

# WORKING OF LIVESTOCK EXCHANGE MARKETS IN RAJASTHAN

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# WORKING OF LIVESTOCK EXCHANGE MARKETS IN RAJASTHAN

## SUMMARY :

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Livestock sector is an integral part of India's agriculture and an important part of the whole economy with reference to employment, income and earning of foreign exchange for the country. The growth of dairy industry with the milk production increasing to more than treble in the last few decades has been commendable achievement and well recognized. In spite of scientific and technological advancement in mechanical farming large number of agricultural operations continue to depend on bullocks and buffaloes for draught power and dung for organic manure and fuel, supporting the farming community having small and marginal land holdings.

The Government policies helped establishment of regulated markets, development of market yards and created infrastructure to facilitate marketing of agricultural produce, but could not give adequate attention towards development of livestock markets. India has enormous cattle wealth but could not explore export markets to match with its production potential. The export was mainly in live animals, meat and meat products, milk, eggs and few byproducts. However, with the signing of **GATT** agreement through WTO, India is offered with an opportunity to make its presence felt in international trade.

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The livestock population in the country has slowly and steadily grown over the years from 445.28 millions in 1987 to 470.14 millions in 1992. The bovine population in India is the highest in the world with 204.58 million cattle and 84.20 million buffaloes. Cows and buffaloes are economically explored for dairy purposes. The bullocks are preferred for draught purpose due to their lightweight and because of their being more active in nature. Therefore, cows serve dual purpose for breeding dairy stock and draught bullocks. She-buffaloes are mainly bred for dairy purpose but males are totally neglected. Selected proven males are kept for breeding. Very few are put to work in the field and majority are either allowed to perish or sold for slaughter purpose.



BREEDS OF CATTLE

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Rajasthan State possesses 11.2 percent of the total livestock in the country. As per the livestock census 1992, the State had 116.7 lac cows, 77.5 lac buffaloes, 24.9 lac sheep, 152.6 lac goats, 7.5 lac camels, 2.5 lac pigs and 30 lac poultry. The State of Rajasthan has proud possession of 9 cattle breeds, 8 sheep breeds, 6 goat breeds, 4 camel breed and also endowed with thorough bred horses. The important breeds of cattle traded in the State are Rathi, Kankrej, Nagour, Tharparkar, Haryana, Malvi, Gir, Sanchori and Mehwati. Regarding buffalo breed, Murrah buffalo is the only preferred breed found in Rajasthan. Sheep also occupy an important place in animal husbandry sector of the State. The important breeds of sheep are, Nali, Magra, Chokla or Shekkavati, Marwadi, Jaisalmeri, Malpuri, Sonari or Chanother, Pugal and Bagdi. The important goat breeds in the State are Jamnapari, Badwari, Alwari and Sirohi breeds, which are reared for milk and meat; Lohi, and Jhalwadi breeds are mainly for meat purpose.



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Rajasthan has the monopoly in breeding camels, Alwari; Bikaneri, Kachi and Jaisalmeri breeds are considered as the best breeds of camels. According to 1992 census Rajasthan State had 25,000 Horses and ponies and 2 lac donkeys. The Marwadi breed of horses is inhabitant of Badmer, Jalore and Jodhpur districts.

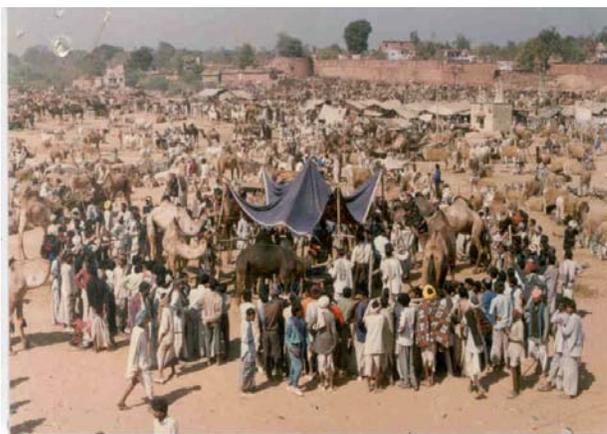


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Since Rajasthan State is endowed with varied livestock wealth, the livestock fairs have immense importance in the social and cultural matrix of the State from time immemorial. There are 237 livestock fairs/livestock exchange markets in the State. Out of these 10 fairs are organised as State Level Livestock Fairs under the provisions of the Rajasthan State Livestock Fair Act, 1963.

