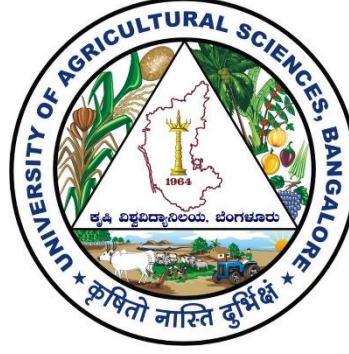


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**DEPARTMENT OF AGRICULTURAL EXTENSION**

SEMINAR REPORT

ON

**RURAL MARKETING INFRASTRUCTURE**

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## **1. Introduction**

Infrastructure is the backbone of the country. It plays a very important role in supporting a nation's economic growth. About 890 millions of rural people, India has the largest rural population in the world and continues to develop in urbanisation and industrialization, about 65.00 per cent of Indians residing in 6,49,481 villages and 54.6 per cent of the total workforce is engaged in agriculture and related activities. The Rural Marketing Association of India (RMAI) found that about 60.00 per cent of India's income has come from rural, small-town, and semi-urban economies. The rural areas account for about 50.00 per cent of India's Gross Domestic Product (GDP) and are home to nearly 70.00 per cent of the country's population. Agriculture contributes to 17.00 per cent of India's Gross Value Added (GVA) and its allied sectors. The new operational guidelines for the sub-scheme of Integrated Agricultural Marketing Infrastructure of 2018-20 focussed on developing marketing infrastructure to properly handle and manage various kinds of farm and forest produce, provide innovative technologies for post-harvest infrastructure, and develop alternative and competitive marketing channel for agricultural produce. In case of nonagricultural or artisanal products, the government has facilitates marketing support by encouraging participation in craft fairs and melas (Argade, 2021).

Efficient marketing infrastructure such as wholesale, retail and assembly markets and storage facilities is essential for cost-effective marketing, to minimize post-harvest losses and to reduce health risks. Market infrastructure is required at all stages of the supply chain, from local retail and assembly markets through to wholesale and retail markets in major urban centres. Governments and local authorities generally have a poor appreciation of the importance of markets and a reluctance to invest in them. As a consequence markets are often congested, unhygienic and inefficient. They are also fire risks. Local authorities frequently see markets as revenue raising opportunities, not as institutions that necessitate investment. Although there have been significant developments with regard to supermarket development and the improvement of farm-to-agro processor linkages, the great bulk of food products are still distributed through more traditional channels using traditional market infrastructure. Infrastructure is required to ensure free flow of the farm produce and its efficient marketing. Since the technologies on the production front has changed the supply scenario, adequate infrastructure is needed to handle the huge quantity of farm produce and make the same available to all the consumers both inside and outside the country in a acceptable form.

Infrastructure creation is gigantic task, requiring huge capital investment to cop up; with the demand of; the distributive system.

### **Objectives**

- To understand the concept of rural marketing infrastructure
- To study the government initiatives of rural marketing infrastructure
- To review the related research studies

## **2. Global Scenario of Infrastructure**

### **2.1. Sustainable Development Goals (Source: un.org)**

GOAL 1: No Poverty

GOAL 2: Zero Hunger

GOAL 3: Good Health and Well-being

GOAL 4: Quality Education

GOAL 5: Gender Equality

GOAL 6: Clean Water and Sanitation

GOAL 7: Affordable and Clean Energy

GOAL 8: Decent Work and Economic Growth

**GOAL 9: Industry, Innovation and Infrastructure**

GOAL 10: Reduced Inequality

GOAL 11: Sustainable Cities and Communities

GOAL 12: Responsible Consumption and Production

GOAL 13: Climate Action

GOAL 14: Life Below Water

GOAL 15: Life on Land

GOAL 16: Peace and Justice Strong Institutions

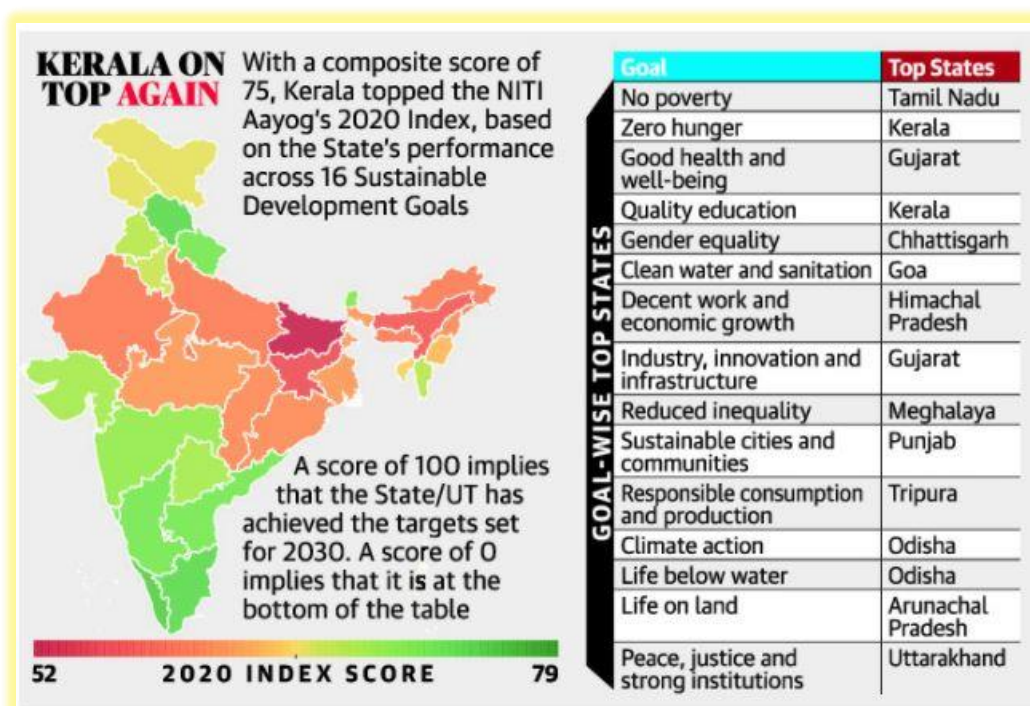
GOAL 17: Partnerships to achieve the Goal

### **2.2. Indian Scenario of SDG – 9**

- Gujarat is the first rank among the Indian states in SDG -9 (Industry, Innovation and Infrastructure) in 2020.
- India's growth rate averaged at 7.25% in the last 5 years.

- About 2.6 billion people in the developing world are facing difficulties in accessing electricity full time. Per capita annual electricity consumption was 626 kWh compared to the global average of 2977 kWh.
- In developing countries, barely 30% of agricultural production undergoes industrial processing. In high-income countries, 98% is processed.
- About 2.5 billion people worldwide lack access to basic sanitation and almost 800 million people lack access to water, many hundreds of millions of them in sub-Saharan Africa and South Asia.
- Around 1 to 1.5 million people do not have access to reliable phone service.

### Goal – 9 Status of Indian states performance



(Source: niti.gov.in)

## 3. Basic Concept of Rural Marketing Infrastructure

### 3.1 Rural

Government agencies from IRDA & NCAER define Rural as a village with a population of less than 5,000 with 75% of the male population engaged in agriculture etc.

\* IRDA - Indian Rural Development Agency

\* NCAER - National Council of Applied Economic Research

### **3.2. Market**

Market means not a particular market place in which things are bought and sold but the whole of any region in which buyers and sellers are in such a free intercourse with one another that the prices of the same goods tend to equality, easily and quickly.

### **3.3. Marketing**

Marketing as a process by which goods and services are exchanged and their value is determined in terms of money prices.

### **3.4. Rural Marketing**

Rural marketing is defined as the process of developing, pricing, promoting, distributing ruralspecific goods and services leading to exchange between urban and rural markets, which satisfies consumer demand and also achieves organizational objectives (Iyer, 2012).

### **3.5. Rural Agricultural Marketing**

The rural agricultural marketing is the process of selling and buying of agricultural goods which are produce in the rural area itself. Usually the rural agricultural marketing do not have proper marketing strategies or systems. It is random and not organized; the pricing also generally differs from one village to the other. Various agricultural products are available but not in a very large quantity. The rural agriculture market usually runs freely without the interference of the others that is from government and administration (Source: Pertin *et al*, 2022).

### **3.6. Rural Marketing Infrastructure**

Enhancing the facility of selling the products produced in rural areas into urban or other markets. To fulfill the requirement of rural product movement from producers to consumers. An efficient marketing system requires huge investment in physical and digital infrastructure and engagement with urban markets, logistically and electronically.

### **3.7. Importance of Marketing Infrastructure**

Marketing infrastructure serves as the wheels for carrying economic activities. Market infrastructure is important not only for the performance of marketing functions and the expansion of the size of the market but also for transfer of appropriate price signals leading to improved marketing efficiency.

