



## A Study of Soybean Production & Its Marketing Strategies in Marathwada Region

**Mr. Kalyan Babasaheb Dhawle**

*(Research Scholar)*

Dr. Babasaheb Ambedkar  
Marathawada University  
Aurangabad

**Dr. Ashok B. Barde**

*(Assistant Professor)*

Dept. of Commerce  
Sant.Ramdascollege,  
Ghansawangi

**Abstract:** *Effective soybean marketing begins with understanding the fundamentals of the Indian and local soybean market complex. Being familiar with demand-users and sources of supply from both an Indian and local level can better enable a producer to anticipate changes in futures and local cash market prices. The value of a commodity is based upon its value to the end-user at a specific time and place and of certain quality. This paper is based on secondary sources of data and broken down into a discussion on soybean supply/demand and logistics; various marketing strategies to provide background for developing marketing plan, and concludes with discussing the steps of developing a marketing plan.*

**Keywords:** *Soybean marketing, Market prices, marketing strategies*

### Introduction

Soybean is known as the “GOLDEN BEAN” of the 20th Century. Though Soybean is a legume crop, yet it is widely used as oilseed. Due to very poor cookability and digestibility on account of inherent presence of trypsin inhibitor, it cannot be utilized as a pulse. It is now the second largest oilseed in India after groundnut. It grows in varied agro-climatic conditions. It has emerged as one of the important commercial crop in many countries. Due to its popularity, the international trade of Soybean is spread several countries such as Japan, China, Indonesia, Philippines, and European countries are importing Soybean to supplement their domestic requirement for human consumption and cattle feed. Soybean has great potential as an exceptionally nutritive and very rich protein food. It can supply the much needed protein to human diets, because it contains above 40 per cent protein of superior quality and all the essential amino acids particularly glycine, tryptophan and lysine, similar to cow’s milk and animal



proteins. Soybean also contains about 20 per cent oil with an important fatty acid, lecithin and Vitamin A and D. The 4 percent mineral salts of Soybeans are fairly rich in phosphorous and calcium.

Soybean is the world's most important seed legume, which contributes to 25% of global food, about two-thirds of world's protein concentrate for livestock feeding. Soybean is a crop. It is considered as the oilseed crop instead of pulses. Soybean is a versatile food for human nutrition and health. Soybean is an important food source. Its main components are proteins, carbohydrates and fats. Soybean contains 33 percent protein, 22 percent fat, 21 percent carbohydrate, 12 percent moisture and 5 percent consume. The structure of amino acid of soya protein is equivalent to animal protein. Therefore soybean is a good source of high quality protein for human nutrition. These acids are essential fatty acids for the body. Soybean is not only an excellent source of protein, but also affects many physiological functions. Various researchers have studied the effects of soy protein on the amount of plasma lipid and cholesterol, and it has been found that soy protein is helpful in reducing the amount of cholesterol in the human blood. Soy protein is probably the first soybean component for specified health use. Soybean meal is a valuable ingredient in formulated feeds for poultry and fish.

### **Literature Review**

*FICCI Project (2014)*, stated that Maharashtra is the first state in India to implement projects under public-private partnership for integrated agricultural development scheme. The purpose of the study was to increase the productivity of soybean, assess the results in terms of improvement in agricultural income; Documents of farmers' engagement processes with input and output markets; identifying processes that enable a successful partnership between government, private industry and farmers. In the year, partnership was started with the aim of reaching at least 200,000 farmers of the state. FICCI evaluated the Soybean project implemented by ADM in the year 2012-13 and 2013-14. *ICAR Report (2017)*, reported that in India, soybean is predominantly grown as a rainfall crop covering the states of Madhya Pradesh, Maharashtra and Rajasthan; on verticals and associated soils extreme variation in rain both in time and space acts as a major



impediment in the successful cultivation of soybean and higher adoption of technologies along with technology adoption and other factors. *Devendra et.al (2018)*, reveals that prices of soybean are governed by factors such as the presence of processing units and competition prevailing between purchasers etc. Thus, monthly arrivals of soybean and wholesale prices are significantly and negatively correlated in the corresponding months. When we compare the monthly arrivals and wholesale prices in later months, then the relationship found significant only in Nimbahera and Bhilwara markets. The pattern of arrivals of soybean in different seasons indicated that 70% of total arrivals of soybean were found in the peak season i.e. immediately after harvest. Market arrivals have declined in the mid and late seasons of the year. *James C. Webster (2018)*, his research paper about that few years ago, in the US Department of Agriculture Agricultural Outlook Forum, the department's top commodity analysts said that the fundamental principles of the market supported soybean among major crops, especially the expectation of China's continuous increase in soybean imports with Intervention year has given nothing to change the fast-moving approach for soybean and soy products.

