The efficiency of marketing for fruits and vegetables in India has been of significant concern in the recent years. Indian farmers typically depend heavily on middlemen particularly for marketing of their fruits and vegetable production. The producers and the consumers often get a poor deal and the middlemen control the market, but do not add much value. There is also massive wastage, deterioration in quality as well as frequent mismatch between demand and supply both spatially and temporally.

The agricultural marketing system in our country suffers from maximum inefficiency due to lack of infrastructural facilities and market information, exploitation by middlemen and archaic marketing policies which have resulted in higher price of vegetables for consumers and less share of farmers in consumers’ price. It is estimated that about twenty five to thirty per cent of perishables produced in the country are wasted due to inefficient handling, transportation and lack of storage conditions. The agricultural produce being perishable needs to be sold out as soon as they are harvested. Delay in marketing of these produces results in low remuneration or no remuneration. In this situation the traders take the advantage as they are financially sound and very well organized in the market. So farmer remains at the mercy of the trader through generation.

Some studies have found that farmers’ share in consumer’s rupee is comparatively lower for perishable crops (Singh, 1985). This could be due to a variety of factors such as number of intermediaries, cost of various market functions rendered by intermediaries, spread of location of the producers and consumers. Further the degree of perishability, variety and quality, and various market imperfections, market infrastructure, etc also influence the marketing costs and price levels. Agricultural marketing continued to be plagued by many market imperfections such as inadequate infrastructure, lack of scientific grading system, defective weighting and so on.