PREFACE

In July 2000, a new Agricultural policy was announced. The progressive measures envisaged in this policy include leasing of private land for agro business & increasing the size of holding, contract farming by private sector companies, futures trading in all major forms of product, revamping the credit system and dismantling of all controls & regulations that hinder maximization of farm income.

Perhaps, the vital benefits of the new agriculture policy go to the export marketing of agricultural & allied products. It is due to the fact that export operation require committed deliveries with a consistent and acceptable level of international quality standards. Contract farming may help exporters to arrange for their desired supply of agro products for exporting. One of the important objectives of liberalization & globalisation of Indian economy is to boost up agricultural exports, and promote more export-oriented enterprises in the agriculture sector. Here, the field of export-marketing of agro products assumes special importance and interest to ponder upon.

Looking to the export performance of agricultural & allied products from India, it amounted to 4227.28 million dollars in 94-95 which increased up to 6868.50 million dollars in 96-97. During the three years of 97-98,98-99, and 99-2000, export of agricultural and allied products amounted to 6634.20 million dollars,6033.11 million dollars and 5614.87 million dollars respectively. It is evident from these figures that the agro export from India declined constantly during these years. However a marginal improvement was visible in 2000-01 as export of agro products amounted to 6012.56 million dollars. One one hand, claims
are being made that this country has a large base of cultivating a variety of agro products in all climatic conditions throughout the year. On the other, export performance of agriculture sector reveals unsatisfactory trends in the past couple of years. Thus, what is required is to address the problems, that hinder agricultural production & the field's level to improve export performance scenario.

Economic survey 2001-02 quotes, “Annual growth in value added in agriculture & allied sector from 93-94 to 96-97 averaged 4.5 percent whereas annual growth in the last four years has averaged only 1.2 percent.” Thus, to boost agro exports agro output has to be increased both in quality & quantity terms. Moreover, the difficulties being faced by the exporters in performing their operations are to be solved. The sunrise sector of food-processing has to be property emphasized & attended. All these to encourage the exporting of agro products & to see its enhanced share from less than one percent in the world export of agro products. The agriculture potential for India’s agriculture product remains poorly tapped despite the country is the large producer of food grains vegetables & fruits.

The massive changes world over are taking place in business environment. The GATT is liberlising fully agriculture trade world over, our country facing the added challenges of marketing itself aggressively to gain competitive edge with the objective to earn foreign exchange through agricultural exports. The punching fact is that about forty percent of the agro produce go to waste owing to inadequate post harvest infrastructure, insufficient storage & cooling facilities & lack of immediate markets for perishable agro products. To save the agro produce & to streamline it for further processing development of food
processing industry in various parts of the country is crucial. It will also help giving agriculture a shape of an agribusiness type commercial enterprise. To minimize wastages of agricultural products & to process the same, capacity utilization in food processing industry in India has to be enhanced from a low level at present. Economic liberalization, policy reforms in trade & commerce and the impetus to agriculture through various support programmers, the performance of agriculture sector in export is likely to improve in the near future. This is visible in terms of growth in export of agro products during the year 2000-01.

The present study covers agro commodities like rice cereals, pulses, tea, coffee, spices, vegetables & fruits. The study concentrates on middle-east countries of Kuwait, U.A.E, Oman, Bahrain & Qatar. The middle-east region is selected due to the fast that it has a very limited agro base with a small group of agro products cultivated, existence of large Asian population in this region & a good track record of the export of agro & agro based products in the region.

The present study is a humble attempt to focus on the vital area of export-marketing of agro products, understand the present scenario, highlight major problems hampering the growth of agro exports. The present study provides a meaningful interaction with exporters of agro products through field study to better understand their way of functioning & the problems they face.