### **Objectives of the Study**

1. To study production and productivity of soybean crop in India.
2. To evaluate the growth rates in area, production and productivity of soybean in Marathwada Region.
3. To assess the post harvesting strategies and marketing of soybean crop.

### **Research Methodology**

The present study is based on secondary sources of data and a descriptive nature which describes. The present study specifically deals with the prospects and problems in production and marketing of soybean in Marathwada region. The study intends to know the production and marketing strategies adopted by farmers who are cultivating soybean. Secondary data has collected from research journals, published data, books, magazines, research studies and other relevant documents, various reports and websites etc.

## Results and Discussions

**Table-1**  
**Soybean Production in India (In million MT)**

Year	India	Increase /Decrease	Changing rate (in %)
2010-11	978	--	---
2011-12	997	19	1.906
2012-13	1055	58	5.498
2013-14	1181	126	10.67
2014-15	1124	57	5.071
2015-16	809	-315	-38.94
2016-17	798	-11	-1.378
2017-18	594	-204	-34.34
2018-19	1009	415	41.13
2019-20	905	-104	-11.49

(Source: *sopa: Agriculture statistics report 2010-20*)

India's soybean output is set to jump about 20 percent to 10 million tons in the 2020 crop year that starts in October, an industry official said on October or November 2020. Higher production in the world's top importer of edible oils could curb its appetite for cargoes from overseas, potentially dragging international soybean prices. We are looking at high acreage and satisfactory rain so far in major soybean growing areas like Madhya Pradesh and Maharashtra, said B.V. Mehta, Executive Director of the Solvent Extractors Association of India (SEA). The initial estimation (for 2019/20) is 10-plus million metric tons. He was said on the sidelines of an industry event in Kuala Lumpur. Mehta added that India would likely churn out 8.3 million tons of soybean in the 2019/2018 crop year that ends on Sept. 30. The amount of land in India planted with soybean for the 2018/2016 crop year has increased to 11.1 million hectares as of Aug. 10, according to government data, up from 10.2 million hectares at the same time the previous year. However, monsoon rains are expected to be below average in 2018, after some parts of the country experienced tepid rain during the first half of the season.

**Table – 2****Production and Productivity of Soybean in Marathwada Region**

District	2010-11			2019-20		
	Area	Production (m.t)	Productivity (kg/ha)	Area	Production (m.t)	Productivity (kg/ha)
Latur	2.278	975	2.221	3.73	1003	3.74
Osmanabad	0.669	981	0.656	2.6	806	2.1
Parbhani	0.918	1245	1.143	2.21	1032	2.28
Hingoli	1.316	1000	1.316	2.13	1344	2.87
Nanded	1.743	975	1.699	3.41	1312	4.48
Aurangabad	0.096	969	0.093	0.14	978	0.13
Jalna	0.288	979	0.282	1.22	848	1.04
Beed	0.654	976	0.638	1.96	819	1.61

(Source: Agriculture statistics report)

Area under soybean is 0.288 in lakh hector with production 979 kg per hectores and productivity 0.282 in lakh metric tons kharif season of 2010-11. And Area under soybean is 1.22 in lakh hector with production 884 kg per hectores and productivity 1.04 in lakh metric tons kharif season of 2019-20 Marathwada region has seventh rank in soybean area, production and productivity. Area under soybean is 0.288 in lakh hector with production 979 kg per hectores and productivity 0.282 in lakh metric tons kharif season of 2010-11. And Area under soybean is 1.22 in lakh hector with production 884 kg per hectores and productivity 1.04 in lakh metric tons kharif season of 2019-20

**Post-Harvesting Strategies and Marketing of Soybean****Grading:**

Grading is an important facilitating service in the marketing process of an agricultural commodity. It has been observed that uniform variety having bold grains fetch higher price in the market. The traders, who purchase Soybean negotiate the price on the basis of its quality such as cleanliness, boldness, colour, moisture, shrinkage, admixture, etc.



### **Packaging:**

The Government of India has made it mandatory to pack food grains cereals, pulses etc., in Jute bags and an official notification in this regard was issued by the Ministry of Textiles on 30th June, 1997. The jute gunny bags of 89X54 cms. sizes are usually used for packing Soybean. The standard capacity of the bag for Soybean is 95 kgs. The small size seed of Soybean can be filled up to 100 kgs. Soybean seed should be packed in clean, hygienic bags of any material, which does not affect the produce and prevents it from absorbing moisture.

