

Study of Agri Export Produce from Krishi Upaj Mandi, Dewas, M.P.-A Case Study

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ABSTRACT

Agriculture is the primary source of income for rural families in India. About 65 percent of the population is directly dependent on agriculture for their livelihood. Madhya Pradesh is a state blessed with vast natural resources, rich cultural heritage, and excellent industrial base coupled with a progressive investor friendly government located in central India. Major crops grown in the state are paddy, Wheat, maize, Jowar among cereals, Gram, Arhar, urd and Moong among pulses while soybean, ground nut and mustard among oil seeds. The Dewas district comes under the Malwa plateau agro climatic zone of M.P. The major crops of the district are Soybean, Gram and Wheat are grown in 270.25, 130.68 and 114.15 Thousand hectare respectively. Madhya Pradesh has three agro export zone. The Indore has been declared as special agri export zone of the state which is 35 km away from the district headquarter of Dewas. From Dewas mandi, traders export Gram and Wheat with in the country and abroad as well. Under the Gram, Kabuli and Dollar (local) and in Wheat, Lok-1 and Sarbati varieties are exported from Dewas Mandi. In case of Gram, 20 -30 thousand tones per month and in Wheat, 50 -70 thousand tone of the produce has been exported per month from Dewas Mandi. Brown colored Gram is exported from Dewas Mandi. In case of Wheat, grade has been classified according to the grain color. The white colored grain of Wheat i.e. grade -2, Wheat contributes the 50.00 percent of the total Wheat export from Dewas Mandi.

Key words: Agri Exports produce, krishi Upaj Mandi, Agriculture produce.

Agriculture is the primary source of income for rural families in India. About 65 percent of the population is directly dependent on agriculture for their livelihood. The crop yield depends on many factors like weather, soil type and its nutrients status, management practices and other available inputs. As weather plays a major role, efficient crop planning requires proper understanding of the agro-climatic conditions. With the 329 million hectares of the geographical area the country presents a large number of complex in agro climatic situations.

Madhya Pradesh is a state blessed with vast natural resources, rich cultural heritage, and excellent industrial base coupled with a progressive investor friendly government located in central India. Madhya Pradesh is the fourth largest producer of agri produce in India with lowest consumption of fertilizer per hectare.

Agriculture contributes almost one third of the Gross State Domestic Product (GSDP) and is the main source of employment for over 70 percent population and contributes about 60 to 70 percent rural income. The performance of the agriculture sector in the state has been impressive (Savadatti, p.M., 2006).

Major crops grown in the state are paddy, Wheat, maize, Jowar among cereals, Gram, Arhar, urd and Moong among pulses while soybean, ground nut and mustard among oil seeds. Commercial crops like cotton and sugarcane are also grown in considerable area in few districts.

The Dewas district comes under the Malwa plateau agro climatic zone of M.P. The district divided into, 06 blocks namely Bagli, Dewas, Kannod, Khategon, Sonkatch and Tonkhhurd. The major crops of the district are Soybean, Gram and Wheat are grown in 270.25,

130.68 and 114.15 Thousand hectare respectively. The productivity of Gram, Wheat and Soybean was 12.70, 36.00 and 11.50 quintal per hectare respectively.

Madhya Pradesh has three agro export zone. The Indore has been declared as special agri export zone of the state which is 35 km away from the district headquarter of Dewas. The study has been conducted with a view to accomplish following objectives-

- To study the availability of export traders and export agents in the study area and identify the place where goods are exported.
- To study the major produce under export of cereals and pulses and their export quality in the study area.
- To analyze the cost of the export, market price, export price and profit gain by the traders.
- To find out the process for export of cereals and pulses.
- To study the problems in marketing of export produce in the study area and to suggest the suitable measure to overcome them.

METHODOLOGY

Dewas Market Mandi is a regulated red and data were collected with the help of structured schedule Mandi and situated at Dewas Makshi Road because of Dewas Mandi has some unique advantages as it is situated near city Indore which is an agri Export Zone of M.P. A List of all the export traders has been collected from the office of Mandi Secretary for collection of information on various aspects regarding the process of export. The data have been collected by conducting general discussions with all the exporters and the Mandi secretary. A Special schedule pertaining to the objectives of study were administered and data were collected with the help of structured schedule..

