Agricultural Marketing is a process which starts with a decision to produce a saleable farm product and involves all aspects of market structure or system, both functional and institutional, based on technical and economic consideration. Forms of government intervention in agricultural marketing system consists of framing rules and regulation, promote infrastructure development, administration of prices and influence supply and demand.

The remedial measures for the problems of marketing are classified into the following types:

1. Reduction and regulation of market charges.
2. Organization of cooperative marketing, and

Though agricultural marketing is a State subject, the Government of India has an important role to play in laying down general policy framework, framing of quality standards, conducting survey and research studies and in providing guidance, technical and financial support to the State Governments. The Central Government is aided and advised by two organisations under its control, namely, the Directorate of Marketing and Inspection (DMI) and the National Institute of Agricultural Marketing (NIAM), Jaipur.

**Directorate of Marketing and Inspection:**

It is an attached office of the Ministry and is headed by the Agricultural Marketing Adviser to the Government of India.

The organisation setup of the DMI is as under:- Head Office : Faridabad Branch Head Office : Nagpur Regional Office : Chennai, Delhi, Guntur, and Mumbai.

Central Agmark Laboratory is located at Nagpur. Besides, there are 57 sub-offices and 22 Regional Agmark Laboratories spread all over the country.
Rendering Advice on Statutory Regulation, Development and management of agricultural produce markets to the States/Union Territories; Promotion of grading and standardization of agricultural and allied products under the Agricultural Produce (Grading & Marketing) Act. 1937; Market Research, survey and Planning; Training of personnel in agricultural marketing; and Administration of Cold Storage Order, 1980 (except regulatory functions) and Meat Food Products Order, 1973.

National Institute of Agricultural Marketing has started functioning at Jaipur (Rajasthan) with effect from 8th August, 1988.

1. To augment the agricultural marketing infrastructure of the country through programmes of teaching, research and consultancy services;
2. To design and conduct training courses appropriate to the specific identified needs of the personnel and enterprises and institutions that they serve;
3. To undertake research to demonstrate and replicate better management techniques in the field of agricultural marketing;
4. To provide consultancy services for formulating investment projects and for problem solving advice;
5. To offer educational programmes in agricultural marketing for Supplementing the existing facilities.

Market Research, Survey and Planning:

The DMI is presently conducting 20 market surveys for various commodities. The NIAM has also taken up the formulation of State Master Plans for the Development of agricultural produce markets for Goa, Himachal Pradesh, Andhra Pradesh, Jammu and Kashmir and Sikkim.

Grading and Standardization:

The Agricultural Produce (Grading & Marking) Act, 1937 empowers the Central Government to fix quality standards, known as „AGMARK „ standards and to prescribe terms and conditions for using the seal of „AGMARK „. So far, grade standards have been notified for 159 agricultural and allied commodities. During the year 1997-98, new grade standards have been formulated for five commodities viz. Caraway seeds, Vermicelli, Macaroni and Spaghetti, Cloves, Mace and Large Cardamom. As a result of special efforts initiated to increase grading under„AGMARK „, 271 new packers have been enrolled during 1998-99 up to September, 1998.

Transfer of the Subject of Agricultural Marketing:
The Subject of Agricultural Marketing has been transferred to the Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India with effect from 19th December, 1998. It reviewed the present status of marketing infrastructure at village haats, assembly centres and terminal markets and projected the infrastructure requirements based on the increases expected in marketed surplus of agricultural commodities. The recommendations include those relating to marketing system improvement, strengthening of marketing infrastructure, investment needs, possible sources of funds including that from the private sector, improvement in marketing information system using ICT, human resource development in agricultural marketing, and measures needed for promotion of exports. The Group has also suggested for reorientation of the policy paradigm for boosting agricultural marketing and trade.

**Regulated market**

Under the traditional system of marketing of the agricultural products, producer-sellers incurred a high marketing cost, and suffered from unauthorized deductions of marketing charges and the prevalence of various malpractices. To improve marketing conditions and with a view to creating fair competitive conditions, the increase in the bargaining power of producer-sellers was considered to be the most important prerequisite of orderly marketing. Most of the defects and malpractices under, the then existing marketing system of agricultural products have been more or less removed by the exercise of public control over markets, i.e., by the establishment of regulated markets in country.

**DEFINITION**

A regulated market is one which aims at the elimination of the unhealthy and unscrupulous practices, reducing marketing charges and providing facilities to producer-sellers in the market. Any legislative measure designed to regulate the marketing of agricultural produce in order to establish, improve and enforce standard marketing practices and charges may be termed as one which aims at the establishment of regulated markets. Regulated markets have been established by State Governments and rules and regulations have been framed for the conduct of their business. The basic philosophy of the establishment regulated markets is the elimination of malpractices in the system and assignment of dominating power to the farmers or their representatives in the function of the markets.
Objectives

The specific objectives of regulated markets are:

1. to prevent the exploitation of farmers by overcoming the handicaps in the marketing of their products;
2. to make the marketing system most effective and efficient so that farmers may get better prices for their produce, and the goods are made available to consumers at reasonable prices;
3. to provide incentive prices to farmers for inducing them to increase the production both in quantitative and qualitative terms; and
4. To promote an orderly marketing of agricultural produce by improving the infrastructural facilities.