The State level Livestock Fairs organised under the State Livestock Fair Act, 1963 are held on the traditional dates (Tithi) and Month (Mah) in accordance with the Hindu Calendar year. The annual arrival and sale of the animal species and breeds traded in these livestock fairs are directly proportional to their population and utility in the State livestock sector.



PANORAMIC VIEW OF A LIVESTOCK FAIR IN RAJASTHAN

There are 10 State level livestock fairs organised under the supervision of the Directorate of Animal Husbandry, Government of Rajasthan. Out of these, three livestock fairs are held in the Nagour district alone and rest one each in the districts of Korauli, Badmer, Jhalarpatan, Hanumangarh, Bharatpur, Ajmer and Jhalwad.

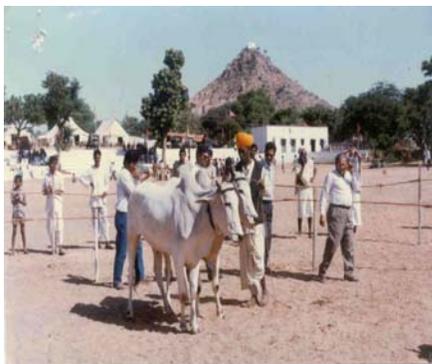
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Besides, the 10 State level livestock fairs organised under the State Livestock Fair Act, 1963; 227 Livestock fairs-cum-livestock exchange markets are organised under the authority of local bodies like Municipality, Nagar Parishad and Gram Panchayats.

The quinquennium (1992-93 to 1996-97) average, arrival and sale figures pertaining to 10 State level livestock fairs, showed that dairy cows, buffaloes, bullocks and camels are important animals transacted in these fairs; followed by horses, sheep, goats and asses which are also proportional to their population.

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The livestock fairs are held to facilitate sale and purchase of various livestock having their utility for agricultural purpose. These livestock fairs need more infrastructural facilities like feeding, drinking water, shelter and veterinary care for animals, as most of them are inadequate.



JUDGING A PAIR OF BULLOCKS IN A LIVESTOCK FAIR

The inputs required for managing livestock fairs are more in terms of money and manpower, but the returns are poor compared to agricultural produce markets. Therefore, a total empathy towards development of livestock markets was noticed during the survey period on the existing live stock marketing system in the State.

It was observed that 91.38 per cent livestock fair sites were made available by Government or local bodies and 8.62 per cent belonged to private agencies. The present status of approach roads to these fair sites indicated 77.59 per cents having tar felted or graveled roads, 13.79 per cent livestock fairs having Kutcha roads and remaining 8.26 per cent fairs without any accessible road facilities.



ROAD-SIDE ASSEMBLY AT OLD FAIR SITES WITHOUT ANY INFRA-STRUCTURAL DEVELOPMENT

The drinking water facilities were provided in about 80 to 84 per cent livestock fairs.



WATER-TROUGH & BOUNDARY-WALL AT ONE OF THE FAIR-SITES CONSTRUCTED UNDER A. D. P.



LIVESTOCK-OWNERS COLLECTING WATER FROM A MOTORISED TUBE-WELL AT A FAIR-SITE PROVIDED UNDER A.D.P.

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The arrangement for feed and fodder was made by the organizers of livestock fair to a certain extent. 55.17 per cent livestock fairs were lacking in this facility. Similarly, 34.48 per cent fairs were not having catering arrangement for livestock owners and other market functionaries operating in the fairs, forcing them to make their own arrangement for eatables.



