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Performance of Organised Animal Fairs of Rajasthan

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ABSTRACT

The study has evaluated the performance of state level animal fairs in Rajasthan using information on arrival and sale of animals and revenue realisation for the period 1996-97 to 2010-11. It was found that on an average both arrival and sale of animals had declined during this period. Small ruminants are rarely brought to these fairs. Only about half of the animals brought are sold with sales to arrival ratio being higher for horses, cattle and buffalo. The major reasons for decline in the arrivals include ban on sale of male cattle below three years of age to buyers from other states, inadequate market infrastructure for humans as well as animals, and lack of facilities of feed and fodder supplies. There is also considerable variation in the arrivals and sales over time. The income from organisation of the fairs had grown faster than the expenditure. The study suggests the need to utilise the surplus for development of facilities in the fairs.

Keywords: Animal fairs, Arrival, Sale, Performance, Rajasthan.

JEL: Q130, Q110

I

INTRODUCTION

Livestock rearing is a major economic activity in Rajasthan and makes significant contributions towards improving rural livelihood and reducing poverty, especially in the arid and semi-arid regions of the state. Livestock contribute about 40 per cent to the state's gross domestic product from agriculture and allied activities (Birthal and Negi, 2012). According to the 18th Livestock Census in 2007, Rajasthan had a livestock population of 57.89 million of which cattle comprised 12.41 million, buffaloes 11.54 million, sheep 11.28 million and goats 21.88 million. Although livestock are transacted through various means, animal fairs have a unique role in their marketing. The Directorate of Animal Husbandry, Government of Rajasthan organises 10 state level fairs every year to provide a structured platform for animal transactions to the farmers and traders not only from Rajasthan but also from the neighbouring states. However, in spite of a continuous rise in livestock population

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The authors are grateful to P. S. Birthal, V. Saravanakumar and S.M. Feroze for their valuable comments and suggestions that helped to bring this paper into its present shape.

This paper is a part of Ph.D. work of the first author carried out at Dairy Economics, Statistics and Management Division, NDRI, Karnal-132001, (Haryana) under the second author

the arrivals and transaction of animals in these fairs has been decreasing, leaving an important question on the popularity of these fairs. The present study was carried out with an objective to provide a detailed analysis of the performance of animal fairs in terms of arrival and transaction of animals, and revenue generation. An attempt has also been made to understand the underlying reasons and implications in the performance so as to suggest a way forward for the improvement of animal fairs.

II

DATA AND ANALYTICAL APPROACH

In this paper we used data on the arrivals and transactions of different species of animals, and expenditure and income from fairs for the period 1996-97 to 2010-11 from the Department of Animal Husbandry, Government of Rajasthan. Trends in income and expenditure were estimated for understanding the economic profitability of these fairs.

III

RESULTS AND DISCUSSION

Overview of the State Level Cattle Fairs/Animal Fairs of Rajasthan

The animal fairs serve an important platform for livestock trading. The Directorate of Animal Husbandry, Government of Rajasthan organises 10 state-level animal fairs every year in different parts of the state on the traditional dates (*tithi*) and months (*mah*) in accordance with the Hindu calendar (Table 1). Besides these state level fairs, approximately 250 animal fairs-cum-livestock exchange markets are also organised by the local bodies such as Municipality, Nagar Parishad, Panchayat Samiti and Gram Panchayats. Through these fairs, the heritage and culture of Rajasthan are also projected to attract domestic and foreign tourists.

Organisational Set-up

At the apex level, there is an Officer-in-Charge of the fair appointed by the state government for overall management. The Officer-in-Charge is assisted by a committee which consists of nominated official members not exceeding 13 (including chairman and vice-chairman) and non-official members not exceeding 8 (including Member of Legislative Assembly, Gram Pradhan, etc.). The Deputy Collector of the district is Ex-officio Chairman; Joint Director of Animal Husbandry (Range) is Ex-officio Vice-chairman and Officer-In-Charge as Ex-officio Secretary. At the lowest level, there are specific sub-committees like office committee, inaugural/closing ceremony committee, animal competition committee, electricity, tent and water management committee, red slip (entry slip)/white slip (transaction slip) issuing committee, cultural committee, rent collection committee, health certification

