack of regulating market, it is always sold at low cost in rural part of India while on the other side it is sold with high cost in urban area by super shopper, Malls and vendors.

**e. Inadequate Facility of Transportation**

Transportation is the major part of selling agriculture product in the market. Still in the 21<sup>st</sup> century, there are several part in India which are far ways from the transport, electricity water in tab etc. modern facilities of routine life. Due to it, these part agriculture product are not the part of marketing. Few parts have rough roads but no vehicle or transportation is moving from these part. So called 'Dalal' takes benefit of it and purchase the agriculture product from such part of village in a very low cost and gain high profit after selling it to urban and developed sectors of the Nation.

**f. Knowledge of Marketing Principles**

Farmers are the main part of agriculture marketing who are far away from business policies. They are plain minded and emotional people. Moreover, their emotions are attached with the food, they produce from the market and therefore, they give less importance to profit motif. They give importance of their attachment with emotions towards the product which they have to sell in the market. Therefore marketing policies, marketing intelligent never matters to them.

**g. Agriculture and National Income**

Most of the Indian population is living in the rural part of the Nation. They are having farming as a major source of Income. It is depend on the Nature. There are few small-scale industries which are depend on agro-base raw material. Therefore, the role of agriculture in national income has important role. But unfortunately, now a days, nature is not supporting to farming as expected way and it causes reduction in production of agriculture as an outcome.

**h. Market Committees**

Now-a-days, in Semi-urban and urban Sectors, market committee are there. If we survey, we found each district of Tamil Nadu has minimum 21 market committee. These market committees work for agriculture production market. The crop is sold here to the shopkeeper who are having their shop in these market committees. At one place, they can have several shops to sell their product. Even, there are shop who sell the seeds for framing the crops.

**i. Online Marketing**

As Chennai is the hub of IT sectors, automobiles, industries of all kinds, it has vast and advance development in technology also. They provides online banking facilities to the farmers as banking, availability of information from government for the farmers and so on. <https://farmer.gov.in> , <https://www.indiaagroneet.com/agriculture-websites.html> , Agmark etc. websites are available for the farmers to get information about marketing and other government schemes for the farmers.

**j. Establishment of Fruit Market**

Now-a-days, there is good development in agro-market, special for fruit markets. Mango market, banana markets are available in metro cities. Even at the global level, India is the second largest fruit producer country. There are special markets which are functioning for the export of fruit, grains and other agro-based product in several market including foreign and global market. The example of Mango market is an Agri Export Zone Mango Market which only for mango. It has been established in Theni and other five different districts; particularly Madurai, Virudhunagar, Tirunelveli, Dindigul and Kaniyakumari with non-public sector participation at a project price of Rs.24.60 crores. Memoranda of Understanding has been signed with APEDA. The non-public promoter M/s. Maagrita Exports restricted for the established infrastructure facilities of this as -state of the art Pack House, assortment centre, process units, grading halls, hot-water treatment plant, pulping centre, dehydration unit, canning unit, etc. in Nilakkottai Food Park.

**k. Motivation to Sugar Factories**

Taking into consideration of agriculture development, there is more motivation to the sugar factories. Sugar factories are totally based on the sugar-cane- the product of agricultural. There are more than 50 sugar industries which has notable work in the export of sugar.

**l. Transportation of Rice**

Rice is the main production in the agriculture sector of Tamil Nadu. It has developed a good market for rice export in Tamil Nadu. There are several rice wholesaler, retailers who run their firm successfully. These are based on agriculture product. Apart from it, other productions of farming such as cotton, grain, fruits, chilly, lemon etc. captured good marketing status.

**m. Loan Facilities to Farmers**

This is again one of the major part of increasing the agro-business in India. Government of India is providing the facilities of Loan to farmers with minimum rate of interest. Moreover, sometime, without rate of Interest. Apart from it, if fluid, draughts are there in the state, state government provides the release of loan to the farmers without paying if proper evidences are provided.