RAWANNA-HALL CUM OFFICE, CONSTRUCTED UNDER AGRICULTURAL DEVELOPMENT PROJECT AT A FAIR-SITE

The lighting and illumination arrangements were found in 74.14 per cent livestock fairs by use of electricity and generators, 20 per cent made use of petromax, lanterns and oil burners. The remaining fairs were without lighting or illumination and the business in these livestock fairs was finished before sunset.

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The shelter facility for animals in these livestock fairs was not adequate as 86 per cent livestock fairs were held in open grounds. Only 14 per cent fair-sites were having shady trees. However, the shelter for human congregation was satisfactory. Some permanent or temporary arrangement did exist in these livestock fairs.



COVERED RESTING PLACE FOR ANIMALS AT A FAIR-SITE DEVELOPED UNDER A. D. P.

The sanitary arrangement was limited to sweeping and removal of garbage only in 50 percent of these livestock fairs. 84.76 percent livestock fairs had the watch and ward services. Arrangement of posting choukidar for day and night shift was lacking in 25.86 per cent livestock fairs and deployment of police security was lacking in 15.52 per cent livestock fairs.



WAKE-SHIFT TOILETS CONSTRUCTED AT THE FAIR-SITE

The veterinary health facility for livestock care was found in 96.55 per cent livestock fairs. It included the services of veterinarians/stockmen for on the site treatment, vaccination, issue of health certificate and attestation. It was observed that veterinary facilities made available in these fairs were perfunctory in nature.

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The Rajasthan State Agriculture Marketing Board has undertaken an ambitious plan for overall development of Agricultural Marketing Sector in the State. The Agricultural Development Project has provided Rs.400 crores fund obtained from the World Bank. This project included only a small component of Rs.4 crores for development of cattle fairs or the animal exchange markets.

The selection of the livestock fairs for carrying out the development of infrastructure was done in joint collaboration with the Rajasthan State Agricultural Marketing Board and the Directorate of Animal Husbandry, Govt. of Rajasthan. In view of the small amount of fund made available for development of animal exchange markets, only 30 livestock fairs at 'Municipal' level and 50 livestock fairs of '**Panchayat Samittee**' level were proposed.

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Infrastructural priorities for development were identified by the Animal Husbandry department for provides proposed facilities and amenities to be created in animal exchange markets. These included



LOADING/UNLOADING RAMP AT A FAIR-SITE CONSTRUCTED UNDER A. D. P.

in animal exchange markets. These included

(i) Construction of office-cum-stores, (ii) Rawanna hall, (iii) Fodder shed, (iv) Veterinary dispensary; (v) Cattle shed (vi) Farmers rest house, (vii) Loading and unloading ramp/plat-form for animals, (viii) Water supply arrangement and (ix) Electricity supply etc.



WINDOW-COUNTERS OF RAWANNA HALL-CUM-OFFICE NEWLY CONSTRUCTED WITH THE FUNDS MADE AVAILABLE UNDER A. D. P.

The most important aspect of this exercise for development of infrastructure in the livestock fairs in rural sector becomes significant, when it is linked to proper maintenance and utilization. Since these animal exchange markets are periodical in nature, proper utilization and maintenance of the created structures and facilities were not found to the best satisfaction of the end users. Moreover, shifting of venue of some of the livestock fairs and creation of infrastructure at distant places from the earlier sites, where these fairs were held traditionally, has not found favour with the livestock owners and market functionaries. However, popular and favorite markets / sites, where the developments were undertaken immensely benefited by this project.

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Assembling and distribution of animals traded in the livestock fairs were influenced by the demand and utility of the animal species for the agri-business purpose such as dairy, draught, transport and slaughter. The dealers, who undertake assembling of animals, also carry out distribution all over the State and from and to adjoining States. It was observed that out of 58 fairs studied, 33 livestock fairs registered 100 per cent arrivals from all over the State of Rajasthan; about 7 livestock fairs shared 75 per cent arrivals from all over the State and 25 per cent from the adjoining States. However, 8 livestock fairs registered 90 per cent arrivals of animals from all over the State and 10 per cent from neighbouring State. Only 10 livestock fairs registered 55 per cent arrival from neighbouring States and 45 per cent from the State of Rajasthan.