Important features of regulated markets

Under the provisions of the agricultural produce market act, the state government gives its intention to bring a particular area under regulation by notifying market areas, market yard, main assembling market and sub market yard, if any, under the principle regulated market. The meaning of these terms is explained in the following paragraph.

1. Market area: The area from which the produce naturally and abundantly flows to a commercial centre, i.e., the market, and which assures adequate business and income to the market committee

2. Principle assembling market: It is the main market which is declared as a principal market yard on the basis of transactions and income generated for the market committee

3. Sub market yard: It is sub yard of the principle assembling market. This is a small market and does not generate sufficient income to declare as a principal assembling market

4. Market yard: This is a specified portion of the market area where the sale, purchase, storage and processing of any of the specified agricultural commodities are carried out.
Chapter: Cooperative marketing - meaning - structure - Functions of cooperative marketing societies -

National Agricultural Cooperative Marketing Federation (NAFED)

Cooperative Marketing - meaning:
Cooperative marketing organizations are associations of producers for the collective marketing of their produce and for securing for the members the advantages that result from large-scale business which an individual cultivator cannot secure because of his small marketable surplus.

Cooperative marketing societies are established for the purpose collectively marketing the products of the member farmers. It emphasizes the concept of commercialization. Its economic motives and character distinguish it from other associations. These societies resemble private business organizations in the method of their operations; but they differ from the capitalistic system chiefly in their motives and organizations.

Functions:
The main functions of cooperative marketing societies are:

i) To market the produce of the members of the society at fair prices;
ii) To safeguard the members for excessive marketing costs and malpractices;
iii) To make credit facilities available to the members against the security of the produce brought for sale;
iv) To make arrangements for the scientific storage of the members' produce;
v) To provide facilities of the grading and market information which may help them to get a good price for their produce;
vi) To introduce the system of pooling so as to acquire a better bargaining power than the individual members having a small quantity of produce for marketing purposes;
vii) To act as an agent of the government for the procurement of food grains and for the implementation of the price support policy;
viii) To arrange for the export of the produce of the members so that they may get better returns;
ix) To make arrangements for the transport of the produce of the members from the villages to the market on collective basis and bring about a reduction in the transportation; and
x) To arrange for the supply of the inputs required by the farmers, such as improved seeds, fertilizers, insecticides and pesticides.

The advantages that co-operative marketing can confer on the farmer are multifarious, some of which are listed below.

1. Increases bargaining strength of the farmers
Many of the defects of the present agricultural marketing system arise because often one
ignorant and illiterate farmer (as an individual) has to face well-organised mass of clever intermediaries.

*Direct dealing with final buyers* The co-operatives can altogether skip the intermediaries and enter into direct relations with the final buyers. This practice will eliminate exploiters and ensure fair prices to both the producers and the consumers.

2. **Provision of credit**
The marketing co-operative societies provide credit to the farmers to save them from the necessity of selling their produce immediately after harvesting. This ensures better returns to the farmers.

3. **Easier and cheaper transport**
Bulk transport of agricultural produce by the societies is often easier and cheaper. Sometimes the societies have their own means of transport.

4. **Storage facilities**
The co-operative marketing societies generally have storage facilities. Thus the farmers can wait for better prices.

5. **Grading and standardization**
This task can be done more easily for a co-operative agency than for an individual farmer. For this purpose, they can seek assistance from the government or can even evolve their own grading arrangements.

6. **Market intelligence**
The co-operatives can arrange to obtain data on market prices, demand and supply and other related information from the markets on a regular basis and can plan their activities accordingly.

7. **Influencing marketing prices**
Wherever strong marketing co-operative are operative, they have bargained for and have achieved, better prices for their agricultural produce.

8. **Provision of inputs and consumer goods**
The co-operative marketing societies can easily arrange for bulk purchase of agricultural inputs, like seeds, manures fertilizers etc. and consumer goods at relatively lower price and can then distribute them to the members.

9. **Processing of agricultural produce**
The co-operative societies can undertake processing activities like crushing seeds, ginning 'and pressing of cotton, etc.

**National Agricultural Cooperative Marketing Federation (NAFED)**

*Objectives of Nafed:*
The objectives of the NAFED shall be

1) to organise, promote and develop marketing, processing and storage of agricultural, horticultural and forest produce,
2) to distribute agricultural machinery, implements and other inputs,
3) undertake inter-State, import and export trade, wholesale or retail as the case may be and
4) to act and assist for technical advice in agricultural production for the promotion and the working of its members and cooperative marketing, processing and supply societies in India.