The role of adequate infrastructure for accelerated growth of the agricultural sector and in turn of the entire economy has assumed great importance in recent years due to several developments viz.,

- (i) Growth of agricultural production depends almost entirely on the growth of productivity of land and availability of modern technologies. Infrastructure development is necessary for transfer of technologies, supply of modern inputs and facilities for market clearance.
- (ii) The creation of adequate infrastructural facilities in a liberalized and market driven economic environment is necessary particularly in rural area for minimizing economic disparities between rural and urban areas.
- (iii) Creation of infrastructure in rural areas is justified for reducing the migration of people from rural to urban centers and
- (iv) Development of infrastructural facilities is also necessary to reduce the marketing costs for increasing the realization of farmers.

To classify the marketing infrastructure is on the basis of capital requirements.

**(a) Capital Intensive Marketing Infrastructure:** Most of the physical infrastructure viz., roads, storage structures and processing plants require large initial capital investment and are included under capital intensive marketing infrastructure.

**(b) Capital Extensive Marketing Infrastructure:** The institutional infrastructure falls in this category. They require limited initial capital investment but their operational and maintenance cost is quite substantial. The difference between capital intensive and capital extensive marketing infrastructure is of degree rather than of kind.

#### 4. Understanding of Rural marketing

##### 4.1. Evolution of rural marketing

Ph.	Origin	Function	Major Products	Source Market	Destination Market
I	Before Mid-1960	Agricultural Marketing	Agricultural Produce	Rural	Urban
II	Mid- Sixties	Marketing Of Agricultural Inputs	Agricultural Inputs	Urban	Rural
III		Rural	Consumables And Durables For	Urban &	Rural

	Mid-Nineties	Marketing	Consumption & Production	Rural	
IV	21st century	Developmental marketing	All products & services	Urban & Rural	Urban & Rural

(Source: Dange, 2013)

### **1. Phase I (From Independence to Green Revolution)**

Before the advent of the Green revolution, the nature of rural market was altogether different. Rural marketing then referred to the marketing of rural products in rural & urban products.

### **2. Phase II (Green Revolution to Pre-liberalization period)**

During these times, due to the advent & spread of the Green Revolution, rural marketing represented marketing of agriculture inputs in rural markets & marketing of rural produce in urban areas.

### **3. Phase III (Post-liberalization period on 20th century)**

The third phase of rural marketing started after the liberalization of the Indian economy. In this period, rural marketing represented the emerging, distinct activity of attracting & serving rural markets to fulfill the need & wants of rural households, peoples & their occupations.

### **4. Phase IV (21st century): Developmental Marketing**

Learning from its rural marketing experiences after the independence, the corporate world has finally realized the quick-fix solutions & piecemeal approaches will deliver only limited results in the rural markets. And, if an organization wants to tap the real potential of the rural market, it needs to make a long-term commitment with this market. Its approach & strategies must not focus in just selling products & services, but they should also aim at creating an environment for this to happen.

## **4.2. Problems in rural marketing**

### **1. Transportation**

Transportation is an important aspect in the process of movement of products from urban production centers to remote villages. The transportation infrastructure is extremely poor in rural India. Due to this reason, most of the villages are not accessible to the marketing man.

## 2. Communication

Marketing communication in rural markets suffers from a variety of constraints. The literacy rate among the rural consumers is very low. Print media, therefore, have limited scope in the rural context. Apart from low levels of literacy, the tradition-bound nature of rural people, their cultural barriers and their overall economic backwardness add to the difficulties of the communication task. Post, telegraph, and telephones are the main components of the communication infrastructure.

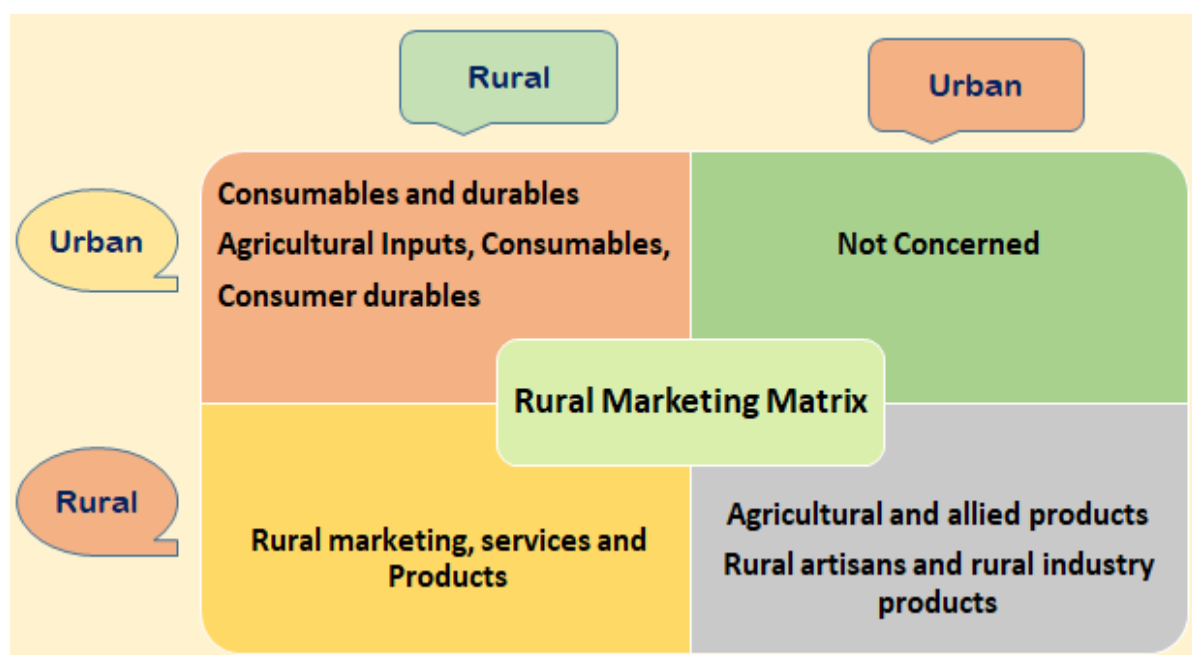
## 3. Warehousing

The central warehousing corporation and state warehousing, which constitute the top tier in public warehousing in our country, have not extended their network of warehouses to the rural parts. It is almost impossible to distribute effectively in the interior outlets in the absence of adequate storage facilities. Due to lack of adequate and scientific storage facilities in rural areas, stocks are being maintained in towns.

## 4. Inadequate banking and credit facilities

In rural markets, distribution is also handicapped due to lack of adequate banking and credit facilities. The rural outlets require banking support to enable remittances, to get replenishment of stocks, to facilitate credit transactions in general, and to obtain credit support from the bank.

### 4.3. Rural Marketing Matrix



It is a two-way marketing process wherein the transactions can be:

1. **Urban to Rural:** A major part of rural marketing falls into this category. It involves the selling of products and services by urban marketers in rural areas. These include: Pesticides, FMCG Products, Consumer durables, etc.
2. **Rural to Urban:** Transactions in this category basically fall under agricultural marketing where a rural producer seeks to sell his produce in an urban market. An agent or a middleman plays a crucial role in the marketing process. The following are some of the important items sold from the rural to urban areas: seeds, fruits and vegetables, milk and related products, forest produce, spices, etc.
3. **Rural to Rural:** This includes the activities that take place between two villages in close proximity to each other. The transactions relate to the areas of expertise the particular village has. These include selling of agricultural tools, cattle, carts and others to another village in its proximity.