To study the availability of export traders and export agents: Under the categories of cereals only Wheat and under the pulses only Gram is the major produce which is exported through Dewas Mandi. While through Indore Mandi besides these two, lentil is also exported. Total eight companies are available in the Mandi that export the Wheat and Gram grains. The four owners of these companies are handling the export of these produce. Most of the exporters belong to a single family and these traders are available in Dewas Mandi campus. The export traders, export their grains through export agents available at Indore.

Place of export of Gram and Wheat: From Dewas Mandi, traders export Gram and Wheat with in the country and abroad as well. The table shows the place where the produce is being exported. Mumbai, Pune, Ahmdabad, Kolkata, Jalgaon, Delhi and Palgarh are the major stations with in the country where the produce is being exported while few Gulf countries, Pakistan, Bangladesh, Afghanistan and some European countries are the major export points abroad.

To study the export quantity and quality of Gram and Wheat: The Following Tables 1 describes the varieties of Gram and Wheat and their quantities which have been exported from Dewas Mandi.

Table 1: Gram and Wheat varieties and quantity of export

Produce	Variety	Quantity (,000 t /month)
Gram	Kabuli	5-10
	Dollar (local)	15-20
Wheat	Lok-1	40-50
	Sarbati	10-20

Under the Gram, Kabuli and Dollar (local) and in Wheat, Lok-1 and Sarbati varieties are exported from Dewas Mandi. In case of Gram, 20 -30 thousand tones per month and in Wheat, 50 -70 thousand tone of the produce has been exported per month from Dewas Mandi.

The quality of export product: The color, grade, weight and percentage of export quality are given in Table 2

Table 2. Quality and quantity of export of Gram and Wheat

Produce	Colour	Grade	Weight (grams)	Export (%)
Gram	Brown	Grade-1	28.35	10.00
		Grade-2	28.35	60.00
		Grade-3	28.35	30.00
Wheat	Shining	Grade-1	No need	30.00
	White	Grade-2	No need	50.00
	Red & White	Grade-3	No need	20.00

The table clearly reveals that only Brown colored Gram is exported from Dewas Mandi. The export quality is dependent upon grain size (GOI, 2011-12). The medium sized of Gram i.e. the grade-2 covers 60.00 percent of the total export of grains. In case of Wheat, grade has been classified according to the grain color. The white colored grain of Wheat i.e. grade -2, Wheat contributes the 50.00 percent of the total Wheat export from Dewas Mandi.

Cost of the export, market price, export price and profit of the traders: The cost of the export which was born by the traders is given in Table-3.

Table 3. Cost of the export

Items	Expenditure (Rs./q)
Transportation expenses	210.00
Mandi fees	2.30
Hummali	10.00
Tulai	8.00
Total	230.00
<i>Grading expenses</i>	
Machinery expenses	20.00
Hummali	10.00
Electric expenses	20.00
Total	50.00
Commission for agent	232.00
Total cost per quintal	512.30

The traders bear the transportation, Mandi fees and other cost Rs. 230.30 per quintal. They also pay grading expenses i.e. Rs 50.00 and commission for agent i.e. Rs 232.00 per quintal. Thus the total cost comes for export of Gram /Wheat is Rs 512.30 per quintal. The market price, export price and profit of the traders of Gram and Wheat are depicted in Table 4.

The table shows that the average market price of the Gram variety Kabuli and Dollar was Rs 5200.00 and Rs 5450.00 per quintal respectively. On an average, the export price of the Gram was Rs.6416.66 but it depends upon the grade. The profit margin of the traders is Rs 704.36 in case of Kabuli Gram while the same is Rs 454.36 per quintal from Dollar Gram. The reason behind this is that the Kabuli Gram fetch relatively lower price in the market as compared to that of Dollar Gram.

