

## **Agricultural Marketing System in West Bengal: Problems and Prospects with Special Reference to Rural Markets**

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### **Abstract:**

*In recent years, growing concern has emerged over the efficiency of agricultural marketing in India, with West Bengal being no exception. The volatility and rise in consumer prices are frequently attributed to inadequate marketing infrastructure and weak linkages across the agricultural supply chain. As agriculture remains a crucial source of livelihood for a significant portion of West Bengal's rural population, the effectiveness of its marketing systems has far-reaching economic implications. Despite the state's diverse production of rice, vegetables, fruits, and fish, systemic issues such as outdated market practices, insufficient storage and processing facilities, and limited access to organized procurement mechanisms hinder the growth and competitiveness of rural producers.*

*Additionally, poor enforcement of agricultural market regulations has allowed middlemen and informal traders to dominate the supply chain, often at the expense of small and marginal farmers. This results in lower price realization for producers and restricts their participation in more formalized and remunerative markets. Cultural barriers, lack of awareness, and inadequate financial and technological support further compound these challenges.*

*To improve market efficiency and ensure fair returns to farmers, there is a pressing need to strengthen infrastructure, streamline market operations, and promote inclusive policies. This study investigates the current state of agricultural and rural markets in West Bengal, identifies key bottlenecks, and proposes strategic interventions to enhance the overall marketing ecosystem in the state. Rural Markets of West Bengal play very important role in achieving*

**Keywords:** *Agricultural marketing, West Bengal, rural markets, infrastructure, pricing, middlemen, storage, value addition.*

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### **I. Introduction:**

Agriculture remains one of the most strong and important industries of the Indian economy, offering the basic need of food as well as livelihoods throughout the nation. Agriculture is a crucial one in West Bengal, contributing not just to food security but also to a big push for rural employment, industrial input, savings, market development, and foreign exchange earnings. A large part of West Bengal's populace is reliant on agriculture and allied operations for survival, and therefore the effectiveness of agricultural practice and marketing systems is of foremost importance to the economic health of the state. The agricultural economy in West Bengal is dominated by small farm holdings, seasonal production cycles, and fragmented supply chains. Although one of the major producers of rice, vegetables, and fruit crops such as mango, litchi, and pineapple, farmers fail to get access to fair-priced markets. Agribusiness encompassing operations from cultivation to processing and marketing is key to realizing rural economy full potential. It includes inputs such as seeds, fertilizers, and machinery, and outputs such as raw and processed farm products, and services such as credit, storage, insurance, packaging, and transport. For marginal and small farmers in West Bengal, marketing the surplus crop is sometimes more difficult than crop production. There has to be an efficient system of agricultural marketing to make sure that farmers get a fair income for their products while giving consumers stable prices. Marketing is not merely selling the crops, but a chain of functions with links—planning, harvesting, grading, storage, movement, processing, and the dissemination of market information—all aimed at connecting the farm to the ultimate consumer in an effective manner.

In West Bengal, rural markets have poor infrastructure, poor logistics, no cold storage, and poor post-harvest facilities, especially in peripheral districts. The prevalence of private intermediaries and sparse presence of regulated market institutions have made farmers fail to reap the entire value of their produce. While the state has diversified crops and horticultural production, farmers are not in a position to compete on national markets because of inefficient procurement systems and a lack of value-addition infrastructure.

Enhancing agricultural marketing in West Bengal necessitates a comprehensive approach that seeks to address systemic constraints such as fragmented markets, obsolete patterns of trading, and lack of connectivity. Improving rural market infrastructure, facilitating farmer-producer organizations, inducing agro-processing units, and improving institutional support can contribute to improved price realization for farmers. The purpose of this study is to analyze the problems of agricultural and rural markets in West Bengal with a view to determining marketing efficiency improvement, income for farmers, and rural development strategies.

## **II. Literature Survey**

Rajendran and Karthikesan (2014) highlighted the significance of linking small farmers with market systems to avoid their marginalization from the economic gains of agricultural trade. They advocated for farmers in states such as West Bengal being armed with critical market information, including price trends, demand-supply conditions, and economic cycles, to be connected and well-informed.