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Three most common units of sale in these livestock fairs were found to be per unit, per pair and per group. Since different classes of animals were assembled and sold in these livestock fairs, the most accepted unit of sale is per head. The per pair unit was practiced for bullocks, as identical bullocks were preferred for engaging them on plough and cart. The per group unit was used for sheep, goats and cattle meant for slaughter.

The various market charges recovered from livestock dealers were registration fee, sales tax, tail tax, toll tax and certificate charges.

The most popular method of transaction for settling price was by direct negotiation but hatha system i.e. negotiation under cover also existed in some livestock fairs.

Intermediaries involved in the livestock fairs or animal exchange markets were traders, itinerant dealer, cultivators, milkman, and butchers and they operated at every stage of marketing negotiation. Brokers were also important functionaries in these livestock fairs; they conducted their business in some of the livestock fairs holding licence under the provisions of Rajasthan Livestock Fairs Act.

The livestock fairs or animal exchange markets whether at State level or organised by local bodies were the source of income to the State Government and local bodies. The income was derived from various sources such as auction of shops, stalls, Rawanna invoice, toll tax, allotment of contracts for disposal of dung and dead animals.

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Since exact data towards expenditure on development and maintenance of these livestock fairs from the revenue earned were not available it was not found possible to analyze the share of expenditure incurred on these counts.

## CONCLUSIONS AND RECOMMENDATIONS

The Rajasthan Livestock Fairs Act., 1963 needs to be reviewed and amended to make it more comprehensive. At present, the organizational and regulatory benefits of the Act are extended to limited number i.e. only ten State level livestock fairs. It is desirable to extend the provisions of the Act to all the important animal exchange markets or livestock fairs organised by the local bodies viz Municipality / Gram Panchayat Samittee or Gram Sabha.

The modalities of administrative and regulatory mechanism may suitably be amended to meet the requirements in present context. The responsibility of organizing these livestock fairs could be given to the local Government bodies.

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In Rajasthan State livestock fairs, there is no organised market intelligence service to disseminate livestock market information regarding prices, demand and arrivals to the livestock producers bringing their animals to these livestock fairs. Market intelligence service should be strengthened for generation of data to enable forecasting of prices, variation in demand and supply, movement zones, animal species specification etc.

Most of the livestock fairs organised under local bodies lacked infrastructural facilities. Essential infrastructure like pucca all-weather tar approach roads, drinking water, feed and fodder facility for animals, food facility for human congregation, electricity supply etc. should be created. Appropriate amenities should also be provided to the livestock sellers, buyers and the middlemen by constructing well laid out animal exchange markets with adequate provision for shelter, food catering, potable drinking water, electricity, sanitation, security arrangements etc.

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The animal exchange markets or fairs could be a source of spreading contagious diseases and may take epizootic form, if animals suffering from such disease or in carrier state are brought to these fairs. The veterinary department should warn the animal owner against the danger of seasonal occurrence of diseases like Foot and Mouth Disease, Rinderpest etc.

All the animals brought for sale in the livestock fairs should be subjected to thorough check up by qualified veterinary doctors before entering in the State territory. The sick and infected animals should be detained and others should be vaccinated against Foot and Mouth disease and Rinderpest to check the spread of these contagious diseases to healthy animals of the State.

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The livestock fair sites could be an important place for undertaking epidemiological studies, as huge congregation of animals from within and outside the State occurs. It is therefore, recommended that Mobile Veterinary Dispensary-cum-investigation Laboratory manned by qualified veterinary research personnel may be provided on fair sites, for diagnosis of the diseases, treatment and other veterinary health care of economically important animals.

Introduction of administrative reforms at various levels of management of all the livestock fairs is immediately required to remove anomalies in the structure of fees and taxes levied at different places where these livestock fairs are organised. It is recommended that market charges should be standardized and all intermediaries and brokers should be licensed.

The basic orientation and approach of the administrative agencies need radical transformation from revenue collection to service rendition. Since the livestock fairs in Rajasthan are embedded in the social and cultural fabric of the society, the objectivity of the purpose should be focused primarily on welfare measures of the livestock, livestock owners and farmers. The income generated through various fees and taxes needs appropriate pooling and utilization.