Similarly in the case of Wheat, where in two varieties viz-Lok-1 and Sarbati are being exported from Dewas Mandi. The average Market Price of the former first are Rs 1265.00 per quintal and that of later is Rs 1850.00 per quintal. Though the export price is dependent upon the grade of the Produce yet. The

average export price for Lok-1 is Rs 1900.00 and for sarbati is Rs 2700.00 per quintal. The major profit of the traders is much higher i.e. Rs.337.70 in case of Sarbati as compared to Rs 122.70 in case of Lok-1. The average productivity of Sarbati Wheat is relatively less than that of Lok-1 as it is governed by various factors. The Sarbati Wheat is demanded highly in domestic as well as international market because of its test and baking quality that is why, the export price of Sarbati Wheat is higher as compared to Lok-1 (Kottler and keller, 2006).

Process for Export of produce: The Following channels are involved in export process-

- Farmers produce — Traders - Export agent — Purchaser
- Farmers produce — Export traders — Purchaser

The main role of export agent are-

- The export agent helps in timely payment of the exported produce.
- Export agent facilitates easy export of the produce as he is having constant Contacts with exporters and he is having knowledge of the rate of Produce.

The traders are required to seek export license from Bhopal, the capital of M.P. These export traders that export their produce to the purchaser directly without involvement of the export agent, are required to contact the purchaser directly for deciding rate etc. Once the transaction is settled, the purchaser deposits the required amount in the Indian banks (G.C.Baberi, 2007). After delivery of the produce, all the required documents are sent to the export traders. The export trader submits all these documents in the concerned bank for encashment of amount. This is the how the export process is completed

Problems : The low productivity in case of Sarbati

Table 4. Market price, export price and profit of the traders

Product	Variety	APPT	Export price of Traders (Rs. / q.)			AEP	CE	PT
			Grade 1	Grade 2	Grade 3			
Gram	Kabuli	5200.00	6600.00	6500.00	6150.00	6416.66	512.30	704.36
	Dollar	5450.00	6600.00	6500.00	6150.00	6416.66	512.30	454.36
Wheat	Lok-1	1265.00	2850.00	2700.00	2550.00	2700.00	512.30	122.70
	Sarbati	1850.00	2850.00	2700.00	2550.00	2700.00	512.30	337.70

APPT=Average Purchase price of traders Rs./q.;
CE= Cost of Export Rs/q.,

AEP= Average export Price Rs./q.;
PT= Profit of the traders Rs/q.,

Wheat is the major problem. Inadequate irrigation facility is the prime cause for this. The Sarbati Wheat has higher market demand than Lok-1. The export trader has to wait for at least 20 days for the payment from the purchaser but he is required to pay the amount to the farmer's immediately. Due to long distance export of the produce, the transportation cost is raised that subsequently enhance the export cost. To seek export license is a difficult and time consuming process. As per the provision of Mandi act, the export produce has to be transported outside the state boundary within 72 hours of the departure. That May some time cause unnecessary trouble to the export traders as well as purchaser. The basic facilities like water and road are poor and there are inadequate arrangements for shade to protect the produce from rains and sun.

Suggestions: The facilities like drinking water and road should be developed to make the Mandi a safe and suitable place for exporter and farmers. There is a need to modify the Mandi act so as to enhance the time limit of 72 hours to cross the state boundary. There should be a single window system for obtaining the export license. The government has to make necessary provisions for suitability and ease to exporter to attract

the exporters and raise the export from all major Mandies.

CONCLUSION

From the study it is concluded that Wheat and Gram is the major produce which is exported through Dewas Mandi. The export traders, export their grains through export agents available at Indore. Mumbai, Pune, Ahmdabad, Kolkata, Jalgaon, Delhi and Palgarh are the major stations with in the country where the produce is being exported while few Gulf countries, Pakistan, Bangladesh, Afghanistan and some European countries are the major export points abroad. The medium sized of Gram i.e. the grade-2 covers 60.00 percent of the total export of grains. In case of Wheat, white color grain i.e. grade -2, contributes the 50.00 percent of the total Wheat export. The profit margin of the traders of Kabuli Gram greater than the Dollar Gram. The Sarbati Wheat is demanded highly in domestic as well as international market because of its test and baking quality that is why, the export price of Sarbati Wheat is higher as compared to Lok-1. It is needed to modify the Mandi act and should be a single window system for obtaining the export license.

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