### **Transportation:**

The packs of Soybean should be handled and transported in such a way so that they remain well protected from sun, rain or other sources of excessive heat, objectionable odour and from any type of cross infestation especially, while transporting through ships. During transportation, there should be proper arrangement of sufficient aeration and insulation to reduce the heat. Stacking height should be kept up to 6 to 10 tiers. While handling and lifting of bags during transportation, too much use of hooks by labourers should be avoided, which may cause spoilage losses from the Soybean bags.

### **Storage:**

Most of the farmers store Soybean in their own houses. They usually store in gunny bags. The filled bags are stacked above wooden planks and gunny bags or paddy straw is spread over the floor to avoid dampness. The big farmers normally have pucca-floored houses, where the Soybean is stored. Traders, commission agents and brokers usually have their own godown facilities. The processing units are the main agencies who stock Soybean for a longer period. They purchase and stock Soybean to meet the requirements for the whole year. Generally Soybean is not stored in loose form. The bags are stored in the godowns, which have cemented floors.

### **Marketing Practices and Constraints**

The major assembling markets for Soybean are located in Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh. Some major assembling markets of Soybean in major producing states in India. In the producing states, commission



agents are the major agency in distribution of Soybean. In the consuming states, the distribution is confined to retailers. As such, commission agents are the important distributing agency for Soybean. They attend to handling, packing and dispatch of Soybean on behalf of their clients. In the assembling markets, processing units also purchase and dispatch Soybean to their own units. Brokers and wholesalers play some role in distribution of Soybean but not to the extent of commission agents. The distribution for retail sale in the non-producing states is mainly affected through wholesalers.

### **Soybean Marketing Channels**

The different existing marketing channels of Soybean are given below. The general marketing channels for Soybean as routed from producer to consumer through village trader, commission agent, broker, co-operative society, private miller, wholesaler, co-operative mill are as follows:

- 1) Producer - Village trader - Private miller – Consumers
- 2) Producer - Village trader – Wholesaler – Consumers
- 3) Producer - Commission agent - Private miller – Consumers
- 4) Producer - Commission agent - Wholesaler – Consumers
- 5) Producer - Broker - Wholesaler – Consumers.
- 6) Producer - Broker - Cooperative mill – Consumers.
- 7) Producer - Cooperative society - Cooperative mill – Consumers.

Soybean have attained unique distinction for its varied uses and extra-ordinary nutritional qualities. However, Soybean requires proper processing to make suitable for use as food, feed or industrial products. Largely, Soybean is processed to get oil and meal. The mechanical process was employed earlier to extract oil and meal by hydraulic press method. However, the processing has been shifted to the modern solvent extraction process, which is more efficient and tuned to the existing needs.

### **Conclusion**

With the above discussion it was conclude that the purchase of Soybean for processing units is mainly done by the commission agents in all major assembling markets. As such, commission agents are the important distributing agency for



Soybean. They attend to handling, packing and dispatch of Soybean on behalf of their clients. In the assembling markets, processing units also purchase and dispatch Soybean to their own units. Brokers and wholesalers play some role in distribution of Soybean but not to the extent of commission agents. The distribution for retail sale in the non-producing states is mainly affected through wholesalers. In the assembling markets, processing units also purchase and dispatch Soybean to their own units. Brokers and wholesalers play some role in distribution of Soybean but not to the extent of commission agents. The distribution for retail sale in the non-producing states is mainly affected through wholesalers.

### References

1. Acharya, S.S. and Agarwal, N.L. (1999), "Agricultural Marketing in India".
2. Action Plan and Operational arrangements for procurement of oilseeds and Pulses under Price Support Scheme in Rabi Season 2002, NAFED, New Delhi.
3. Agmark Grade Specifications, Agricultural Produce (Grading and Marking), Act, 1937, Rules, made upto 31st December, 1979, (Fifth Edition),(Marketing Series No.192), Directorate of Marketing and Inspection.
4. Agmark Grading Statistics, 2013-2014 and 2014-2015, Directorate of Marketing and Inspection, Faridabad.
5. Ali, Nawal Ali 2004, "Soybean for Food Purposes, Technology for Processing and Utilization Share", Oils and Fat today. April 2004, pp.20-25.
6. Kale Krishna Namdeo (2012)"Economics of Production and Marketing of Soybean in Kolhapur District" Mahatma Phule Krishi Vidya peeth, Rahuri-413 722 Dist. Ahmednagar, Maharashtra State, India.
7. Kothari, C.R. (2008). "Research Methodology". New Age International Limited, New Delhi