The planning mechanism of the State should ensure adequate funds for development of livestock sector, providing infrastructural facilities in the animal exchange markets for the benefit of the farmers, livestock owners

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and revenue to the State authority. It is further suggested that a plan should be drawn up to provide insurance cover to valuable animals viz., dairy cows, buffaloes, working bullocks and camels transacted in the livestock fairs or animal exchange markets.

Certain Dos and Don'ts, should be observed by the buyers and sellers of livestock in the livestock fairs or animals exchange markets.

Certain malpractices have been observed in marketing of Cattle. The dealers in some cases try to conceal bad points, body marks and undesirable habits of animals, from their buyers with an intension to enhance the value of animals. Similarly in many cases buyers also pressurize the owner of cattle to sell their animals at low prices, and thus resort to bad practices. Such practices should be discontinued and there is a paramount need a to launch awareness programme.

#### **I. POINTS TO BE OBSERVED BY BUYERS:**

- i) Yolk-gall contusions, scars and bruises are sometime concealed by colouring the affected areas with dyes, charcoal or by branding or firing the affected body parts.
- ii) The debilitated animals are made to look well fed by giving them some decoction, which increase their thirst. Thirsty Cattle thus drink large amount of water and looks better in physical appearance.
- iii) Some body marks like hair-spins and whirls, which are considered inauspicious by some stockmen, are concealed by mutilating the affected part with sharp razor and the wounded part is cicatrized.
- iv) The age of cattle is judged by examination of dentition and or the rings formed around horns. Sometimes to hide the old age of cattle, sellers rasp the teeth and file the horns or apply paint on the horns to conceal the correct age of the animals.
- v) Poor milk yielding cows and buffaloes are not milked completely prior to their sale so as to keep their udder distended and look as heavy milkers.

- vi) The buyers should be able to differentiate between the heaviness of the udder due to mastitis (inflammation of udder) and natural healthy udder of heavy milkers.
- vii) The buyers of dairy cows and buffaloes should know the malpractice of '**Phuka**' in which milker animals (female) are forced to let down milk. Sometimes, due to post parturition death of calves, the process of letting down of milk in cows gets suspended. In such case, the owner often resort to inhuman practice of putting some irritant substance or object in the vaginal passage of animals or inject the drug like oxytocin for forceful letting down of milk.
- viii) The buyers should be aware of the traits to identify alert and sluggish animals. Sometimes the stockmen drench bullocks with country wine to impart an alert or active look to sluggish animals. When the draught bullocks are made to walk or trot before purchase, the sellers of sluggish bullock goad them with sharp nail fixed at the end of driving sticks to induce pain stimuli and force them to trot fast.
- ix) Camouflaging vices of animals: Ferocious animals are starved for sometime before sale or fed with sedative like '**Bhang**' (cocaine) so that the vicious animals appear docile in nature.

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## II. POINTS TO BE OBSERVED BY SELLER

The commercial buyers in connivance follow certain malpractices with the brokers engaged on the job.

- i) The seller, therefore, should be aware of unwanted and sarcastic remarks given by motivated middlemen about the poor quality of animals brought for sale, as such tricks sometimes pay dividend to such buyer but mislead sellers to sell their animals at lower price than the actual price otherwise those animals would fetch.
- ii) The commercial livestock buyer seeks help of their associates in offering low bids during open auction to bring down the market value of animals. They begin with very low offer and try to keep the bids down, so that the seller looking at the low trend of the offers be compelled to sell his livestock at low prices.

- iii) The buyer may sometimes offer higher price for the livestock of his choice and may mislead the seller about the actual market price. The seller with hope in vain waits till the termination of the fair. But finding no suitable offer coming at the end of the fair, the seller becomes victim of the distress sale, disposing of his livestock at low price.
- iv) The seller should be aware of the bogus buyers whose sole intention is to misguide the seller about the price trend and create a situation which would force them to sell their livestock at lower price.

