



AGRI AND ALLIED PRODUCTS EXPORT PERFORMANCE IN INDIA

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Abstract:

Agricultural sector is the backbone of country. India's major export contribution on the hands of agriculture products. Major income for India had raised from the agricultural sector. Increases in agricultural products exports leads to develop the Indian economy. Agriculture's history were shows the culture of Indians. For development of industry, agriculture plays a major role of exporting crucial goods such as Sugar, jute, vegetable oil and so on. India's agriculture GDP had increased to 19.9 percentage. Main objective of the study to find out the major export performance of the agri and allied products of India during the period of 2009-2022. This study make use of statistical calculation such as percentage analysis, growth rate analysis, standard deviation, CAGR and AAGR in analysis the data finding the result.

Key Words: Agri and Allied Products, Export Data, Growth Rate Analysis

Introduction:

Trade plays a crucial role in providing livelihoods for farmers and people employed along the food supply chain. It also contributes to reducing food insecurity across the globe and provides greater choice in consumer goods. Trade in agro-food products has Grown strongly over the last two decades, reaching almost 7% in real terms annually between 2001 and 2019. But agro-food trade isn't just increasing, it's becoming 'global'. A growing share of agro-food trade is taking place in global value chains (GVCs) – agricultural and food processing value chains that are spread over several countries – linking agro-food sectors and other sectors of the economy from across the world.

As per a report by World Trade Organization (WTO) on the trends in world agricultural trade in the past 25 years, India and Mexico with 3.1% and 3.4% share in global Agri exports, respectively, replaced New Zealand (9th) and Malaysia (7th) as the largest exporters across the globe. The United States of America (USA), which topped the list in 1995 with 22.2% share of world Agri export, was overtaken by the European Union (EU) in 2019 with 16.1% global Agri share. The USA's exports reduced to 13.8% in 2019 while Brazil maintained its ranking as the third-largest exporter by increasing its share from 4.8% in 1995 to 7.8% in 2019.

In 2019, India with a lead of 33% overtook Thailand (20%) to top the list, while Vietnam (12%) overtook the US and climbed to the third spot. The top 10 exporters accounted for more than 96% of exports in both 1995 and 2019. Further, India is also the third-largest cotton exporter (7.6%), and the fourth-largest importer (10%) in 2019. In the largest traded Agri product, soya beans, India (0.1%) has a meagre share, but was ranked ninth in the world. In the “meat and edible meat offal” category, India secured 8th rank in the world with a global share of 4%.

India's share of foreign value-added content in its Agri exports clocked 3.8% share primarily due to high tariffs on Agri imports to boost the domestic markets and local farmers. Agriculture continues to be the main stay of the District Faridkot and is known for the production of Cotton, Rice, Wheat, Pulses, Vegetables & fruit crops. Besides this, other agriculture allied activities includes area under horticulture and vegetable crops, dairy, floriculture, fishery and forestry. The important sectors consider include Agriculture, Horticulture, Animal husbandry, Fishery, Soil and water conservation, Poultry, dairy Farming, Agriculture Marketing, Milk-fed financial institute and Social forestry. Despite all other options, dairy farming is the best choice of the farmers as subsidiary occupation.

Agriculture plays a vital role in India's economy. 54.6% of the total workforce is engaged in agricultural and allied sector activities (Census 2011) and accounts for 17.8% of the country's Gross Value Added (GVA) for the year 2019-20 (at current prices). Given the importance of the agriculture sector, Government of India has taken several steps for its development in a sustainable manner. Steps have been taken to improve the income of farmers.

Further, to mitigate risk in the agriculture sector, a scheme “Pradhan Mantri Fasal Bima Yojana” (PMFBY) was also launched in 2016. Schemes such as Formation & promotion of 10,000 FPOs & the Agriculture Infrastructure Fund have also been launched recently to benefit the sector. India's agri-exports face certain constraints that arise from conflicting domestic policies relating to production, storage, distribution, food

security, pricing concerns etc. Unwillingness to decide on basic minimum quantities for export makes Indian supply sources unreliable. Higher domestic prices in comparison to international prices of products of bulk exports like sugar, wheat, rice etc. make our exports commercially less competitive. Market intelligence and creating awareness in international market about quality of products need to be strengthened to boost agricultural exports.