TABLE 1. DETAILS OF STATE LEVEL CATTLE FAIRS OF RAJASTHAN

Name of the cattle fair (1)	District (2)	Month of conduction (3)	Hindi Tithi (4)
1. Ramdeo cattle fair, Nagaur	Nagaur	January - February	Magha Shukla 1 - Magha Shukla 15
2. Mahashivratri cattle fair, Karauli	Karauli	February	Magha Shukla 15 - Phalgun Krishna 7
3. Mallinath cattle fair, Tilwada	Barmer	March - April	Chaitra Krishan 11 - Chaitra Shukla 11
4. Baldeo cattle fair, Merta City	Nagaur	March - April	Chaitra Shukla 1 - Chaitra Shukla 15
5. Gomtisagar cattle fair, Jhalrapattan	Jhalawar	May	Baisakh Shukla 13 - Jyaistha Krishna 5
6. Veer Tejaji cattle fair, Parbatsar	Nagaur	August	Sawan Shukla 15 - Bhadra Krishna 15
7. Gogameri cattle fair	Hanumangarh	August - September	Sawan Shukla 15 - Bhadra Shukla 15
8. Jaswant exhibition & cattle fair	Bharatpur	September - October	Ashwin Shukla 5 - Ashwin Shukla 14
9. Puskar cattle fair, Puskar	Ajmer	November	Kartik Shukla 8 - Mangsir Krishna 2
10. Chandrabhaga cattle fair, Jhalrapattan	Jhalawar	November-December	Kartik Shukla 11 - Mangsir Krishna 5

Source: Department of Animal Husbandry, Government of Rajasthan

committee, "Rawanna" committee to look into the departure of animals, etc. The important market functionaries include sellers, buyers and traders. Brokers are not allowed.

Methods of Transaction, Sale Price Fixation and Fee Structure

Animals are transacted as 'per head', 'per pair' and 'per group'. However, the most widely accepted unit of sale is 'per animal'. The 'per group' transaction is mostly followed by traders who sell or purchase animals in large number. Price is arrived at through direct negotiations between sellers and buyers.

The government charges market fee/tax on per animal basis. For bullock and cow it is Rs. 5, for buffalo and mule it is Rs. 2.50, for camel it is Rs. 8, for horse it is Rs.6, for donkey/ass it is Rs. 2 and for small ruminants it is Rs. 0.50. These rates are lower as compared to those charged in the unorganised markets elsewhere in the country.

Arrivals and Transaction of Animals

In 1996-97 a total of 2.01 lakhs animals were brought to the fairs. Their number dropped to almost half in 2002-03, but rose again to 1.22 lakhs in 2010-11. The overall trend however has been negative (Table 2). Like arrivals, the number of transactions shows an overall negative trend but with some ups and downs. In 1996-97 a total of 90.14 thousand animals were transacted, and as expected their number fell sharply to 57.59 thousand in 1999-2000, again rose to 77.26 thousands in 2004-

05 and then fell to 53.75 thousands in 2010-11. The ratio of total animals transacted to total arrivals has remained low around 0.50 during this period, indicating that only about half of the animals brought to the fairs are sold.

By species, the number of cattle arrived and transacted show an overall negative trend (Table 2). In 1996-97 a total of 1.11 lakhs cattle were brought to these fairs. Their number fell sharply to 43.62 thousand in 2002-03 and thereafter increased slightly to 56.31 thousand in 2010-11. Similarly, in 1996-97 a total of 55.26 thousand cattle were transacted which fell drastically to 26.47 thousand in 2003-04 and then slightly increased to 31.29 thousand in 2010-11. The ratio of transactions to arrivals shows a slight improvement from 0.50 in 1996-97 to 0.56 in 2010-11. The arrivals of buffalo was 13.44 thousand in 1996-97 which remained almost the same in 2002-03 with some fluctuations in between, but thereafter the number of buffaloes assembled in these fairs declined sharply to 8.27 thousand in 2010-11. A similar behaviour was observed in their transactions. The ratio of buffaloes transacted to assembled has remained almost constant around 0.48.

In contrast to cattle and buffaloes, the arrival and transaction of horses show an overall positive trend. In 1996-97 about 4.40 thousand horses were assembled in these fairs, and their number almost doubled in 2010-11 with slight fluctuations in between. Similarly, there was an increase in the number of horses sold, but the sale ratio fell significantly from 0.43 in 1996-97 to 0.29 in 2010-11 but with some ups and downs. For camel, both arrival and transaction show an overall negative trend. In 1996-97 a total of 70.14 thousand camels were brought for sale. This number declined to 45 thousand in 2002-03 and remained constant afterwards. However, their sale ratio has remained low, around 0.35. Other animal species such as sheep and goats are rarely brought to the fairs.

By fairs, there was a negative trend in the arrivals as well as transactions in all the fairs except Jaswant fair (Table 3). In terms of arrivals and transaction of animals, Ramdeo animal fair is the largest and Baldeo animal fair is the smallest.