#### **4.4. Marketing Mix of 4 P's**

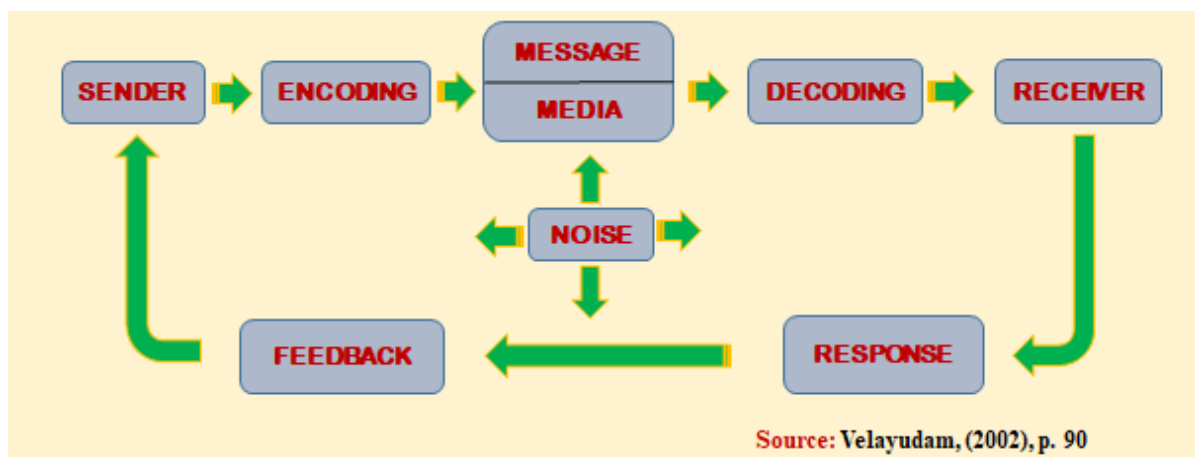
The different elements of the marketing mix can be briefly described as follows:

1. **Product:** Product refers to the offering being to the market. It is most important component of the marketing mix around which the entire marketing strategies are formulated. The products have many levels like Core product, expected Product, Augmented and Promised product. product must perform as per the expectation of the consumer to create satisfaction in the consumer. If the product does not perform as per the consumer expectations than the best of the marketing strategies won't work. The product should be constantly in terms of adding new features qualities, new better varieties etc.
2. **Price:** Price refers to the value for which the product is offered to the market .It is the only variable that has implications for revenue. There are different methods to price a product. The price of the product must commensurate with the quality of the product. The product depends on costs of production, target market, paying capacity of the consumer, and other direct and indirect factors. The pricing can also be used to create an image of the product. The price should commensurate with the quality of the brand dilution does not take place. Price also includes considerations of customer perceived value. Thus pricing is an important concept which is used as a tactical decision in response to changing competitive, market and organizational situations.

**3. Place:** The third P Place refers to the point of sale. Every company wants to provide the consumer the right product at the right time where it is required. In such a situation place element plays a significant roles. Ease of access is the main aim of a good distribution system or 'place' strategy. In retailing location plays an important role. In the place component effective supply chain systems can provide the company required competitive edge, the supply chain systems backed by latest technological advancements can d wonders for the company.

**4. Promotion:** The Fourth P Promotion is concerned with all the activities marketer to make the consumer aware about the product. Promotion strategy includes advertising, publicity, sales promotion, Discounts to the consumer. It can also include direct marketing, contests and prizes. The integration of all the above activities is referred to as promotion mix. The marketer needs to have a balanced blend of these promotional tools. The company can use any of the tools of the promotion mix depending on the nature of the product as well as the overall objective of the organization.

#### 4.5. The communication process model of rural marketing



The communication process model remains standard for both rural and urban markets. The sender sends the encoded message using a selected media which receiver receives and decodes to understand the message. This is more or less same as in urban markets. However, there are many variables in the model in case of communication strategy in Rural Marketing. e.g. There can be language barrier and the message doesn't get decoded the right way and gets wasted as 'noise'. Also due to unavailability of mature media in rural markets the message might not be hitting the right target audience.

All the above three conditions add to the 'noise' in the communication process model and thereby play an important role while making the communication strategy in rural marketing.

#### **4.6. Rural Marketing Research**

The American Marketing Association (AMA) defines marketing research as "The systematic gathering, recording, and analyzing of data about problems related to marketing of goods and services".

#### **Approaches of Market Research**

**a) Reactive Approach:** These organizations do not conduct research, but follow what others do & see it as a way to keep up with competition.

**b) Proactive Approach:** These organizations anticipate development in the market & introduce new ideas & methods to exploit opportunities or to minimize problems so as to get ahead of competition.

#### **4.7. Rural Marketing Segmentation**

Process of dividing a heterogeneous market into several sub markets or segments, each of which tends to be homogeneous in all aspects.

#### **Requirements of Market Segmentation:**

In addition to having different needs, for segments to be practical they should be evaluated against the following criteria:

- 1. Identifiable:** The differentiating attributes of the segments must be measurable so that they can be identified.
- 2. Accessible:** The segments must be reachable through communication and distribution channels.
- 3. Substantial:** The segments should be sufficiently large to justify the resources required to target them.
- 4. Unique needs:** To justify separate offerings, the segments must respond differently to the different marketing mixes.
- 5. Durable:** The segments should be relatively stable to minimize the cost of frequent changes.

#### **Benefits of Market Segmentation**

- Customers with similar wants, needs and characteristics can be focused.
- It is easy to design promotional activities for a specific segment.
- By targeting a specific segment, much investment can be saved.

- It is easy to manage a specific segment of market.

### **Limitations of Market Segmentation**

- Targeting multiple segments increases marketing costs.
- Segmentation can lead to proliferation of products.
- Narrowly segmenting a market can hamper the development of broad-brand equity.

## **5. PHYSICAL & MARKETING INFRASTRUCTURE FACILITIES**

### **5.1. Main Trading Facilities.**

- Common Covered Auction Halls
- Common Open Auction Platforms
- Common Drying Yards
- Traders Models Coffee, Auction Hall & Godown
- Retail shops

### **5.2. Ancillary Trading Facilities**

- Storage Godowns
- Cold Storage
- Weighing Equipment and Facilities
- Processing Units
- Grading equipment
- Pledge finance

### **5.3. Administrative Facilities**

- Banks
- Post Office
- Police Posts
- Security Posts

### **5.4. Farmers Facilities**

- Farmer's Rest House
- Dormitory Accommodation
- Agricultural Inputs Shops
- Tea Shops

### **5.5. Common Facilities**

- Bath Rooms
- Toilets
- Urinals
- Daily needs/Sundry Shop
- Canteen

### **5.6 Water Supply Facilities**

- Open Wells
- Tube Wells
- Municipal Water Supply
- Electric Pump sets
- Overhead Tanks
- Drinking Water taps

### **5.7. Publicity and Communicational Facilities**

- Rate Display Boards
- Public Address System
- Public Telephone

### **5.8. Parking and Traffic Facilities**

- Area for loading and unloading operations Parking
- Internal Road.
- Boundary Walls
- Electric Lights

## **6. SWOT Analysis of Rural Market (Puri, 2017)**

**Strength:** A large population of 647 million largely uncovered by the companies. The staggering 72 per cent of India's population contributes to half on India's GDP. Size of the Indian rural market is INR 124000 crores approximately.

**Weakness:** Low literacy levels and awareness exist in the majority of rural areas. Lack of infrastructure facilities like sustainable power, roads and logistics, etc. Language difficulties as per the geographical area. The mass population of the area resists change due to the traditional outlook of India.

Opportunities: Rural literacy levels of the country have improved from 36.00 to 59.00 per cent. The percentage of below poverty line families have declined from 46.00 to 27.00 per cent. About 87.00 per cent of the villages have been electrified, and providing a possibility for industrial marketing and other business activities on a larger scale.

Threats: The process of creating products and services in rural areas can be a tricky proposition. Low levels of infrastructure can cause threaten profitability and subsequent losses on the investment.

## 7. NABARD Fund Allocation to Rural and Marketing Infrastructures

### 7.1. NABARD Fund Allotted to Rural Infrastructure

Sl. No	Uses of Funds	2022 (in crores)	2021 (in crores)	Percentage growth over FY2021
1	Infrastructure creation loans	2,27,584	2,10,861	7.9
2	Rural Infrastructure Development Fund	1,42,526	1,32,724	7.4
3	Long Term Irrigation Fund	53,283	51,713	3.0
4	Warehouse Infrastructure Fund	4,777	5,155	7.3
5	NABARD Infrastructure Development Assistance	23,319	17,999	29.6
6	Food Processing Fund	304	293	3.8
7	Micro-Irrigation Fund	2,084	1,827	14.1
<b>8</b>	<b>Fisheries and Aquaculture Infrastructure Fund</b>	<b>366</b>	<b>194</b>	<b>88.7</b>
9	Dairy processing and Infrastructure Development Fund	925	956	3.2

(Source: NABARD, 2022)

### 7.2. NABARD supported to Irrigation Infrastructure

- Funded over 3.5 lakh projects with nearly `1.4 lakh crore cumulatively up to FY2022 (since 1994).
- Created 364 lakh ha irrigation potential.
- Added 1,43,762 lakh person-days of non-recurring employment.

### 7.3. Rural Infrastructure Development Fund

- 27,120.2 crore sanctioned cumulatively up to FY2022 since inception
- Created irrigation potential of 21.2 lakh ha up to FY2022

- Cumulative number of projects: 15

#### **7.4. Long – Term Irrigation Fund**

- 85,127.4 crore sanctioned cumulatively up to FY2022 since inception.
- Up to FY2021, progress of Accelerated Irrigation Benefit Programme component: 100% in 46; 90%–100% in 21 projects; and 80%–90% in 14 projects.
- Up to FY2021, additional 22.74 lakh ha of irrigation potential created (base: 41.39 lakh ha in FY2016).
- About 15 lakh ha of cultivable command area developed under Command Area Development and Water Management Programme.