Statement of the Problem:

India is a leading exporter of many products. Export and import in India develops day by day. In this case export of agri and allied products which plays an important role in the development of economy of our country. There is the problem of agricultural industry were had a issues in product scarcity as well as following reasons: 1. There had an problem of labor scarcity for the production of agricultural goods. 2.

Finding Buyers of agricultural products is not an easy task. 3. There occurs a major issue for transportation of products from one place to another. 4. Major thing was pricing, the products of agriculture won't get correct pricing for it. 5. Due to natural disaster there occurs major damage of agricultural products. 6. Sometimes there occurs theft and fraudulent activities. 7. Not having a clear idea about government schemes then there occurs losses. 8. Demands of the people cannot be satisfied due to lack of agricultural land usage. 9. Lack of implementing automated technologies for agri purpose. 10. Lack of warehouses for storage of agricultural products.

Objectives:

The research aims at entering the knowledge understanding role of export performance of agri and allied products. The following objective of the study.

- To evaluate the export performance of agri and allied products of India.
- To analyze suitable measures to improve the export potential of agri and allied products based on the study.

Scope of the Study:

The scope of the project is involved the export performance of agri and allied products in Indian. The export performance of Indian agricultural and its allied products is affected by the high demand. The study also gives growth rate and trend percentage of the export of agricultural goods year wise and also commodity wise. The study provides suggestion to the agri and allied products exporting industries to improve their performance.

Research Methodology:

Secondary Data:

The secondary data is collected to supplement the primary data. The annual reports of sample units, publication of agri and allied products in the website of ministry of commerce and industries, bulletins working and occasional papers of foreign trade preference analysis were used as important sources of secondary data for the study.

Limitations of the Study:

- The analysis made only by considering 15 agri and allied products and 15 major countries.
- Time constraint is one of the limitations.

Period of Study:

The research data had done for 13 financial years, from the period of 2009-2022.

Review of Literature:

Sinha (2016) stated that there have been major turbulence in policy related matter of exports in India and overall export markets have been affected by the same. Then agriculture export is one sector that is least affected by this policy turbulence. After 2010 major reforms were brought in this sector and post WTO reforms have boosted the agro-exports. As a result Agro-exports have contributed around 19% to total GDP in last 5 years. Many of the policies were related to the wellbeing of farmers, infrastructure development and other related facilities.

Kumar M. (2018) conducted a study on the foreign trade of India and stated that there are substantial changes in the foreign trade of India in the recent past, and these changes are the result of major liberalization and globalization measures taken by the respective governments. Apart from the major conventional exporting goods i.e. engineering products, petroleum related products, various chemicals and some of the allied products constitute around 80% of the total export basket and remaining 20% is cover by agricultural and allied products.

Ambidattu (2019) this study is based on the evaluation of export of cashew nut in Kerala. The study has considered two very important components i.e. reduction in production and reduction in exports. As a matter of fact Kerala is one state of India that is popular for the cultivation and production of cashews. Till the recent past the cashews were the main source of income for a number of workmen in the state, especially for people from low income group. The main reason for decline is the shifting pattern of crop in the country at large and brain-drain to other countries, then on the other hand most of the cashew farmers are shifting to the most profitable crops.