Kashyap and Raut (2006) pointed out some typical issues of rural markets, such as constraints on distribution, communication, and advertising. In the case of rural West Bengal, these need to be overcome by using digital aids and platforms like e-marketing for a better outreach and efficiency in agri-trade. Murugesan and Rajarajan (2016) examined the wider context of agricultural marketing in India and recorded the disquieting trend: labor forces are slowly moving out of agriculture towards industries such as construction, textiles, and casual employment. This trend can also be seen in other areas of West Bengal, where there is a shortage of labor in agriculture because of better perceived prospects in other sectors. Deka and Sharmah (2012) have carried out a field study of the agricultural marketing situation in the North-Eastern Region (NER) by conducting a survey from different villages. Although their study was not targeted at West Bengal, the same approach of using both primary and secondary data could prove to be useful in examining agricultural marketing problems in West Bengal's varied districts, ranging from Darjeeling hills to Sundarbans deltaic plains.

Bissa and Vyas (2014) studied the condition of agricultural marketing infrastructure in India. They contended that improved infrastructure like roads, storage facilities, and cold chains can lower distribution expenses dramatically and benefit various groups like farmers, traders, consumers, and researchers. The results are extremely pertinent to West Bengal, where inadequate logistics and storage infrastructure usually inhibit the effectiveness of agricultural trade.

Sulaiman (2017) emphasized the necessity of enhancing the quality, cost-effectiveness, and overall efficiency of agricultural produce. He recommended significant investments in post-harvest and cold-chain facilities nearer to farming communities. In West Bengal, especially in perishable crop-growing regions such as Malda (mangoes) or Nadia (vegetables), these developments would significantly lower wastage and increase profitability.

Based on these studies, it can be seen that though various researchers have worked on agricultural marketing problems for various states of India, focused, in-depth research on the problems and prospects of the agricultural marketing system of West Bengal is scarce. Hence, detailed work revolving around this state is required to fill this knowledge gap.

## **Objectives of the Study**

- i. In order to assess the prevailing state of agriculture marketing in West Bengal's rural regions and find the major challenges and growth opportunities.
- ii. To analyze the state and central government roles in stimulating and facilitating agricultural marketing infrastructure as well as farmers' access within West Bengal.
- iii. To investigate and evaluate the performance of current government schemes, policies, and missions dealing with agricultural marketing in rural West Bengal context.

## **III. Research Methodology**

This research utilizes the descriptive research approach and draws mainly on secondary data sources. Information has been collected from a broad range of material such as academic books, refereed journal articles, newspapers, and publications of the Department of Agriculture and other allied agencies in West Bengal. Publications of the government departments like the Planning Commission (now NITI Aayog) and other policy reports have also been consulted. Furthermore, information gathered by national and state-level organizations were tabulated and graphically represented to understand patterns and trends. Government and agricultural websites were browsed to gather specific and latest information concerning rural agricultural marketing in West Bengal.

## Data Analysis and Interpretation

### West Bengal Agricultural Marketing System:

West Bengal agricultural marketing is the whole chain of operations that facilitates agricultural products to reach the consumers through different mediums. The system is vital in helping farmers by providing them with reasonable prices and reduced post-harvest losses. A number of challenges, however, affect its performance, some of which are the monopoly of private traders, absence of regulated markets, poor storage facilities, and poor awareness of farmers regarding price movements and market linkages.

West Bengal is one of the principal agricultural states of the country, raising a large number of crops such as paddy, jute, pulses, oilseeds, vegetables, and fruits. Even with this diversity, farmers tend to struggle in marketing their products at good prices because they do not have easy access to formal marketing infrastructure as well as storage facilities. Cash requirements at short notice and lack of proximate storage compel several small and marginal farmers to dispose of their produce at unfavorable prices immediately after harvesting. In response to these issues, the government of West Bengal, under the Department of Agriculture Marketing and other allied institutions, has taken up the development of market and storage infrastructure in districts.

### Storage Infrastructure in West Bengal:

Storage capacity is essential to reduce post-harvest losses and enable farmers to wait for favourable market prices. The major agencies involved in warehousing agricultural produce in West Bengal include the Food Corporation of India (FCI), Central Warehousing Corporation (CWC), West Bengal State Warehousing Corporation (WBSWC), and cooperative societies.

Organization	Storage Capacity (in MT) (Example Data)
Food Corporation of India (FCI)	600,000
Central Warehousing Corporation (CWC)	85,000
West Bengal State Warehousing Corporation (WBSWC)	350,000
Cooperative Societies & Others	55,000
<b>Total</b>	<b>10,90,000</b>

*Source: West Bengal Agriculture Department, Government of West Bengal (Indicative data)*

These facilities help regulate the market by absorbing surplus and stabilizing prices, though their reach and capacity need further expansion.