#### **7.5. Micro-Irrigation Fund**

- About 3,970.2 crore sanctioned up to FY2022 (₹2,083.7 crore disbursed).
- Corpus augmented by ₹5,000 crore in Union Budget FY2022 (in addition to 5,000 crore in FY2020).
- Micro-irrigation projects sanctioned envisage a coverage of 12.8 lakh ha in seven states (Andhra Pradesh, Gujarat, Haryana, Punjab, Tamil Nadu, Uttarakhand, and West Bengal).
- NABARD lends to the state governments at 3% below market rate and Government of India provides 3% interest subvention to meet the balance cost.

#### **7.6. Fisheries**

Government of India's (GOI's) Fisheries and Aquaculture Infrastructure Development Fund (FIDF) aims to achieve 8%–9% of sustained growth to reach 20 million tonne in fish production by FY2023. Under the scheme, NABARD as one of the nodal loaning entities, will infuse ₹2,600 crore through state governments to fund public infrastructure such as fishing harbours and fish landing centres (Figure 6.3). During FY2022, NABARD has entered into tripartite memoranda of agreement with Department of Fisheries, GOI, and 11 state governments to develop fisheries projects. Since its inception in FY2020 (and up to FY2022), 35 projects have been supported with a cumulative sanction of ₹1,260.3 crore (disbursement: ₹365.7 crore) across 4 states. In FY2022 alone, 32 projects in 4 states worth ₹912.3 crore were sanctioned (Source: Anon, 2022).

#### **7.7.**

##### **NABARD action under FIDF**

NABARD signed FIDF MOAs with Tamil Nadu, West Bengal, Andhra Pradesh, Gujarat, Karnataka, Kerala, Maharashtra, Goa, Haryana, and the union territory of Jammu & Kashmir.

Since its inception in FY2020 (and up to FY2022), 35 projects have been supported with a cumulative sanction of 1,260.3 crore (disbursement: 365.7 crore) across 4 states. In FY2022 alone, 32 projects in 4 states worth 912.3 crore were sanctioned (Disbursement: 171.9 crore).

<b>Items</b>	<b>Numbers</b>
Fishing Harbour	8
Fish Seed Farms	6
Training Centres	3
Blasts Freezers	2
Brood Bank	1
Rearing pond	1
Cold Chain facility	1
Fish Landing centres	1
Additional facility	

(Source: Anon., 2022)

### **7.8. Post-harvest infrastructure**

NABARD has been supporting investments to create time (through storage), form (through processing facility), and possession (through marketing facility) utility of agricultural commodities and create value for the producers. Such investments help enhance shelf-life and reduce wastage and loss of produce while satisfying the consumer tastes and needs.

#### **Agri-storage**

Scientific storage can provide farmers an opportunity to stagger the sale of their produce and avoid distress sales to realise better prices. Farmers can also obtain postproduction credit pending sale of their produce against negotiable warehousing receipts. NABARD's efforts in building storage capacity for farmers.

- 7,593 storage structures (5,550 completed)
- 6.1 lakh MT of storage structures have been created so far
- Integrated value-chain project for fruits and vegetables
- Modern, scientific, and earthquake resistant warehouses in the NER

- Online trading platform projects of Agricultural Produce & Livestock Market Committee
- 1,11,162 storage structures geotagged and linked to centralised database which can be ported with other platforms like e-NAM to create integrated portal
- Web-based agri-storage information system for farmers/ traders/producers to locate warehouse within a 30-km radius through Kisan Bhandar mobile app

### **Food processing**

India's food processing sector is one of the largest in the world with a projected output of \$535 billion by FY2026.2 In lockstep with India's growing demand for processed foods, NABARD has committed ₹781.1 crore in financial support since 2014 (up to FY2022) for projects in 16 states including the NER (Assam, Manipur, and Meghalaya). NABARD's Food Processing Fund has played a crucial role in minimising food wastage, diversifying and expanding value addition, and linking farmers to consumers.

- 2,14,000 MT of dry warehouses for non-perishable raw material and finished goods
- 58,800 MT aggregate capacity of silos for bulk storage of agricultural produce
- 1,01,210 MT cold storage capacity for perishable finished products
- 12,900 MT freezer capacity for storing finished products
- 11.50 MT per hour capacity to produce individually quick frozen fruit and vegetable products
- 132.5 MT per hour capacity to sort and grade fruits and vegetables
- 1,253 MT controlled ripening capacity
- 31.75 MT per hour capacity to extract and aseptically pack fruit pulp

### **NABARD supported to Agro-Processing Projects**

- 14 Mega Food Parks in 12 states and 7 Operational
- 8 Agro-Processing clusters in 2 states and 1 nearly complete
- 13 Food processing Units in 7 states and 2 completed

## Marketing

Rural marketing infrastructure helps link producers with markets. This, in turn, ensures food availability where needed, disintermediation, de-risking, and augmenting of income. It can even act as a pull factor to discourage out-migration. NABARD has been supporting rural haats, marts, and exhibitions towards securing better rural incomes and expanding marketing opportunities. Haats and marts can increase the number of market participants (sellers and buyers) and boost the sellers' income. The impact of such rural outlets can amplify with infrastructure creation (through RIDF) and building community-level institutions (such as SHGs), as a study in Dumka and Bokaro districts of Jharkhand. For improving their reach, NABARD, in FY2022, supported the creation of a distinctive and prominent **model haat design** making NABARD supported stalls easy to spot, even without signboards (Source:NABARD, 2022).

- 42 Rural Haats sanctioned grant of 620.8 lakh.
- 63 Rural marts sanctioned grant of 267.7 lakh.
- 14 Exhibition 2,000 daily average 3.5 lakh average sales.

### 7.9. In FY2023 and beyond, NABARD envisages

- Increasing resilience of agri-value chains through post-harvest infrastructure.
- Improving social infrastructure across rural India with special emphasis on drinking water supply and sanitation.
- Enhancement of last-mile connectivity through ropeways and ROB on railway crossings in addition to roads and bridges.
- Sustainable development through rural infrastructure with a special focus on the NER, Jammu & Kashmir, Ladakh, and other hilly states.
- Directed policy action to enhance RIDF allocation towards central, eastern, and north-eastern states for balanced regional development.
- The impetus for renewable energy and climate-smart solutions in agriculture and related sectors to contribute to the achievement of SDGs and

- Encouraging micro-irrigation interventions so that they gain the critical mass needed to deliver large-scale water efficiency to water deficit regions in the country.

## **8. Government Initiatives on Rural Marketing Infrastructure**

### **8.1. Integrated Scheme for Agricultural Marketing**

Integrated Scheme for Agricultural Marketing (ISAM) provides infrastructure facilities for grading, standardization and quality certification of agricultural produce and promotes pledge financing and marketing credit, a negotiable warehousing receipt system. It is a credit-linked, capital investment back-end subsidy Central Sector Sub-scheme. ISAM providing farmers with access to **competitive markets and infrastructure**. Help in better price realization for the farmers. ISAM is an **umbrella scheme** of the Central Government to support the State Governments in governing the **agricultural produce marketing** through creation and improvement of market structures, capacity building and generating access to market information

#### **Objectives**

1. Integrated Value Chain has to be promoted.
2. Information and Communication Technologies (ICT) intervention in the marketing system.
3. To strengthen the AGMARK lab facilities.
4. To capital investment on Agriculture Business Project.

#### **Sub-Scheme of ISAM**

##### **1. Marketing Research and Information Network**

An ICT based Central Sector Scheme of Marketing Research and Information Network (MRIN) was launched in March, 2000 to provide electronic connectivity to important wholesale markets in the country for collection, collation and dissemination of price and market related information for the benefit of farmers and other market users. The scheme is being implemented in collaboration with Directorate of Marketing and Inspection, National Informatics Centre, State Agricultural Marketing Directorate/Board and APMCs. Information relating to prices, arrival of commodities and other market related information is provided on the portal. Information on prices and arrivals of more than 400 commodities and 3000 varieties

are collected and reported/uploaded on daily basis. More than 3200 markets are covered under the scheme.

## **2. Strengthening of Agmark Grading Facilities (SAGF)**

The Agricultural Produce (Grading and Marking) Act, 1937 provides for the grading and marking of agricultural produce. It involves framing of grades, standards and certification of agricultural commodities included in the schedule appended to the Act. The SAGF Scheme aims to support 11 Regional Agmark laboratories and a Central Agmark Laboratory, Nagpur with lab equipments etc. for carrying out their research and analysis work for developing and promoting grading and standardization of agricultural commodities under Agmark. Agricultural Produce (Grading & Marking) Act, 1937 is being implemented through standards set for various commodities and agricultural produce under Grading and Marking Rules framed from time to time. So far 108 rules for agricultural commodities have been framed.