Xport of Agri and Allied Products:

Table 1

Values in Lakhs

Year	Basmati Rice	Growth Rate	Rice Other Than Basmati	Growth Rate	Wheat	Growth Rate	Other Cereals	Growth Rate	Pulses	Growth Rate
2009-2010	10889.6		365.3		0.05		2973.19		408.32	
2010-2011	11354.63	4	231.29	-37	0.7	-30	3648.49	23	870.04	113
2011-2012	15449.6	36	8659.13	3644	1023.2	146071	5492.92	51	1067.93	23
2012-2013	19409.39	26	14448.81	67	10529	929	8180.61	49	1284.99	20
2013-2014	29291.82	51	17795.21	23	9277.65	-12	7178.14	-12	1748.81	36
2014-2015	27586.71	-6	20441.55	-72	4991.81	-46	5262.16	-27	1218.31	-30
2015-2016	22718.6	-18	15483.39	210	1061.77	-79	1702.5	-68	1655.9	36
2016-2017	21512.91	-5	16929.88	9	447.85	-58	1425.77	-16	1277.7	-23
2017-2018	26870.67	25	23437.23	38	624.37	39	1604.28	13	1469.63	15
2018-2019	32804.3	22	21171.17	-10	424.47	-32	2426.07	51	1801.51	23
2019-2020	31026.33	8	14400.32	-32	444.2	5	1454.71	-40	1511.8	-16
2020-2021	29847.7	-16	35557.03	147	4173.08	839	5198.42	257	1977.63	31
2021-2022	26415.2	0	45649.74	28	15829.05	279	8090.79	56	2679.9	36
AAGR	11		335		123		28		22	
CAGR	-0.080509		-0.33124		-0.652		-0.08004		973413344	

(Source: FTPA from Ministry of Commerce)

Interpretation:

The above table indicates the product value of rice basmati from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 4 years has the negative and balance 8 years has the positive value. Then the annual average growth rate refers to the value of 11 and then the compound annual growth rate displays a negative value of -0.08059. The above table indicates the product value of rice other than basmati from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 3 years has the negative and balance 9 years has the positive value. Then the annual average growth rate refers to the value of 335 and then the compound annual growth rate displays a negative value of -0.33124. The above table indicates the product value of wheat from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 6 years has the negative and balance 6 years has the positive value. Then the annual average growth rate refers to the value of 123 and then the compound annual growth rate displays a negative value of -0.652. The above table indicates the product value of other cereals from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 5 years has the negative and balance 7 years has the positive value. Then the annual average growth rate refers to the value of 28 and then the compound annual growth rate displays a negative value of -0.08004. The above table indicates the product value of pulses from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 3 years has the negative and balance 9 years has the positive value. Then the annual average growth rate refers to the value of 22 and then the compound annual growth rate displays a positive value of 973413344.3.

Export of Agri and Allied Products:

Table 2

Values in Lakhs

Year	Tobacco Un Manufacture	Growth Rate	Spices	Growth Rate	Cashew	Growth Rate	Cashew Nut Shell Liquid	Growth Rate	Niger Seeds	Growth Rate
2009-2010	3621.44		5948.73		2801.58		27.62		24.23	
2010-2011	3151.58	-13	7886.51	33	2819.39	1	33.77	22	44.51	84
2011-2012	2899.46	-8	13102.5	66	4390.16	56	59.46	76	117.27	163
2012-2013	3815.76	32	15176.75	16	4067.21	-7	29.84	-50	90.13	-23
2013-2014	4782.74	25	15146.36	0	5095.49	25	38.61	29	113.61	26
2014-2015	4162.71	-13	14847.74	-2	5565.85	9	55.81	45	108.96	-4
2015-2016	4373.45	5	16630.14	12	5027.99	-10	57.59	3	123.27	13
2016-2017	4249.85	-3	19111.25	15	5278.61	5	43.99	-24	117.22	-5
2017-2018	3828.13	-10	20084.91	5	5945.28	13	32.63	-26	69.86	-40
2018-2019	3984.53	4	23217.77	16	4579.17	-23	26.91	-18	95.5	37
2019-2020	3761.37	-6	25642.04	10	4018.35	-12	23.09	-14	106.01	11
2020-2021	3840.46	2	29529.39	15	3112.22	-23	19.72	-15	160.23	51
2021-2022	4249.69	11	29273.86	-1	3377.4	9	32.51	65	61.77	-61
AAGR	2		15		4		8		21	
CAGR	-0.1324		-0.1244		-0.1546		-0.01349		-0.07502	

