# A STUDY ON MARKETING OPPORTUNITIES AND DEVELOPMENT ANALYSIS OF INDIAN AGRICULTURAL SECTOR

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## **ABSTRACT**

Agriculture in India has directly or indirectly continued to be the source of livelihood to majority of the population. Indian agriculture has seen a lot of changes in its structure. India, predominantly an agricultural economy, has healthy signs of transformation in agriculture and allied activities. India has seen agriculture as a precious tool of economic development as other sectors of production depend on it. Efficient backward and forward integration with agriculture has led to globally competitive production system in terms of cost and quality. It contain the need, scope, objectives of studies and also using the tools of Chisquare test for analyzing the data. Based on the findings, appropriate suggestions have been made for increasing the number of users.

(Keywords: Agricultural, Procurement, Economic development, consumers, Food Processing)

# **INTRODUCTION**

Agricultural marketing system is defined in varied ways as below: "Marketing includes all the business activities during the flow of goods and services from the initial point of agricultural production, till the reach in the hands of ultimate consumers<sup>3</sup>.

Introduction Agricultural marketing can be defined as the commercial functions involved in transferring agricultural products consisting of farm, horticultural and other allied products from producer to consumer. Agricultural marketing includes all activities involved in moving agricultural produce from producer to consumers through time (storage), space (transport), form (processing) and transferring ownership at various levels of marketing channels. Agriculture is the backbone of Indian economy. Producers expect better returns as they work hard day and night in their fields but doesn't get<sup>4</sup>. Agricultural marketing should be planned and well prepared. In developing countries like India, agricultural markets comprise of poor infrastructure, poor transport and communication, limited rule of law, limited access to finance etc. This result leads to market failure. The emphasis on market failure gave a way to the market orientated liberalization to get "prices and institutes right". With this, there is emergence of state run marketing boards, producer marketing chains ranging from credit unions through farmer cooperatives to

wholesale cooperatives. The producer should have accessed to competitive market prices which can only happen when the state inputs all its efforts in strengthening the competitive marketing system. In the mean time the marketing institutions need to maximize efficiency and transparency in transactions with the producers and also of retail/consumers price accruing to the farmers<sup>6</sup>. The agricultural sector should now attempt to achieve greater market orientation nationally as well as internationally compared to its current focus on production orientation.

# IMPORTANCE OF AGRICULTURAL MARKETING

The study of agricultural marketing includes all the operations, and the agencies, involved in the movement of farm-produced foods, raw materials and their derivatives, from the farms to the final consumers and their effects<sup>2</sup>. Normally, we can say that the agricultural marketing is the study of all the activities, agencies and policies involved in the production by the farmers and the movement of agricultural products from the farms to the consumers. The agricultural marketing system is a link between the farm and the non-farm sectors. A growing, agricultural field requires various things from the non-farm area, such as fertilizers, pesticides, farm equipments, machinery, diesel, electricity and repair services etc. The expansion in the size of farm output again requires transportation, storage, milling or processing, packaging and retailing to the consumers<sup>7</sup>.

# FACILITIES NEEDED FOR AGRICULTURAL MARKETING

In order to have the best advantage in marketing of farmer's agricultural produce, he should get certain basic facilities<sup>4</sup>.

- 1. He should have proper facilities for storing his goods
- 2. He should have holding capacity, in the sense, that he should be able to wait for times when he could get better prices for his produce and not dispose of his stocks immediately after the harvest when the prices are very low.
- 3. He should have adequate and cheap transport facilities, which could enable him to take his surplus, produce to these market rather than disposing it in the village itself, to the village moneylender-cummerchant at low prices<sup>1</sup>.
- 4. He should have clear information regarding the market conditions as well as about the ruling prices, otherwise he may be cheated. There should be organized and regulated markets where the farmer will not be cheated by the dalals and others.

# METHODS OF SALE AND MARKETING<sup>8</sup>

The marketing of agricultural produce is generally transacted with one of the following ways.

Under Cover or the Hatta System

Open Auction System

Dara System

Moghum Sale

Private Agreement

Government Purchase

Marketing Agencies

## **RECENT TRENDS**

Recent trends with the emergence of new inputs and new technologies in the market. Agriculture has changed from deficit oriented to surplus oriented sector. New methods of marketing like Contract farming are visible, providing farmers with better returns. Contract farming is more practiced now a days<sup>7</sup>. Indian Public Distribution System (PDS) though old, but has a wider coverage than any other system prevailing in the country. Agricultural and Processed Food Products Export Development Authority an autonomous organization to the Ministry of Commerce, Government of India. It functions as a link between Indian producers and the global markets and also provides financial assistance under various schemes to promote and develop agricultural exports. It has extensive data base of Indian Exporters of Agri produce from all major cities and large towns<sup>9</sup>.

# CHANNELS OF MARKETING<sup>6</sup>:

There are three types of channels are found –

- (i) Government Producer → Govt. Department → Consumer
- (ii)Co-operative channel Producer →Co-operatives →Consumer
- (iii) Private channel Producer → Wholesale → Commission Agent → Retailer → Consume

# **OBJECTIVES OF THE STUDY**

- 1.To enable the primary producers to get the best possible returns.
- 2. To provide facilities for lifting all produce of the farmers to sell at an incentive price.

- 3. To reduce the price difference between the primary producer and ultimate consumer; and
- 4. To make available all products of farm origin to consumers at reasonable price without impairing on the quality of the produce.

Research Design: Descriptive Research Design

Sampling Methods: Since the population is large in number, the researcher undertook a sample survey.

