

Indian Foliage Exports Economy: A Case Study of Flory Agro Exports LLP

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1. INDIAN FOLIAGE EXPORTS ECONOMY

India is agricultural dominated economy even though India's agricultural export share is only 2% in world market. Indian agricultural economy cannot flourish unless increase its presence in export market. India has world's best agro climatic conditions to produce fresh greens but our export is zero in international market. India can produce very well Cordyline Fruticosa, Cordyline Red-edges, Cordyline Thai-Choco, Cordyline Compacta, Dracaena Messangerana, Calathea Lutea, Heliconia, Variegated, Philodendron Xanadu and Murraya Paniculata. These all varieties of fresh greens have tremendous export potential and in great demand in European market. There is need to develop fresh green export supply chain to tap the business potential of ornamental foliage. Cultivation and export of decorative greens is a good remunerative business. Columbia, Ecuador, Guatemala, Costa Rica are market leaders in the export of decorative greens to Europe. But if these countries can, why can't India? With this basic germ in mind, Flory Agro Exports LLP was born.

2. FLORY AGRO EXPORTS LLP

Flory Agro Exports LLP is a young Agricultural-Export start up. We are cultivating Murraya Paniculata Plants on our own land at Chandgad, Kolhapur, for the purpose of Exports of foliage to Europe. We will be the first Exporters from India in this field. Flory Agro Exports LLP a fresh, young green company in the field of ornamental foliage. Cultivation and export of decorative greens is a good remunerative business. Columbia, Ecuador, Guatemala, Costa Rica are market leaders in the export of decorative greens to Europe. But if these countries can, why can't India? With this basic germ in mind, Flory Agro Exports LLP was born. And then after studying this business from all angles, we decided to plunge into it. In Nov 2020, at Gudewadi village near Chandgad Kolhapur region in India, we planted 4000 saplings of Murraya Paniculate ornamental foliage plants and launched this project. It is the first project of its kind in India to cultivate and export decorative greens to Europe.



Pilot of 4000 plants

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And we are now looking forward to taking a big leap ahead. Demand for these greens in European market is huge. Presently Guatemala, Costa Rica, Israel Kenya and Ethiopia supply these to the Netherlands. However, their supplies are inconsistent because of political and economic instability in these countries. Demand is so huge that supplies from these countries are not able to meet the demand; whereas India has got solid competitive advantages for these products, because of tropical weather, strong and growing economy and stable political conditions. Additionally, Flory Agro Export LLP too has strengths to make this a successful venture. To name a few – our expertise as mentioned above; location of our land, which climatically and geographically is one of the best locations in India; and our proximity to India’s largest international sea port and airport, which means good connectivity with Europe. Our Core team consists of an expert from International Trade, veteran horticulturist and guidance of APEDA officials. This business model has got very low risk, extremely good growth potential, very good upward scalability and huge market demand throughout the year.