Table 4 presents coefficient of variation in the arrivals and transaction of animals in different fairs. On an average, transactions are more volatile than arrivals. Across species, variations in the arrival were higher in the case of small ruminants than for other animal species. Similar results were obtained for the animals transacted.

Revenue

The revenue generated from the state level animal fairs had grown positively during 1996-97 to 2010-11. In 1996-97 the government realised gross income worth Rs. 21.87 lakhs, which increased to almost three times in 2010-11 (Table 5). It clearly reveals an increase in the financial contribution made by these fairs to the state government. The expenditure also increased from Rs 13.63 lakhs in 1996-97 to Rs. 28.33 lakhs in 2010-11. The net income from these fairs had remained positive and increased during this period. A fair-wise analysis shows that the net income from

Veer Tejai, Jaswant, Chandra Bhaga, Shivratri, Mallinath and Baldeo fairs had increased substantially. On the other hand, Gogameri, Puskar and Ramdeo fairs witnessed a decline in net income.

Table 6 shows the rate of growth in income and expenditure on animal fairs in real terms. On the whole, income grew at a rate of 6.7 per cent per annum and the expenditure at 4.6 per cent per annum. Across fairs income from Shivratri fair grew fastest (14.86 per cent), while income from Gogameri fair declined at a rate of -4.2 per cent. The growth in expenditure was recorded the highest for Mallinath fair (9.89 per cent) and the lowest for Baldeo fair (-0.9 per cent).

TABLE 6. COMPOUND ANNUAL GROWTH RATE (CAGR) OF INCOME AND EXPENDITURE
ACROSS THE CATTLE FAIRS DURING 1996-97 TO 2010-11

Name of the cattle fairs (1)	<i>(per cent)</i>	
	Income (2)	Expenditure (3)
Gogameri	- 4.19	5.64
Veer Tejai	5.20	4.34
Jaswant	8.04	4.65
Pushkar	0.49	3.29
Chandra Bhaga	11.81	7.51
Ramdeo	0.92	6.25
Shivratri	14.86	3.73
Mallinath **	7.50	9.89
Baldeo	3.77	- 0.89
Overall 10 cattle fairs	6.69	4.55

**CAGR of income and expenditure for Mallinath was estimated with 14 observations as it was not organised during 2007-08.

The main sources of income in these fairs included registration certificate on sale, fair tax on transacted animals, toll tax and fees on entry of cart, tonga, truck and other vehicles, rent from shops and stalls, fines and various contracts (like dung contract) (Table 7). With, fair taxes on animals, and rent from shops being the main sources of income.

TABLE 7. SOURCES OF INCOME FROM THE STATE LEVEL CATTLE FAIRS OF RAJASTHAN

(1)	(2)
1. Registration certificate charge/ White Slip charge	Re. 1 per white slip
2. Fair Tax	(i) Rs. 5 per bullock, (ii) Rs. 2.50 per buffalo, (iii) Rs. 5 per cow, (iv) Rs. 8 per camel, (v) Rs. 6 per horse, (vi) Rs. 2 per donkey/ass, (vii) Rs. 0.50 per sheep/goat and (viii) Rs. 2.50 per mule.
3. Toll tax and fees on vehicles entering fair premises	(i) Rs.10 per cart, (ii) Rs.10 per tonga, (iii) Rs.10 per truck and (iv) Rs. 10 per bus.
4. Fine	Fine may extend up to Rs. 500
5. Rent for shops and stalls	Fixed on the basis of highest bid in auction, but can't be less than reserved rent of (i) Rs. 5 per 10 sq. feet land for shops and stalls and (ii) Rs. 1.50 per sq. feet land for keeping fodder, fuel, earthen pots.
6. Contract for dung etc.	-----

IV

CONCLUSIONS AND POLICY RECOMMENDATIONS

Animal fairs of Rajasthan provide an important platform to the farmers and traders for transaction of different livestock species. They also reflect the socio-cultural life of rural Rajasthan and attract a large number of domestic and foreign tourists. In spite of such importance of these cattle fairs, both the arrival and transaction of animals has been declining. Inadequate infrastructure for human as well as animals, difficulty in transportation, increasing marketing costs, inadequate feeds and fodder availability at the fairs and most importantly the ban imposed on male cattle below 3 years age from going to other states are the main reasons behind this decline. Therefore, improvement of infrastructure, extending frequent and cheap transportation like railway services during fairs, permission to buyers to leave immediately after the transaction, withdrawal of ban imposed on male cattle below 3 years age for taking to other states, supply of adequate feed and fodder in the fairs and establishment of an efficient market information system would help in reviving the popularity of these state level cattle fairs in the coming years.

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