

# 21AECO242 AGRICULTURAL MARKETING, TRADE AND PRICES

Hours Per Week :

L	T	P	C
2	-	2	3

Total Hours :

L	T	P
30	-	30

## COURSE DESCRIPTION AND OBJECTIVES:

The course imparts knowledge about concepts of trade, marketing strategies, marketing process and on overcoming marketing hurdles

## COURSE OUTCOMES:

Upon completion of the course, the student will be able to achieve the following outcomes:

COs	Course Outcomes
1	Understand the structure and operation of local, regional and international agricultural markets, trade agreements, quality control methods and standards employed
2	Comprehensive knowledge about public and private sector marketing institutions and the role of Government in regulating markets and fixing prices

## SKILLS:

- ✓ *Analyse price dynamics of Agricultural products*
- ✓ *Suggest improvement measures based on performance of Agro-based Industries*
- ✓ *Plan for efficient Agricultural marketing system*



Source :

<https://www.orfonline.org/expert-speak/why-budget-2018-should-have-special-focus-on-agriculture/>

**ACTIVITIES:**

- o *Computation of marketable and marketed surplus of important commodities*
- o *Visit to a local market to study various marketing functions performed by different agencies*
- o *Identification of marketing channels for selected commodity*
- o *Visit to market institutions - SWC, CWC, FCI and District Cooperative Marketing Societies etc*

**UNIT - 1**

**Agricultural Marketing I** : Concepts and definitions of market, marketing, agricultural marketing, market structure, classification and characteristics of agricultural markets; demand, supply and producer's surplus of agri-commodities: nature and determinants of demand and supply of farm products, producer's surplus – meaning and its types, marketable and marketed surplus, factors affecting marketable surplus of agri commodities

**UNIT - 2**

**Agricultural Marketing II** : Marketing process and functions: Marketing process-concentration, dispersion and equalization; exchange functions – buying and selling; physical functions – storage, transportation and processing; facilitating functions – packaging, branding, grading, quality control and labelling, AGMARK; Market functionaries and marketing channels: Types and importance of agencies involved in agricultural marketing and their meaning. Marketing channel-definition and meaning, marketing channels for different farm products and farm inputs

**UNIT - 3**

**Agricultural Marketing III** : Role of Govt. agencies in Agricultural marketing: Public sector institutions- CWC, SWC, FCI, & DMI – their objectives and functions; cooperative marketing in India- NAFED, MARKFED. Agricultural prices and policy: Meaning and functions of price; administered prices; need for Agricultural price policy; Risk in marketing: Types of risk in marketing; speculation & hedging; An overview of futures trading in agricultural commodities and role of commodity exchanges. Role of regulatory bodies in futures markets- SEBI, etc APEDA - The Agricultural and Processed Food Products Export Development Authority, role of APEDA in promoting exports

**UNIT - 4**

**Market Integration and reforms in Agriculture Marketing**: Market Integration, efficiency, costs and price spread: Meaning, definition and types of market integration; marketing efficiency; marketing costs, margins and price spread; factors affecting cost of marketing; Reasons for higher marketing costs of farm commodities; ways of reducing marketing costs. Ideal Agricultural marketing system, Characteristics of good marketing system, Model APMC act 2003, Features and constrains in APMC act, APLM act 2017, Electronic National Agriculture Markets (e-NAM), The Farmers produce trade and commerce (promotion and facilitation) act 2020, The Farmers (empowerment and protection) price assurance and farmers services agreement act 2020. Amendments in essential commodity acts 2020 and impact agricultural marketing

**UNIT - 5**

**Introduction to International Trade and Agribusiness Environment and Policy** : Concept of International Trade and its importance in globalised world economies, theories of absolute and comparative advantage. Present status and prospects of Indian agri-commodities trade in international trade. WTO: its genesis, objectives, functions and principles of multilateral trade, WTO agreements - Agreement on Agriculture (AoA) and its implications on Indian Agriculture; TRIPS and Intellectual property rights and their implications to Indian Agriculture

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## LABORATORY EXPERIMENTS

### LIST OF EXPERIMENTS

1. Plotting and study of demand and supply curves for major Agricultural commodities
2. Calculation of elasticities for important agricultural commodities
3. Study of relationship between market arrivals and prices of some selected commodities
4. Computation of marketable and marketed surplus of important commodities
5. Study of price behaviour over time for some selected commodities
- 6&7. Construction of index numbers- moving averages -General PI , WPI, CPI
- 8&9. Visit to a local markets to study various marketing functions performed by different agencies, identification of marketing channels for selected commodities, collection of data regarding marketing costs
10. Estimation and calculation of marketing costs, margins and price spread and presentation of report in the class
11. Visit to SWC/CWC to study their objectives, role, organization, functioning and performance
12. Visit to FCI and study its objectives, role, organization and functioning and performance
13. Visit to cooperative marketing society – DCMS/ MARKFED, etc. to study their objectives, role, organization and functioning
- 14-15. Study of comparative advantage of different agricultural commodities of India in International trade

### REFERENCES:

1. Acharya, S.S and Agarwal,N.L. 2012, *Agricultural Marketing in India*. Oxford & IBH Publications Co. Pvt. Ltd., New Delhi
2. Acharya, S.S and Agarwal,N.L. *Agricultural Price: Analysis and Policy*. Oxford & IBH Publications Co. Pvt Ltd., New Delhi
3. Subba Reddy, S., P.Raghu Ram., Sastry, T.V.N and Bhavani Devi, I. 2016. *Agricultural Economics*. Oxford & IBH Publishing Company Private Ltd., New Delhi
4. Kahlon, A.S and Tyagi.D S. 1983. *Agricultural Price Policy in India*. Allied Publishers Pvt. Ltd., New Delhi
5. Mamoria, C.B. and Joshi. R L.1995. *Principles and Practices of Marketing in India*. Kitab Mahal, Allahabad