## **3. Agricultural Marketing Infrastructure (AMI)**

The Agricultural Marketing Infrastructure (AMI) is a central government backed scheme to promote agriculture marketing infrastructure projects for reducing the involvement of intermediates and minimizing post-harvest losses

### **Purposes**

To develop Agricultural Marketing Infrastructure including storage infrastructure in a agricultural and allied sector. To promote innovative and latest technologies in post-harvest and agricultural marketing infrastructure. To develop alternatives and competitive Agricultural marketing channel. To benefits the farmers individually and collectively through FPOs through small size processing units. To incentive developing and upgrading of Gramin Haats as GrAMs to make better, farmer-consumer market linkages and also to assist in integrationGrAMs with e-NAM portal. To provide infrastructure facilities for grading, standardization and quality certification of agricultural and allied products. To promote Integrated Value Chains through minimal processing/ value addition.

## **8.2. Rashtriya Krishi Vikas Yojana (RKVY)**

Rashtriya Krishi Vikas Yojana was initiated in 2007 as an umbrella scheme for ensuring holistic development of agriculture and allied sectors by allowing states to choose their own

agriculture and allied sector development activities as per the district/state agriculture plan. During XII Plan, RKVY funding will be provided through three streams viz. production growth (35%), infrastructure & Assets and sub-schemes (20%), and the remaining 10% will be is provisioned as flexi fund. Government has recently done way with 35% requirement in production stream later 100% allocation in investments for infrastructure buildings & creation of assets (Anon., 2019).

### **Objectives of RKVY**

RKVY-RAFTAAR aims at making farming a remunerative economic activity through strengthening the farmers’ effort, risk mitigation and promoting agri-business entrepreneurship.

The main objectives of the scheme are:

- To strengthen the farmers’ efforts through creation of required pre and post-harvest agri-infrastructure that increases access to quality inputs, storage, market facilities etc. and enables farmers to make informed choices.
- To provide autonomy, flexibility to States to plan and execute schemes as per local/farmers’ needs.
- To promote value chain addition linked production models that will help farmers increase their income as well as encourage production/productivity
- To mitigate risk of farmers with focus on additional income generation activities - like integrated farming, mushroom cultivation, bee keeping, aromatic plant cultivation, floriculture etc.
- To attend national priorities through several sub-schemes.
- To empower youth through skill development, innovation and agri-entrepreneurship based agribusiness models that attract them to agriculture.

<b>Sl. No.</b>	<b>Criteria/Parameters</b>	<b>Weightage</b>
1	Percentage share of net unirrigated area in a State to the net unirrigated area of all States.	15%
2	Percentage of small and marginal farmers in the state compared to total number of small and marginal farmers in the country.	20%

3	Moving averages of the increase in plan expenditure in agriculture & allied sectors including animal husbandry, fisheries etc. in the previous 3 years period.	30%
4	Average Gross State Value Added (GSVA) in agriculture and allied sectors in the last 3 years.	20%
5	Percentage of the youth population in the state compared to total youth in the country.	5%
6	Inverse of Yield gap between state average yield and potential yields as indicated in the frontline demonstration data.	10%

### **Sub-Scheme of RKVY**

#### **1. Bringing Green Revolution to Eastern Region (BGREI)**

Bringing Green Revolution to Eastern India (BGREI), a sub scheme of Rashtriya Krishi Vikas Yojana (RKVY), launched in 2010-11, is being implemented in seven eastern states namely Assam, Bihar, Chhattisgarh, Jharkhand, Odisha, Eastern Uttar Pradesh and West Bengal. Under the programme, assistance is being provided to the farmers for organizing cluster demonstrations on rice and wheat, seed production and distribution, nutrient management and soil ameliorants, integrated pest management, cropping system-based training, asset-building such as farm machineries & implements, irrigation devices, site specific activities and post-harvest & marketing support, etc.

#### **2. Vidarbha Intensive Irrigation Development Programme (VIIDP)**

Agriculture in this region is less productive in comparison to the State and National averages. Cotton is the most important cash crop and is the backbone of the farmers of Yavatmal, Akola, Amravati, Wardha, Buldhana and Washim districts of western Vidarbha. Out of an estimated 12 lakh ha under cotton production in Vidarbha about 400-600 mm of annual rainfall and very limited irrigation facilities at disposal, cotton farmers are often exposed to higher risks that many a times result in loss of income. Low rainfall condition and scarcity of irrigation, lack of micronutrients in soil, frequent pest attacks and other physical characteristics of this region result in lower productivity (about 25% lower than State average) of cotton farming (Anon., 2018).

Vidarbha Intensive Irrigation Development Programme (VIIDP) was conceived with the following objectives:

- a) To increase productivity of rainfed cotton farming in Vidarbha region through rainwater harvesting, intensive irrigation and better crop management.
- b) To bring maximum cotton growing area under protective irrigation and better soil moisture regime through in-situ and ex-situ conservation measures.
- c) To augment/ restore/renovate existing minor/small scale irrigation resources through provision of water lifting devices for filling of storage and
- d) To enhance water use efficiency through application of drip/sprinkle irrigations.

### **3. Crop Diversification**

Crop Diversification Programme (CDP), a sub scheme of Rashtriya Krishi Vikas Yojana (RKVY) is being implemented in Original Green Revolution States to divert the area of paddy crop to alternate crops and in tobacco growing states to encourage tobacco farmers to shift to alternate crops/cropping system. Under CDP for replacing paddy crop, assistance is provided for four major interventions viz., alternate crop demonstrations, farm mechanization & value addition, site-specific activities & contingency for awareness, training, monitoring, etc. However, for replacing tobacco crop, tobacco growing states have been given flexibility to take suitable activities/interventions for growing alternative agricultural/horticultural crops.

#### **Project funded under RKVY**

- Fruits & Vegetable Distribution Centres
- Market Infrastructural Facilities, include APMC
- Specialized Storage Facilities like Onion Crop
- Electronic Trading including Spot and Futures Markets & E-auction
- Farm Service Centre
- E-Kisan Bhawans / Internet Kiosks

### **8.3. e- National Agriculture Market (NAM)**

National Agriculture Market (NAM) is a pan-India electronic trading portal launched on 14th April, 2016 completely funded by Central Government and implemented by Small Farmers

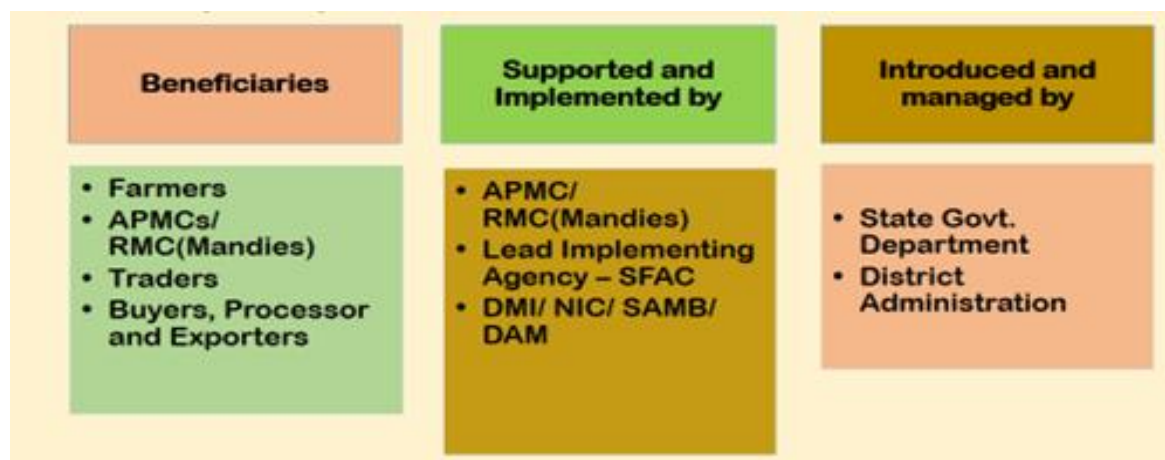
Agribusiness Consortium (SFAC) which networks the existing APMC Mandis to create a unified national market for agricultural commodities. Small Farmers Agribusiness Consortium (SFAC) is the nodal agency for implementing eNAM under the supervision of the Ministry of Agriculture and Farmers Welfare, Government of India. It is a comprehensive model envisaged to take care of various physical and facilitating functions of the market like storage, grading, packing, finance, insurance, promotion, etc. in addition to the scientific, transparent and competitive price discovery of prices (Source: Baskar and Salendra, 2022).

### Objectives

To integrate markets first at the level of the States and eventually across the country through a common online market platform, to facilitate pan - India trade in agricultural commodities.

- To streamline marketing / transaction procedures and make them uniform across all markets to promote efficient functioning of the markets.
- To promote better marketing opportunities for farmers / sellers through online access to more buyers / markets, removal of information asymmetry between farmer and trader, better and real-time price discovery based on actual demand and supply of agri-commodities, transparency in auction process, prices commensurate with quality of produce, online payment etc. that contribute to marketing efficiency
- To establish quality assaying systems for quality assurance to promote informed bidding by buyers and
- To promote stable prices and availability of quality produce to consumers.