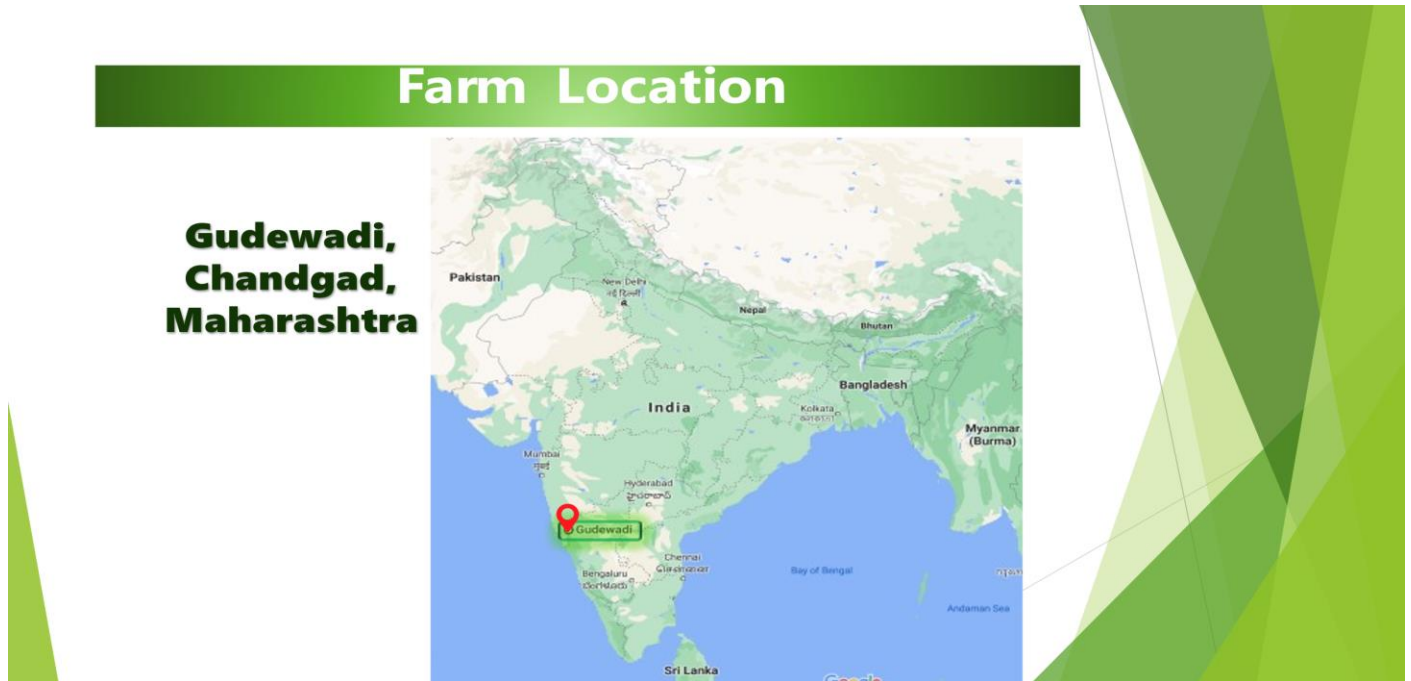
Foliage Exports Supply Chain



3. PRODUCT INOVATIONS

There is good demand in Royal Flora Holland Market for fresh greens like Cordyline Fruticosa, Cordyline Red-edges, Cordyline Thai-Choco, Cordyline Compacta, Dracaena Messangerana, Calathea Lutea, Heliconia, Variegated, Philodendron Xanadu and Murraya Paniculata. The Flory Agro Export LLP has stated with Murraya paniculata and planted 2000 plants as a piolet. This piolet plantation has been successful. Further, Flory Agro Export LLP will cultivate all the fresh greens varieties like Cordyline Fruticosa, Cordyline Red-edges, Cordyline Thai-Choco, Cordyline Compacta, Dracaena Messangerana, Calathea Lutea, Heliconia and it will be exported to the Europe through Royal Flora Holland. Our Farm locations is perfectly suitable for cultivation of above mentioned exportable fresh green which has tremendous demand in developing countries especially Europe. Flory Agro Export LLP aspires to become exporter of above mentions exportable items and contribute into the mission of doubling farmers income and doubling agricultural exports.

4. FARM LOCATIONS



5. ROYAL FLORA HOLLAND

Our target customer is Royal Flora Holland. They brought together growers and buyers and meet supply and demand of horticultural products. They intensive collaboration between all parties in the horticultural sector, they provide the gateway to international trade. Once become the member of Royal Flora Holland Flory Agro Exports can send all fresh green to the Royal Flora Holland auction house at Aalsmeer near Amsterdam. The Royal Flora Holland take the guarantee of

timely payments of his members. This the readymade platform fresh green exports worldwide.

6. REVENUE MODEL

The revenue model for Flory Agro Exports LLP through export of fresh greens (branches and leaves) in Royal Flora Holland auction market and they will guarantee timely payment of the sale proceeds of the members. The total Revenue Projections per acre is Rs12,00,000.

Per month per acre revenue projections

Cultivation holding	Total plantations	Total cost of sale	Total harvesting of leave per plant is 2 per month (10000*2)	Market price per leave	Total revenue
1 Acre	10000	Rs 10 per leaf	20000	Rs 5	100000

Source: Author calculation.

7. ENVIORMENTAL IMPACT

To cut our carbon footprint, we employ sustainable agricultural processes. These processes include the use of organic fertilizers and pesticides. Because of use of organic fertilizers and pesticides our farm run offs during monsoon rains and not hazardous to nature. It restricts deforestation and promotes biodiversity. Hence, we able to product exportable quality green leaves which can be exported worldwide. With this quality product we will participate in the auction of Royal Flora Holland.

8. SOCIAL IMPACTS

1. Flory Agro Exports LLP will stand as trend setter and motivate other young agri entrepreneurs to inter into agricultural exports business.
2. Flory Agro Exports LLP aspires to convert ordinary village into agricultural exports hub.
3. It will be induced farmers to change cropping pattern which more economically viable and environment friendly.
4. It will provide alternative source of income to the farmers.

5. It will promote environment friendly organic agricultural practices.
6. It will generate employment opportunity at village level.
7. Doubling farmers income and doubling agricultural exports.
8. Promotes afforestation.

9. Contributes in sustainable economic development of the village.

9. FARMERS INCOME

There is huge potential in this project to increase farmers income manifold as compare to its existing cropping pattern.

Income comparison of farmers

Cultivation of Sugarcane	Total Production	Cost of Production	Market price per tone	Total Profit
1 Acre	40 tones	Rs 40000	Rs 3000	80000
Cultivation of foliage	Total Production	Cost of sale per leaves	Market price per leave	Total profit
1 Acre	20000 leaves	Rs 10	Rs 15	100000*12=1200000

Source: Author calculation

The table shows with existing cropping pattern of sugarcane farmers gets Rs 80000 profit annually however through cultivation of foliage farmers will get Rs 120000 profit annually.

10. MARKET RISK DIVERSIFICATION

This business model has got very low risk, extremely good growth potential, very good upward scalability and huge market

demand throughout the year. Once become the member of Royal Flora Holland, they assure sale of foliage in their auction center and they take guarantee of payment within 7 days from the sale proceed. This business need not to depend only international market. It has very good demand in domestic market too, especially Mumabi market. The farmers can earn about Rs 2 per leaves in domestic market. This product has demand in both the market international as well as domestic.



11. CONCLUSION

The time has come to shift production-based agriculture economy to market based economy with utilizing potential of non-traditional agricultural products and non-traditional agricultural export markets. There is a little scope to farmers in traditional agriculture to earn higher income. India has world's best agro climatic conditions to produce fresh greens but our export is zero in international market. India can producer very

well Cordyline Fruticosa, Cordyline Red-edges, Cordyline Thai-Choco, Cordyline Compacta, Dracaena Messangerana, Calathea Lutea, Heliconia, Variegated, Philodendron Xanadu and Murraya Paniculata. These all varieties of fresh greens have tremendous export potential and in great demand in European market. Here, farmers have huge opportunity to participate in modern trade and commerce of agriculture and earn higher income.

Plantation of Murraya Paniculate



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