

Nalanda Open University

Department of Economics

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- Course – MA Economics (Part –II)
- Paper – XIII (Agricultural Economics)
- Topic – Agricultural Marketing

Agricultural Marketing

The effectiveness of price policy in agriculture depends up on marketing system.

Efficient marketing system is an essential pre-requisites for the implementation of Agricultural Price Policy.

Marketable Surplus is the amount which is available for sale in the market.

Reasons of local sale of cultivators

- Urgent requirement of cash
- Ignorance of market price
- Pledging of products to local creditors
- Poor road connectivity
- Complicate procedures of Mandi
- Lack of time (Maintaining freshness of agricultural products)

Types of Agricultural Market

- Primary Market – Local Mandi, Kaccha Arthiya
- Secondary Market – Wholesale Market, Pucca Arithya
- Terminal Market – Port Towns, Exporting Market for Agricultural Products

Defects of Agricultural Market

- Indifferent Quality of Products
- Absence of Grading and Marketing
- Poor Transport Facilities
- Long Chain of Middleman
- Multiplicity of Charges
- Poor Storage and Warehouse Facilities
- Lack of Market Intelligence for Agricultural Products

Suggestions for Improvement of Agricultural Marketing

- Regulated markets for agricultural products
- Expansion of market yards
- Co-operative marketing societies
- Storage facilities and warehouse availability
- Marketing intelligence for agricultural produces
- Standardization and grading of products
- Improvement of transport facilities