### Beneficiaries



(Source: [darp.gov.in](http://darp.gov.in))

## e – NAM Mandis Trade Details on 28 March, 2023

e-NAM Mandis Trade Details						
State	APMC's	Commodity	From date	To date		
KARNATA	APMC KALB	CHANA (BEF)	28/03/20	28/03/20	Refresh	
Trading detail on: 28-03-2023 to 28-03-2023						
Price in Rs.			Commodity Arrivals	Commodity Traded	Page: 1	
Min Price	Modal Price	Max Price			Unit	
4,415	4,559	7,830	341	273	Qui	

e-NAM Mandis Trade Details						
State	APMC's	Commodity	From date	To date		
KARNATA	APMC CHINK	TUR/ARHAR	28/03/20	28/03/20	Refresh	
Trading detail on: 28-03-2023 to 28-03-2023						
Price in Rs.			Commodity Arrivals	Commodity Traded	Page: 1	
Min Price	Modal Price	Max Price			Unit	
8,100	8,600	8,600	536	536	Qui	

(Source: [enam.gov.in](http://enam.gov.in))

### Outcome of e-NAM

- Single license for trading across all markets in a State
- Single point of market
- E - auction for transparent price discovery
- Abolition of fragmented markets
- Seamless transfer of agricultural commodities
- Improved supply-chain and reduced wastage
- Increased price share for the farmers
- Warehouse based sales
- Quality based informed training (Source: Anon., 2017).

### 8.4. Agricultural Produce Marketing Committees (APMCs)

Agricultural Produce Market Committees (APMCs) established by the state governments in order to eliminate the farmer's exploitation by intermediaries, where they are forced to sell their produce at extremely low prices. Presently, markets in agricultural products are regulated under the Agricultural Produce Market Committee (APMC) Act enacted by State Governments. There are about 2477 principal regulated markets based on geography (the APMCs) and 4843 sub-market yards regulated by the respective APMCs in India. Effectively, India has not one, not 29 but thousands of agricultural markets. This Act notifies agricultural

commodities produced in the region such as cereals, pulses, edible oilseed, fruits and vegetables and even chicken, goat, sheep, sugar, fish etc., and provides that first sale in these commodities can be conducted only under the aegis of the APMC through the commission agents licensed by the APMCs set up under the Act. The typical amenities available in or around the APMCs are: auction halls, weigh bridges, godowns, shops for retailers, canteens, roads, lights, drinking water, police station, post-office, bore-wells, warehouse, farmers amenity center, tanks, Water Treatment plant, soil-testing Laboratory, toilet blocks, etc. Various taxes, fees/charges and cess levied on the trades conducted in the Mandis. (Source: Anon., 2014).

### **APMC Act, 2003**

- ✓ Farmer doesn't need to bring his produce to APMC Mandi
- ✓ Allows alternate markets such as direct purchase centres
- ✓ Provisions were made like Full payment, display of quantity brought and prices near arrival gate
- ✓ Establishment of State Agricultural Produce Marketing Standards Bureau for Grading, Standardization and Quality Certification
- ✓ Provision of contract farming
- ✓ Single point levy of market fee on the sale
- ✓ Creation of marketing infrastructure from the revenue earned by the APMC

### **Model APMC Act**

The model APMC Act provides some freedom to the farmers to sell their produce directly to the contract-sponsors or in the market set up by private individuals, consumers or producers. The model APMC Act also increases the competitiveness of the market of agricultural produce by allowing common registration of market intermediaries. Many of the States have partially adopted the provisions of model APMC Acts and amended their APMC Acts. Some of the states have not framed rules to implement the amended provisions, which indicate hesitancy on the part of state governments to liberalize the statutory compulsion on farmers to sell their produce through APMCs. Some states such as Karnataka have however adopted changes to create greater competition within state.

## **Karnataka Model**

In Karnataka, 51 of the 155 main market yards and 354 sub-yards have been integrated into a single licensing system. Rashtriya e-market Services Ltd. (ReMS), a joint venture created by the State government and NCDEX Spot Exchange, offers automated auction and post auction facilities (weighting, invoicing, market fee collection, accounting), assaying facilities in the markets, facilitate warehouse-based sale of produce, facilitate commodity funding, price dissemination by leveraging technology. The wider geographical scope afforded by breaking up fragmented markets has enabled private sector investment in marketing infrastructure.

## **Benefits of APMC**

1. Safeguard the farmers
2. Mandated to arrange market and storage facilities
3. Does not spike unreasonably

## **Infrastructure required at market level**

### **Hardware requirement**

NAM Portal can be operated on any device, i.e. Desktop, Laptop, Tablet and Mobile phone (through application). The recommended specifications in terms of CPU, RAM, Hard Disk (for computing devices), Printers (Dot Matrix, Laser, thermal etc.) are as under:

#### **a. Computer / Lap Top**

Latest Generation Core i3 CPU, 4 GB of RAM will suffice with MS Windows operating System.

#### **b. Tablet**

Any prevalent Android tablet with Kitkat or above version will suffice.

#### **c. Printer**

- For Gate operations: Thermal Printer
- For transactional output: Dot Matrix Printer
- For Reports: Wide Carriage dot Matrix Printer / Line Printer / Laser Printer

#### **d. Network**

- For internet connectivity any broad band connection with overall 5-10 Mbps speed (depending on number of systems deployed and users)
- For internal network (LAN) - Wi Fi Setup covering entire Mandi premises.
- For Back up Network: Data Cards at critical stations (Gate, Trading hall and MIS Seat)

#### **e. UPS**

To be estimated based on the number of systems installed, minimum back up time (Battery requirement) to be decided basis power outage scenarios)

#### **f. LED Display / TV**

For online display of prices and auction results (devise selection is dependent on the individual APMCs choice)

#### **g. Base Software**

Windows Operating System (Desk Top / Laptop), MS office (or equivalent application for importing reports in spread sheet format) Anti-virus etc.

#### **Supplementary Infrastructure:**

Electronic Weigh Bridges, Firewall, Display Boards, Television, Public address system, Projector etc.

#### **Lab Equipment:**

Lab equipment have two categories - Standard for Moisture Meter etc. and Commodity Specific which is primarily dependent on the commodities being handled by the respective APMC markets.

### **8.5. Regulated Markets**

Regulated market is wholesale market where buying and selling is regulated and controlled by the state government through the market committee. It aims at the elimination of unhealthy and unscrupulous practices reducing marketing charges and providing facilities to producers and sellers in the market. The poor standards of primary and secondary markets where producer convert their produce into cash. The prevalence of various malpractice's such as short-weights, excessive market charges, unauthorized deduction, adulteration of produce and the absence of

machinery to settle disputes between sellers and buyers were recognized as the main hindrances in agricultural marketing.

### **1. MARKET COMMITTEE**

Market committee is comprised of representatives from different sectors of society that is farmers, traders, government local bodies and co-operative. In general it is observed that market committee consists of 15 members 10 from farmers 3 from traders and 1 each from the government and local bodies.

### **2. AREA OF OPERATION**

The concerned state government notifies that its intention to regulate trade practices in specified area such an area of operation is laid down either as a municipal limit or district or even it may be a region. In Maharashtra area of operation of each regulated market restricted to one taluka.

### **3. METHODS OF SALES**

In regulated market the sale of agricultural produce is undertaken either by open auction or by close tender method these sales method ensure a fair and competitive price for the produce and prevent the cheating of farmers by market functionaries. By these methods, the sale is carried out under the supervision of an official of the market committee.

### **4. LICENSING OF MARKET FUNCTIONARIES**

All the market functionaries including traders working in the regulated market have to obtain a license from the market committee after paying the prescribed fee to carry on their business, the licensed traders have to keep proper record and maintain accounts in accordance with the buy-laws of the market committee.

### **5. MARKET LEVIES OR FEES**

Growers and traders have to pay market fees which are calculated on the basis of value of volume of a commodity bought and sold in the markets. Sometimes it may be based on cartload or truckload.

### **Advantages of regulated markets**

1. Market changes are clearly defined and specific.
2. Market practices are regulated and undesirable activities are brought under control.
3. Correct weightment is ensured by periodical inspection and verification of scales and weights.

4. Suitable arrangements for the settlement of disputes is provided.
5. Reliable and up to date market news are made available to the farmers.