### Market Infrastructure in Rural West Bengal:

The government has been investing in improving market access in rural areas by developing regulated market yards, rural haats, and wholesale markets. Below is a summary of market infrastructure development:

Facilities	Number (Approximate)
Regulated Market Committees	32
Primary Market Yards	45
Rural Periodic Markets (Gramin Haats)	1,500+
Auction Platforms and Retailer Sheds	650+
Wholesale Markets	550+
Organic Markets	3
Packaging and Sorting Units	30
Agro-Processing Units	25
Cold Storage Units (Private + Govt.)	85+

*Source: Department of Agriculture Marketing, Government of West Bengal*

Despite improvements, issues remain in terms of accessibility, digital connectivity, and awareness. Additionally, cold chains and logistics services are underdeveloped in remote parts of the state.

### Cold Storage Facilities:

Cold storage is vital for perishable produce like fruits, vegetables, dairy, and fish. In West Bengal, cold storage facilities are primarily developed through public-private partnerships and cooperative models.

Sector	No. of Cold Storage Units
Private Sector	70+
Government	15+

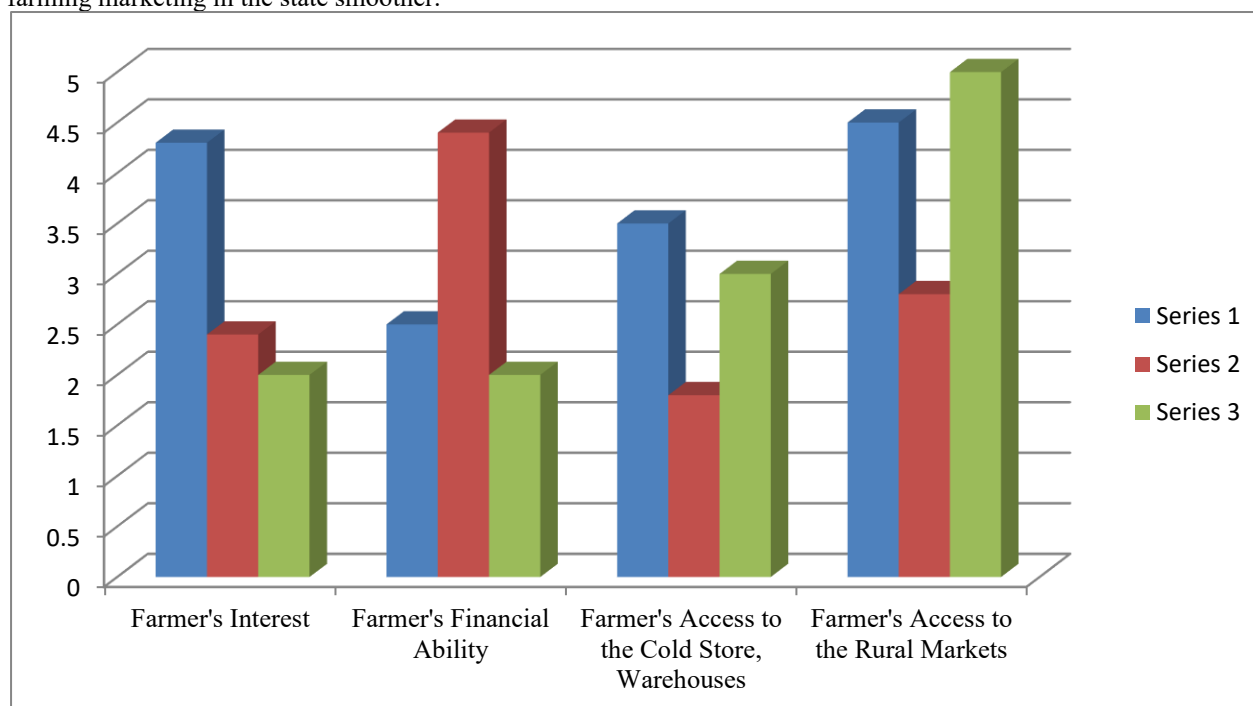
Recent initiatives include the construction of multi-functional cold storage units in major agricultural belts like Hooghly, Purba Bardhaman, North 24 Parganas, Nadia and Malda districts. These units are equipped with chiller and freezer rooms and aim to benefit farmers engaged in high-value crop cultivation.