**n. Terminal Market**

There are terminal markets in several sectors of India as well as in Tamil Nadu. As per the central Government's norms, three Terminal Markets with all price addition facilities would be established close to underground areas of city, Madurai and Coimbatore for process, storage and promoting of food product like fruits and vegetables at a complete price of Rs.200 crores. Consultants are elite to implement the project.

**o. Agricultural Production and Promotion**

This is the prior need to develop Indian Agriculture market. We should not forget that in current technical age. There is the need of advance knowledge, advance technology should be used for the welfare of society. But it also needs to motivate for the agricultural production and promotion for these production to increase the Agriculture market in India.

**p. Information Centre**

Agriculture and Information centres are also established in various part of India to increase the agro-marketing policies. These are established with taking into consideration that farmers should get the information of various vendor who can provide the good cost to their product. In 14 Regulated Markets like Dindugal, Alangudi, Madurai, Thirumangalam, Theni, Sivagangai, Ramanathapuram, Aruppukottai, Virudhunagar, Rajapalayam, Tirunelveli, Tuticorin, Vadaseri and Monday Market at a cost of Rs.45.00 lakhs, these centres are established.

**q. Indian Food Industry in Global Market**

This is unique identity of India at global level. India is getting the huge level ratio in the development of food industries worldwide. Food industry is nothing but a part of Agro-based industries. One survey has declared result as India has 13% export of Agriculture and manufacturing production connected with agriculture at worldwide. This indicate the status of Indian Agriculture world-wide.

**Conclusion**

Thus, India is the major country at globe which runs its successful market in Agriculture base. The food industries, the sugar factories, the fruit market, small scale industries supported by agriculture product such as milk product industry, pickles industry, etc. are having the notable role in the GDP of India. The private sectors, government sectors, different schemes by central and state governments are providing good facilities to the farmers to develop the agriculture market in India. India can be a developed country, if the agriculture market is increased rapidly. India needs to increase the export of food production at global level as it is one of the major source of livelihood to all mankind. To live on the earth food is required and that can be produced in the farming. It needs the training to the farmers for the use of new technical tools and methods which will help them to increase the production capacity of land. Even, it needs motivation and training in education which will turn the pupil to go for farming apart from searching a job. Therefore, to develop the agricultural market, India needs more work on farming and the production capacity of Indian Soil, land.

---

**References**

1. Aparajita Goyal [2], Information, Direct Access to Farmers, and Rural Market Performance in Central India, July 2010
2. Andrew W. Shepherd [3], Market information services – Theory and Practice. FAO, Rome, 1997
3. Andrew W. Shepherd [4], Understanding and Using Market Information. FAO, Rome, 2000
4. Andrew W. Shepherd [6][permanent dead link] Approaches to linking producers to markets. FAO, Rome, 2007
5. CTA and EAGC. "Structured grain trading systems in Africa" (PDF). CTA. Retrieved 27 February 2014.
6. Reardon, T., C.P. Timmer, C.B. Barrett, J. Berdegue. "The Rise of Supermarkets in Africa, Asia, and Latin America," American Journal of Agricultural Economics, 85 (5), December 2003: 1140-1146.
7. Reardon T.; Timmer P.; Berdegue J. "The Rapid Rise of Supermarkets in Developing Countries: Induced Organizational, Institutional, and Technological Change in Agrifood Systems"
8. <https://www.justdial.com/Chennai/Sugar-Exporters/nct-10461358>
9. <https://www.justdial.com/Chennai/Rice-Exporters/nct-10410532>
10. [http://agritech.tnau.ac.in/agricultural\\_marketing/agrimark\\_India.html](http://agritech.tnau.ac.in/agricultural_marketing/agrimark_India.html)
11. <https://www.ibef.org/industry/agriculture-india.aspx>
12. [http://planningcommission.nic.in/aboutus/committee/wrkgrp12/agri/weg\\_rep\\_market.pdf](http://planningcommission.nic.in/aboutus/committee/wrkgrp12/agri/weg_rep_market.pdf)