#### **8.6. Pradhan Mantri Kisan SAMPADA Yojana**

Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters aim at promoting modern infrastructure including that of post-harvest and marketing infrastructure for agriculture marketing in the country with an allocation of Rs. 6,000 crore for the period 2016-20. The scheme will be implemented by Ministry of Food Processing Industries (MoFPI). PM Kisan SAMPADA Yojana is expected to leverage investment of Rs. 31,400 crore for handling of 334 lakh MT agro-produce valued at Rs. 1,04,125 crore, benefiting 20 lakh farmers and generating 5,30,500 direct/indirect employment in the country by the year 2019-20. PM Kisan SAMPADA Yojana is expected to leverage investment of Rs. 11,095.93 crore, benefiting 28,49,945 farmers and generating 5,44,432 direct/indirect employment in the country by the year 2025-26.

#### **Achievements**

- From 2019–20 to 2021–2022, the Fisheries sector had an incredible growth of 14.3 per cent.
- Fish production has increased from 141.64 lakh tonnes in 2019-20 to 161.87 lakh tonnes (provisional) in 2021-22.
- The sector achieved all-time high exports of 13.64 lakh tonnes, reaching Rs 57,587 crores topped by shrimp exports.

#### **9. Government Interventions on non-agriculture sector (Handlooms and Handicrafts sectors)**

Handlooms and Handicrafts may be named among skills or occupations of non-farm sector of rural areas. Passed on from generation to generation as a legacy, these activities took an economic form and went on to become an alternative livelihood for the farmers and rural people in the off-season.

National Handloom Development Programme (NHDP) which consists of two major components, i.e,

1. Overall development of the handloom sector

## 2. Welfare of of the handloom weavers

**9.1. Weaver Mudra Scheme** was launched in the year 2015 as one of the major components of this umbrella, under this scheme credit at concessional interest rate of 6% is being provided to the handloom weavers. It also provide margin money assistance to a maximum of Rs. 10,000 per weaver and credit guarantee for a period of 3 years.

**9.2. Block Level Clusters (BLCs)** are one of the components of National Handloom Development Programme (NHDP) / Comprehensive Handloom Cluster Development Scheme (CHCDS). Financial assistance is provided upto Rs.2.00 crore per cluster for setting up of Common Facility Centre (CFC).

**9.3. Handloom Weaver Mudra Portal:** This portal is in operation since 2017, in association with Punjab National Bank to cut down delays in disbursement of funds for financial assistance. Participating banks submit the claim for margin money, interest subvention and credit guarantee fee on the portal and the margin money is transferred directly to loan account of the weaver and interest subvention and credit guarantee fee is transferred to banks in electronic mode. The India Handloom Brand was launched for branding of high quality handloom products, authentic designs with zero defect and zero effect on the environment.

**Bunkar Mitra:** A toll free helpline was set up to deal with queries of handloom weavers concerning a wide range of issues like technical, supply of raw material, quality control, credit facility, access to market.,etc.,.

**9.4. Handlooms Promotion through e-Marketing:** To promote e-marketing of handloom products, 21 e-commerce entities have been engaged for on – line marketing of handloom products.

**9.5. Museums under Infrastructure and Technology Support Scheme:** To preserve all the antique handicrafts products of the country, the Government has established crafts Museum at Pragati Maidan, New Delhi, which is popularly known as **National Handicrafts and Handloom Museum**. The Government of India has also established 18 Museums throughout the country under Infrastructure and Technology Support scheme to preserve traditional art and craft products of the country including 35 endangered crafts for which Government provides financial, technical assistance(Source: Anon., 2019).

## **10. Literature available / Research studies / Case studies**

### **Study no. 1**

#### **A Study on Rural Marketing Infrastructure for Vegetables in Tiruvarur District**

**Hemalatha, S and Paramasivan, T. 2016**

#### **Introduction**

Agriculture plays a vital role in India's economy. As per estimates by the Central Statistics Office (CSO), the share of agriculture and allied sectors (including agriculture, livestock, forestry and fishery) was 15.35 per cent of the Gross Value Added (GVA) during 2015-16 at 2011-12 prices. India is the largest producer, consumer and exporter of spices and spice products. India's fruit production has grown faster than vegetables, making it the second largest fruit producer in the world. India's horticulture output, comprising fruits, vegetables and spices, is estimated to be 283.4 million tonnes (MT) in 2015-16 after the third advanced estimate. It ranks third in farm and agriculture outputs. Agricultural export constitutes 10 per cent of the country's exports and is the fourth-largest exported principal commodity. The agro industry in India is divided into several sub segments such as canned, dairy, processed, frozen food to fisheries, meat, poultry, and food grains. Productivity of vegetables in India continues to be low compared to world average productivity. Special emphasis is being given for production of vegetables under protected cultivation under Mission for Integrated Development of Horticulture (MIDH). Per capita availability of vegetables in India is 357 gm/ person/day, which is helping in fighting malnutrition.

#### **Marketing Infrastructure**

Marketing infrastructure are those tools and equipments which helps us in managing of a network of all business processes and activities involving procurement of raw materials, manufacturing and distribution management of Finished Goods. This involves supply chain process which involves the art of managing to provide the right product, at the right time, right place and at the right cost to the customer. Factors used to enhance the marketability of specific Light Processed fruits and vegetables include assured delivery of "just-in-time" quantities of products to multiple customers via refrigerated vehicles in short periods. Capability to deliver finished products to customers within 24 to 36 hours from receipt of an order is considered a vital merchandising asset.

#### **Research Methodology**

- Nature of research : Exploratory method
- Sample size : 606

- Data collection method : Questionnaire method
- Data analyzing tool : Statistical Package for Social Science (SPSS)

### Respondents Weightage on Challenges

(n = 606)

Sl. No	Top Five Challenges	Identified Weighted %age respondents
1	Inadequate infrastructural facilities	44.25
2	Comprehensive national level policy on food processing sector	34.46
3	Food safety Laws	28.51
4	Inconsistency in central and state policies	28.08
5	Availability of trained manpower	25.53

### Functional Infrastructure

(n = 606)

Sl. No	Types	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total	Rank
1	Super Market	54	65	06	02	03	130	II
2	Grocery	09	37	67	02	08	123	III
3	Veg Vendor	05	10	37	201	100	353	I
	<b>Total</b>	68	112	110	205	111	606	

### Channel Infrastructure

(n = 606)

Sl. No	Types	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total	Rank
1	Super Market	69	65	0	0	0	134	II
2	Grocery	0	37	79	0	0	116	III
3	Veg Vendor	0	0	39	221	96	356	I
	<b>Total</b>	69	102	118	221	96	606	

### Result

More than 65 percent of the respondents have told that there are no trained manpower. Only 20 percent of the vegetable vendors have agreed that there standard infrastructure facilities.

More than 65 percent of the respondents have told that there are no trained manpower. About 60 percent of the respondents have told that there should a comprehensive and consistent central and state laws

There are high levels of wastage both in processed and in fresh vegetables. This happens due to fragmented supply chain.

### **Conclusion**

Hemalatha and Paramasivan (2016) reported that the fruit and vegetable processing industry in India is highly decentralized. A large number of units are in the small scale sector, having small capacities upto 250 tonnes/annum though big Indian and multinational companies have capacities in the range of 30 tonnes/ hour. About 44.25 per cent of respondents were faced the inadequate infrastructure facilities. Thus if marketing, functional, mobile infrastructural facilities are accelerated improving all the shortcomings and inculcating all the suggestions, this industry can be a robust industry.

### **Study no. 2**

#### **A Study on Rural Marketing and Digital Marketing in the Mirror of Current Scenario**

- Dewangan and Pandey (2021)

#### **Research Methodology**

**Research Design** : Descriptive Research Design

**Reference** : Secondary Data and Personal Experience, Journals, Books and Government websites

#### **Challenges in Rural & Digital Marketing**

(n=75)

<b>Sl. No</b>	<b>Rural Marketing</b>	<b>Digital Marketing</b>
1.	Warehousing problems	Understand Customer behavior
2.	Small or disorder (Scattered) market	Collection of big data management
3.	Problem arising for manufacturing product	Finding or Making best team
4.	Transportation problem	More time is investing in digital marketing
5.	Seasonal and irregular demand	Sometimes budget is limited
6.	Living standard is below	Success is also not determined
7.	Lazy life style	Most creativity is necessary
8.	Language problem	Social media interaction with youngsters

## Opportunities of Rural & Digital Marketing

(n=75)

Sl. No	Rural Marketing	Digital Marketing
1.	Agricultural equipment or materials	TV (Television)
2.	Poultry	Social media
3.	Metals which was made in rural areas	Newspaper

## Tabulation of statistical differential showing rural marketing and digital marketing (n=75)

Type	Variable	No. of Respondents	Mean	SD	t - value
<b>I. Statistical differential showing rural marketing and digital marketing</b>					
Rural Marketing	Marketing	75	75.56	9.16	7.025**
Digital Marketing		75	85.33	7.82	
<b>II. Statistical differential showing the present scenario rural marketing and digital marketing</b>					
Rural Marketing	Marketing	75	76.83	4.24	16.71**
Digital Marketing		75	86.66	2.82	
<b>III. Statistical differential showing rural marketing and digital marketing according to opportunity and challenges</b>					
Rural Marketing	Marketing	75	75.56	2.82	9.025**
Digital Marketing		75	85.33	8.94	
<b>df= 148</b>		<b>**P &lt; 0.01</b>		<b>Significant</b>	

