

Steps Taken for Improvement of Agricultural Marketing in India:

The Government has taken following important steps for the improvement of agricultural marketing in India:

(i) Warehouses:

For constructing the network of warehouses in the town and mandis, the All India Warehousing Corporation has already been set up. In 1988-89, the Central Warehousing Corporation (CMC) owned and managed nearly 465 warehouses with its total storage capacity of 6.4 million tonnes.

Moreover, State Warehousing Corporations (SWCs) also owned and managed about 1300 warehouses in 1988-89 with its total storage capacity of about 8.5 million tonnes. Besides, the Co-operative Societies have also been provided with necessary financial and technical help to promote warehousing facilities in the rural areas of the country.

(ii) Development of Marketing Societies and Regulated Markets:

Moreover, the Co-operative Credit Societies are also re-vitalised for providing more credit to the farmers. Again about 2633 general purpose primary co-operative marketing and processing societies have also been formed for assuring reasonable prices to the farmers and also to remove all existing intermediaries from the market.

As on March 2009, about 7,139 regulated markets have also been set up to safeguard the interest of farmers.

Price of important food grains are also stabilized by the Government as per the recommendations of the Agricultural Costs and Prices. Lastly, the marketing of agricultural produce has also been improved significantly by the Government with the growing involvement of the organisations like Food Corporation of India, Cotton Corporation of India, Jute Corporation of India etc.

(iii) Infrastructure Facilities:

The central Government is also providing assistance for the creation of infrastructural facilities in the markets and also for setting up godowns in rural areas.

These schemes have been transferred to different States and Union Territories with effect from April 1992 In order to facilitate grading; standards have been laid down for 143 agricultural and allied commodities under the Agricultural Produce (Grading and Marketing) Act, 1937.

In order to set up cold storage under co-operative sector, the National Co-operative Development Corporation has advanced a sum of Rs 75 crore for installing 248 cold storages having an installed capacity of 7.39 lakh tonnes till the end of March, 1996. Moreover, agricultural marketing is also suitably attended by a network of co-operatives at primary level, state level and national level.

This network comprises both general marketing societies and commodity marketing societies. Accordingly, the marketing of agricultural produce through co-operatives has increased from Rs 1,950 crore in 1980-81 to Rs 11,500 crore in 1995-96.

Again the co-operatives are also playing a significant role in the procurement operation of both essential consumer commodities like rice and wheat and commercial crops like cotton and jute.

(iv) NAFED:

NAFED (National Agricultural Co-operative Marketing Federation of India) is a central nodal agency for undertaking price support operations for pulses and oilseeds and market intervention operation for horticultural items like Kinnow/Malwa, onion, potato, grapes, black pepper, red chillies etc.

(v) Commodity Boards:

Moreover, specialised Commodity Boards continue to operate for rubber, coffee, tea, tobacco, spices, coconut, oilseed and vegetable oils, horticulture etc. The National Dairy Development Board is also engaged in the marketing of agricultural commodities.

Separate Directorates have been functioning for the development of agro-raw materials like sugarcane, jute, tobacco, oilseeds, rice, millets, cotton, pulses, cashew-nuts, cocoa, areca-nut, spices etc.

Moreover, there are various organisations active in the field of agricultural commodity exports such as the State Trading Corporation, the Cashew-nuts Export Promotion Council, the Shellac Export Promotion Council and the Agricultural and Processed Food Development Authority, which also accomplish the task of promoting/boosting agriculture exports.

The role of Co-operatives in the marketing of agricultural produce has also been expanding progressively.

(vi) Standardisation and Grading:

Finally, promotion of standardisation and grading of agricultural products is the main function under institutionalised agricultural marketing. In order to improve the marketability of products within and outside the country, an effective quality control mechanism is essential.

Accordingly, the Agricultural Produce (Grading and Marking) Act, 1937 was the first legislation enacted by the Central Government to formulate standards and carry out grading and marking of agricultural and allied commodities.

The articles included in the schedule are fruits and vegetables, dairy and poultry products, food grains and allied products, pulses, oilseeds, oils and cakes, essential oils, fibres, spices and condiments, forest produce, edible nuts, tobacco, tea, coffee, honey, wheat, atta, besan, suji and maida, raw meat etc.

The Act also empowers the Central Government to include additional commodities/products in the schedule for enforcement of grade standards and implementing grading and quality control. This kind of grading and quality control will help farmers to fetch a good price for quality products produced by them.