(Source: FTPA from ministry of commerce and industry)

Interpretation:

The above table indicates the product value of tobacco unmanufactured from the year of 2009-2022, It indicates the growth rate of the product which has the both negative and positive value which means 6 years has the negative and balance 6 years has the positive value. Then the annual average growth rate refers to the value of 2 and then the compound annual growth rate displays a negative value of -0.01324. The above table indicates the product value of spices from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 2 years has the negative and balance 10 years has the positive value. Then the annual average growth rate refers to the value of 15 and then the compound annual growth rate displays a negative value of -0.124. The above table indicates the product value of cashew from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 5 years has the negative and balance 7 years has the positive value. Then the annual average growth rate refers to the value of 4 and then the compound annual growth rate displays a negative value of -0.1546. The above table indicates the product value of cashew nut shell liquid from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 6 years has the negative and balance 6 years has the positive value. Then the annual average growth rate refers to the value of 8 and then the compound annual growth rate displays a negative value of -0.01349. The above table indicates the product value of Niger seeds from the year of 2009-2022, it indicates the growth rate of the product which has the both negative and positive value which means 5 years has the negative and balance 7 years has the positive value. Then the annual average growth rate refers to the value of 21 and then the compound annual growth rate displays a negative value of -0.07502.

Findings:

- The export data of rice has the annual average growth rate refers to the value of 11. then the compound annual growth rate refers the negative value as -0.080509. This means decreases every year.
- The export data of rice other than basmati has the annual average growth rate refers to the value of 335. then the compound annual growth rate refers the negative value as -0.33124. This means decreases every year.
- The export data of wheat has the annual average growth rate refers to the value of 123. then the compound annual growth rate refers the negative value as -0.652. This means decreases every year.
- The export data of other cereals has the annual average growth rate refers to the value of 28. then the compound annual growth rate refers the negative value as -0.08004. This means decreases every year.
- The export data of pluses has the annual average growth rate refers to the value of 22. then the compound annual growth rate refers the positive value as 973413344.3. This means increases every year.
- The export data of tobacco unmanufactured has the annual average growth rate refers to the value of 2. then the compound annual growth rate refers the negative value as -0.1324. This means decreases every year.
- The export data of spices has the annual average growth rate refers to the value of 15. then the compound annual growth rate refers the negative value as -0.1244. This means decreases every year.
- The export data of cashew has the annual average growth rate refers to the value of 4. then the compound annual growth rate refers the negative value as -0.1546. This means decreases every year.
- The export data of cashew nut shell liquid has the annual average growth rate refers to the value of 8. then the compound annual growth rate refers the negative value as -0.01349. This means decreases every year.
- The export data of Niger seeds has the annual average growth rate refers to the value of 21. then the compound annual growth rate refers the negative value as -0.07502. This means decreases every year.

Suggestions:

- This research data explains the export performance of agri and allied products, which had displayed that the positive results that we were recorded, in India there had a most of the schemes for the agricultural land and the exports for the agri and allied products that we were exporting, but there had a problem in fixing of pricing for the agricultural goods and commodities.
- For to overcome the problem, then we want to make a standard level of price fixation, proper level of marketing of goods, avoiding of unwanted level of intermediary etc... from these we may have the positive result of exporting.
- In future there want to have the implementation of new technology in the level of producing and for the level of marketing. Then only the agriculture industry will have the hope of increasing in the future for exporting of products. The farmers also want to have the awareness about marketing of goods, and then the proper level of usage of government schemes.

- Then only the farmer will earn profit for their goods. During COVID this sector only runs without any high fluctuation so it was a standard business will runs for the life. While we use it properly means our country will earns more and more income in exports of agri and allied products.

Conclusion:

Agriculture sector is the backbone of human civilization. After starting of economic liberalization process, agri industry has grown with positive & higher growth rate. India hopes to double its production volume by 2030, and by 2040, total production will goes higher than the calculation we had made. If this happens, it can safely be said that it is just the beginning of good times for the agriculture Industry.

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