## Result

The mean score of rural marketing and digital marketing are 75.56 and 85.33 respectively. The SD of rural marketing and digital marketing are 9.16 and 7.82 respectively. The t -value obtained 7.025 which are significant at 0.01 level because obtain t-value is greater than the table value ( $P < 0.01 = 2.62$ ). It can be concluded that there lies a significant difference in the rural and digital marketing. The mean score of rural marketing and digital marketing in present scenario are 76.83 and 86.66 respectively. The SD of rural marketing and digital marketing in present scenario are 4.24 and 2.82 respectively. The t -value obtained 16.71 which are significant at 0.01 level because obtain t-value is greater than the table value ( $P < 0.01 = 2.62$ ). The mean score and standard deviation of rural marketing are 75.56 and 2.82 respectively according to their opportunity and challenges and mean score and standard deviation of digital marketing are 85.33 and 8.94 respectively according to their opportunity and challenges. The t -value obtained 9.025 which are significant at 0.01 level because obtain tvalue is greater than the table value ( $P < 0.01 = 2.62$ ).

It can be concluded that there lies a significant

## **Conclusion**

There is a significant difference in the rural & digital marketing, the present scenario of rural & digital marketing, and opportunities and challenges of rural & digital marketing. Various problems arising in rural marketing. Nearly 8.9 per cent of Indian people are indigenous so there is a big problem of communication difficulties.

## **Conclusion of Seminar**

Developing countries like India has facing the challenges and problems of fulfilling the rural infrastructure facilities, in general physical and digital infrastructure of both agriculture and non-agriculture sectors. Rural producers have faced major constraints in accessing, understanding and engaging with urban markets which have diverse consumer groups. Government policies and programmes that encourage the development and accessibility of basic rural infrastructure include marketing facilities which could contribute to our national income and create global market for our products.

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## **12. Discussion**

**1. Whether rural Bazaar is comes under rural marketing infrastructure?**

**Ans:** Yes, Rural bazaar and haats are comes under the rural marketing infrastructure. NABARD and Ministry of rural development to take developing measures in the form of traditional haats to modern rural haats. Now-a-days, more focus to rural marketing and its infrastructure.

**2. What are the suggestions given to reduction of malpractices in APMCs and Regulated market?**

**Ans:** To increase the transparency of trading, maintain the trust of farmers regarding APMC mandis, to improve the e-bidding and e-payment in future. To create more awareness on regulated markets and its importance for welfare of farmers.

**3. What are the status of digital marketing in Tamilnadu?**

**Ans:** Tamil Nadu is a quiet a competitive business state here every business you find true competition and in these competition only a Digital Marketing Company in Tamil Nadu will able to help you take maximum business in the competitive market. Digital Marketing is a technique that helps to make your brand more visible in the eye of your stakeholders.

**4. How education helps to rural marketing?**

**Ans:** Education is the changing of human behaviour. So, through skill development of farmers and rural people to transform the knowledge from traditional to update. It will be improve the skill development, communication between rural people to government or private marketing authority. Towards achieve the sustainable development goals.

**5. Comparison of e-NAM and ReMC which one is the best?**

**Ans:** e-NAM is the online trading platform which were using all over the country. ReMC is the online trading platform which was using only in Karnataka. e-NAM is the best one where maintained by union government of India and maximum numbers of farmers using e-NAM platform.

**6. What are the suggestions for improving rural marketing infrastructure?**

**Ans:** To strengthening the general rural infrastructure like roads, electricity, drinking water supply etc. As per rural area demand, we have to develop the infrastructure facilities to villages. To create the awareness about rural markets and marketing strategies in India and global level successful models.



**COLLEGE OF AGRICULTURE, GKVK, BENGALURU – 65.**

Name : Mohanraj, M

Venue : Dr. Dwarkinath Hall

ID.No : PAMB1027

Time : 09:30 AM

Class : II Ph.D. (Agril. Extn)

Date : 01/ 04/ 2023

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**Seminar – I  
Synopsis  
Rural Marketing Infrastructure**

Infrastructure is the backbone of the country. It plays a very important role in supporting a nation's economic growth. About 890 millions of rural people, India has the largest rural population in the world and continues to develop in urbanisation and industrialization, about 65.00 per cent of Indians residing in 6,49,481 villages and 54.6 per cent of the total workforce is engaged in agriculture and related activities. The Rural Marketing Association of India (RMAI) found that about 60.00 per cent of India's income has come from rural, small-town, and semi-urban economies. The rural areas account for about 50.00 per cent of India's Gross Domestic Product (GDP) and are home to nearly 70.00 per cent of the country's population. Agriculture contributes to 17.00 per cent of India's Gross Value Added (GVA) and its allied sectors. The new operational guidelines for the sub-scheme of Integrated Agricultural Marketing Infrastructure of 2018-20 focussed on developing marketing infrastructure to properly handle and manage various kinds of farm and forest produce, provide innovative technologies for post-harvest infrastructure, and develop alternative and competitive marketing channel for agricultural produce. In case of non-agricultural or artisanal products, the government has facilitates marketing support by encouraging participation in craft fairs and melas (Argade, 2021).

**Objectives**

1. To understand the concept of rural marketing infrastructure
2. To study the government initiatives of rural marketing infrastructure
3. To review the related research studies

**Rural Marketing**

Rural marketing is defined as the process of developing, pricing, promoting, distributing rural-specific goods and services leading to exchange between urban and rural markets, which satisfies consumer demand and also achieves organizational objectives (Iyer, 2012).

**SWOT Analysis of Rural Market (Puri, 2017)**

**Strength:** A large population of 647 million largely uncovered by the companies. The staggering 72 per cent of India's population contributes to half on India's GDP. Size of the Indian rural market is INR 124000 crores approximately.

**Weakness:** Low literacy levels and awareness exist in the majority of rural areas. Lack of infrastructure facilities like sustainable power, roads and logistics, etc. Language difficulties as per the geographical area. The mass population of the area resists change due to the traditional outlook of India.

**Opportunities:** Rural literacy levels of the country have improved from 36.00 to 59.00 per cent. The percentage of below poverty line families have declined from 46.00 to 27.00 per cent. About 87.00 per cent of the villages have been electrified, and providing a possibility for industrial marketing and other business activities on a larger scale.

**Threats:** The process of creating products and services in rural areas can be a tricky proposition. Low levels of infrastructure can cause threaten profitability and subsequent losses on the investment.

**Rural Marketing Infrastructure**

An efficient marketing system requires huge investments in physical and digital infrastructure that helps rural producers to connect and engage with urban markets, logistically and electronically.

### **Government Initiatives on Rural Marketing Infrastructure**

Integrated Scheme for Agricultural Marketing (ISAM) provides infrastructure facilities for grading, standardization and quality certification of agricultural produce and promotes pledge financing and marketing credit, a negotiable warehousing receipt system. It is a credit-linked, capital investment back-end subsidy Central Sector Sub-scheme.

Agricultural Produce Market Committees (APMCs) established by the state governments in order to eliminate the farmer's exploitation by intermediaries, where they are forced to sell their produce at extremely low prices.

### **Research studies**

Hemalatha and Paramasivan (2016) reported that the fruit and vegetable processing industry in India is highly decentralized. A large number of units are in the small scale sector, having small capacities upto 250 tonnes/annum though big Indian and multinational companies have capacities in the range of 30 tonnes/ hour. About 44.25 per cent of respondents were faced the inadequate infrastructure facilities. Thus if marketing, functional, mobile infrastructural facilities are accelerated improving all the shortcomings and inculcating all the suggestions, this industry can be a robust industry.

Dewangan and Pandey (2021) reported that there is a significant difference in the rural & digital marketing, the present scenario of rural & digital marketing, and opportunities and challenges of rural & digital marketing. Various problems arising in rural marketing. Nearly 8.9 per cent of Indian people are indigenous so there is a big problem of communication difficulties.

### **Conclusion**

Developing countries like India has facing the challenges and problems of fulfilling the rural infrastructure facilities, in general physical and digital infrastructure of both agriculture and non-agriculture sectors. Rural producers have faced major constraints in accessing, understanding and engaging with urban markets which have diverse consumer groups. Government policies and programmes that encourage the development and accessibility of basic rural infrastructure include marketing facilities. Rural agricultural marketing plays a vital role in the socio-economic development of the country where about 70% of the employments are generated through agriculture and allied sectors which could contribute to our national income and create global market for our products.

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