Convenient sampling method has been adopted to collect data from the respondents.

Sample Size: 310

Method of Data collection: Surveys questionnaire method and Personal Discussion.

# SCOPE OF THE STUDY

- 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.
- The forest resources can be utilized for production of byproducts of forestry. .
- > Beekeeping and apiary can be taken up on large scale in India.

## LIMITATIONS OF THE STUDY

- The agricultural marketing is based on Indian marketer part is very large, so this is Indian agriculture people.
- The village to city people all is need foods for his daily needs, there are based on the agricultural.
- This is maximum related for south Indian people agriculturalist.

## REVIEW OF LITERATURE

**Sivanappan** (2000) in his study stated that with modernization of existing post-harvest processing, establishment of suitable infrastructural facilities, huge amount of countries exchequer can be saved and further helps in feeding the teeming population in the country.

**Tripathi and Prasad (2009)** in their paper reported that Indian agriculture has progressed not only in out-put and yield terms but the structural changes have also contribute

Johnston and Mellor (2015) in their paper stated that commercial demand for agricultural produce increases due to income and population growth, urbanization, and trade liberalization. Marketed supply simultaneously rises due to productivity improvements in production, postharvest processing, and distribution systems.

**Ramkishen** (2004) in his research paper argued that because of the lack of food processing and storage, the grower is deprived of a good price for his produce during the peak marketing season while the consumer needlessly pay a higher price during lean season.

## FRAMEWORK OF ANALYSIS AND ANALYTICAL TOOLS

# **Chi-Square Test**

## PRODUCTION VERSUS MONTHLY INCOME

0	E	(O-E)	(O-E)2	(O-E)2/E
20	20	0	0	0
10	11	-1	1	0.090
25	17	8	64	3.764
30	24	6	36	1.5
5	12	-7	49	4.083
10	16	-6	36	2.25
20	28	-8	64	2.285
15	15.40	-0.40	0.1600	0.010
10	23.80	-13.80	190.400	8.001
40	33.60	6.40	40.9600	1.219
25	16.80	8.20	67.2400	4.002
30	22.40	7.60	57.7600	2.578
30	24	6	36	1.5
15	13.20	1.80	3.2400	0.245
25	20.40	4.60	21.1600	1.037
310	310			32.564

# **CHI SQUARE**

Df: (r-1)(c-1)

(6-1)(5-1)

20.

Table value: 31.410

Calculated Value: 32.564

## **Result:**

Since the calculated value of Chi Square is greater than the table value of  $X^2$ ,  $H_0$  is rejected. So the Respondent production level is influenced by the annual incomein the form of agricultural.

Hence there is evidence of association between production and by the annual income in the form of agricultural.

#### EDUCAION LEVEL VERSUS AWARENESS OF AGRICULTURE

0	E	(O-E)	(O-E)2	(O-E)2/E
28	28.32	-0.32	0.1024	0.003
17	25.44	-8.44	71.2336	2.800
35	18.72	16.28	265.0384	14.158
30	34.56	-4.56	20.7936	0.601
10	12.96	-2.96	8.7616	0.676
52	40.12	11.88	141.1344	3.517
47	36.04	10.96	120.1216	3.333
10	26.52	-16.52	272.9104	10.290
45	48.96	-3.96	15.6816	0.320
16	18.36	-2.36	5.5696	0.303
10	14.04	-4.04	16.3216	1.162
10	18.88	-8.88	78.8544	4.176
310	310			41.339

# **CHI SQUARE**

Df: (r-1)(c-1)

(5-1)(4-1)

12.

Table value: 21.026

Calculated Value: 41.339

## **Result:**

Since the calculated value of Chi Square is greater than the table value of  $X^2$ ,  $H_0$  is rejected. So the respondents education level is influenced by the awareness of the agriculture

Hence there is evidence of association between educational qualification of the respondent and awareness of the agriculture.

# **FINDINGS**

- Most of the respondents are likely to do the work with in specific task of agricultural.
- Numbers respondents are having a ideas to explain about the agriculture is essential in the society.
- Huge number of respondents are faced a number problems with a brave manner and also taking the immediate actions.

# RECOMMENDATIONS

Below are the certain measures that can be implemented to bring out the reforms in agricultural marketing so as to ensure just and fair deal for farming community. Establish physical communication.

Develop Agricultural infrastructure establishment of Regulated markets. Storage and warehouse facilities must be established up to the most remote areas. Education of Agriculture to masses, information Technology must reach all over the country. There must be proper road connectivity and good all weather roads.

#### **FUTURE OF THE STUDY**

The future is fully based on the agriculture and their supported activities, the total number of people are food for every day purpose. So, we will give priority for the agricultural and their related activities for food processing technology. These type of sector are very needed one in the present society. Society not only contain the people these also contain animal also need the agricultural product for their growth and the development of nation. We are very narrow idea about the agriculture, need to change our mind thought for promoting the agricultural sector.

## **CONCLUSION**

There is an eminent need for the Agri-marketing initiatives to be large and organized. The present market must cover two aspects of marketing network and actual regulation of the conduct of market. The need to strength the regulated market system arises from changing nature of linkages between agriculture and markets. It has been observed that better and easy market access and efficient information flow can bring much desired market orientation of the production system. There is also increasing pressure an agriculture produce economy to respond to the challenges and opportunities that the global markets pose in the era of globalization and liberalization.

**Ethical Clearance - Completed** 

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**Conflict of Interest - Nil** 

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