#### **Other Government Programs:**

The state has been proactive in enhancing farm marketing by:

- Establishment of e-NAM electronic National Agriculture Market platforms.
- Erection of grower-consumer markets in cities such as Kolkata and Siliguri.
- Introduction of agricultural marketing smart phone apps for prices and mandi information.
- Assistance for transportation and logistics through farmer group and SHG subsidies.

Besides, rural connectivity works under PMGSY and infrastructure initiatives under RKVY (Rashtriya Krishi Vikas Yojana) and MIDH (Mission for Integrated Development of Horticulture) are making supply chains for farming marketing in the state smoother.



#### **Key Steps and Plans for Enabling Marketing and Post-Harvest Management in West Bengal**

##### **1. Post-Harvest Empowerment of Rural Women**

In West Bengal, women in rural areas have been empowered with training and access to small-scale processing units for oilseeds and pulses. Such programs allow them to generate livelihoods at home and be part of the agri-value chain. Export-oriented activities, such as processed pineapple, ginger, and floriculture products, have also been facilitated in the state, along with women-led SHGs, to undertake agri-horticultural businesses along with post-harvest operations.

##### **2. Women-Centric Development Programs:**

Recognizing the pivotal contribution of women in agriculture—right from cultivation to marketing—the West Bengal government has initiated a number of SHG-centered welfare programs. These programs are designed to enhance the socio-economic conditions of women through financial support, training, and exposure to agri-business ventures.

##### **3. Mini Oil Mills and Packaging Units:**

With a view to encouraging value addition in oilseeds and rural employment, the state has motivated the establishment of mini oil extraction and packaging units. The West Bengal State Agricultural Marketing Board provides support for these units with a view to efficient marketing and branding of products.

##### **4. National Mission on Oilseeds and Oil Palm (NMOOP):**

In order to fill the shortage of oilseed production, West Bengal has introduced NMOOP through three mini-missions: vegetable oilseed development, plantation of palm oil, and tree-borne oilseeds. These initiatives are intended to enhance local supply of oilseeds and minimize import dependence.

**5. Bringing Green Revolution to Eastern India (BGREI):**

Introduced during 2010–11, BGREI has been instrumental in increasing rice productivity in West Bengal. The scheme encourages interventions such as better seed distribution, use of fertilizers, irrigation infrastructure, and farm mechanization to overcome bottlenecks in rice farming systems.

**6. Pradhan Mantri Fasal Bima Yojana (PMFBY):**

West Bengal has implemented PMFBY to insure farmers against losses of crops due to natural disasters, pests, and diseases. The scheme aims to pay minimal premiums to farmers while protecting their incomes through timely payments.

**7. Transport Subsidy Scheme:**

In order to provide farmers better market access at remunerative prices, the state has implemented transport subsidies. By lessening reliance on middlemen and facilitating direct market connections, this initiative provides fair prices to farmers and improved product availability for consumers.

**8. Agmark Grading and Quality Control:**

West Bengal encourages the implementation of Agmark certification to ensure quality standards for agriculture produce like mustard oil, honey, spices, and cereals. The scheme urges millers and packers to practice standard procedures, backed by the functioning of Agmark labs in major agricultural districts.

**9. One District One Product (ODOP) Initiative**

Under this scheme, every district of West Bengal is persuaded to concentrate on one single product—such as Darjeeling tea, Malda mangoes, or Bardhaman rice. This concentration helps in branding, marketing, and promotion of export through common infrastructure, R&D, incubation assistance, and skill development initiatives.

**10. Agri-Market Infrastructure Fund (AMIF):**

With NABARD support, West Bengal is leveraging AMIF to upgrade rural Haats to Gramin Agricultural Markets (GrAMs), connect them to APMC networks, and strengthen digital infrastructure for price discovery and market access. The initiative is consolidating the market ecosystem through improved transparency and farmer engagement.

**Major Findings and Recommendations**

– West Bengal's Rural and Agricultural Markets

• **Infrastructure of Storage and Grading:**

Effective storage and grading are essential for enhancing the value chain of West Bengal's agricultural sector. Priority needs to be given to establishing these infrastructure facilities near farm areas to support small and marginal farmers.

• **Decentralization of Storage Facilities:**

Today, most storage infrastructure is concentrated in urban centers under the control of institutions such as the State Warehousing Corporation and Cooperative Federations. These are out of the reach of rural farmers. Decentralized storage units at block and village levels need to be created.

• **Market Infrastructure and Public-Private Participation**

Private sector involvement is a must for the development of agri-marketing infrastructure. Investment through Public-Private Partnerships (PPP) will speed up modernization and enhance efficiency in rural markets.

• **Warehouse Receipt Financing & Accreditation:**

Upgrading existing warehouses to accept accreditation and incorporating warehouse receipt financing can enable farmers to access credit on stored produce as collateral, enhancing liquidity and minimizing distress sales.

• **Improved Market Services:**

Infrastructures such as precise weighing systems, quality testing laboratories, credit against inventory, and electronic trading platforms must be provided at rural markets to allow farmers to earn more prices and participate in transparent trade.

• **Scientific Storage Facilities:**

Scientific storage systems, temperature control, and humidity control must be introduced in the warehousing system of West Bengal to minimize post-harvest losses and preserve quality.

- Using ISAM for Infrastructure Projects:

The Integrated Scheme for Agricultural Marketing (ISAM) can be utilized better by involving local authorities, APMCs, and the State Marketing Board to conceptualize and execute rural infrastructure development schemes.

- Regulating and Organizing Rural Markets:

Most of the rural markets in West Bengal are unorganized. Such markets must be brought under an organized framework with the support of local elected bodies and cooperatives. Effective and transparent market administration can be realized through the substitution of temporary management by trained professional personnel.

- Increasing Agricultural Production and Commercialization:

West Bengal agriculture needs to focus on increased productivity and commercialization. Higher production of cereals, oilseeds, cash crops, and horticulture will provide more opportunities for processing, export, and development of agro-based industries.

- Skill Development Through Farmer Exposure:

To improve farming methods, West Bengal farmers can be exposed to visits and training in other states that have superior agricultural practices, promoting skill development and innovation.

- Focus on Market Research and Analysis:

Ongoing well-funded agricultural marketing studies are essential to evaluate market trends, detect gaps, and build viable policy interventions. Specific funds should be earmarked for this.

- Horticulture and Plantation Development:

Horticultural crops such as mangoes, bananas, pineapples, and medicinal crops should be encouraged through Area Development Schemes. Extending farmers' access to formal credit institutions and enhancing extension facilities can enhance investment and productivity in the sector.

- Promoting Private and Cooperative Processing Units:

A twin strategy is suggested for agro-processing. While big-scale private processing units for items such as pineapples and mangoes can push commercial worth, small and medium-sized units operated by cooperatives, farmer groups, or NGOs can process such crops as areca nut, ginger, and turmeric to push community involvement and local economic development.

#### **IV. Conclusion**

- Marketing is at the center of resolving the agricultural sector challenges in West Bengal. Without a fair and efficient system to transport produce from farms to consumers, any production gain in the agricultural sector will not achieve actual benefits for producers. Guaranteeing reasonable remuneration to producers while keeping prices affordable for consumers is a must. In this regard, West Bengal's agricultural marketing cooperatives provide a crucial platform through which farmers are able to secure improved prices and compete against well-funded private entities.

- Though the functions of cooperatives have been increasing in agricultural marketing, the existing infrastructure in West Bengal continues to be inadequate. Lack of cold storage facilities, processing units, and effective market linkages severely hurts small and marginal farmers. As they have minimal access to transport and storage facilities, they end up selling their produce at the time of harvest—often at very low rates—since there are no facilities to store or process their crops.

- Middlemen control a large number of rural markets, taking advantage of the absence of effective infrastructure and limited bargaining power among farmers. The disparate development of market organization and ineffective management systems in primary rural markets further exacerbate this situation. The inability to wait for propitious opportunities in credit facilities as well as in warehouses means that smallholders end up making distress sales, leading to insecurity in finances.

- There is an immediate requirement to establish a robust rural godown network and scientific storage facilities throughout the state. Such an infrastructure would strengthen small farmers by increasing their holding capacity, reducing post-harvest losses, and enabling them to realize higher prices for their produce. In addition, widening agro-processing cooperatives can increase value addition, provide employment, and aid rural economic growth.

- Finally, the modernization of agricultural marketing systems and the rejuvenation of agri-business cooperatives are essential to the long-term development of West Bengal's agriculture. The government needs to

invest in infrastructure, technology, and institutions to help the farmers of the state get fair rewards and get connected to new, efficient, and equitable market structures.

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