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HORTICULTURE EXPORTS IN INDIA: A STUDY

Economics

KEYWORDS: Horticultural Export, Horticulture Production and Globalization.

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ABSTRACT

Under the changing agricultural scenario, it has been realized that the horticulture sector plays a vital role in providing livelihood security to the farmers globally. Area, production, productivity and export of horticultural produces are vital for increasing farm income and overall employment in the agricultural sector. The Indian horticulture sector is facing severe constrains such as low crop productivity, limited irrigation facilities and underdeveloped infrastructure support like cold storages, markets, roads, transportation facilities, etc. There are heavy post-harvest and handling losses, resulting in low productivity per unit area and high cost of production. However, on the other hand, India's long growing-season, diverse soil and climatic conditions comprising several agro-ecological regions provide ample opportunity to grow a variety of horticulture crops. Thus, efforts are needed in the direction to capitalize on our strengths and remove constrains to meet the goal of moving towards a formidable horticultural growth in India. The foreign trade policy in 2004-09 emphasized the need to boost agricultural exports, growth and promotion of exports of horticultural products. Horticulture contributes nearly 28 per cent of GDP in agriculture and 54 per cent of export share in agriculture. The proposed study intends to examine the horticulture exports in India.

INTRODUCTION:

Horticultural development had not been a priority in India until recent years. In the period 1948-80, the main focus of the country was on cereals. Much planned efforts had not been made for horticultural development, except for some technical support and development efforts for specific commodities like spices, coconut and potato. During 1980-92 there was consolidation of institutional support and a planned process for the development of horticulture. It was in the post-1993 period that a focused attention was given to horticulture development through an enhancement of plan allocation and knowledge-based technology. Despite of this decade being called a "golden revolution" in horticultural production, the productivity of horticultural crops has increased only marginally from 7.5 tonnes per hectare in 1991-92 to 8.4 tonnes per hectare in 2004-05 (NHB, 2005). Then the National Horticulture Mission was launched in 2005-06 by the Government of India with a mandate to promote integrated development in horticulture, to help in coordinating, stimulating and sustaining the production and processing of fruits and vegetables and to establish a sound infrastructure in the field of production, processing and marketing with a focus on post-harvest management to reduce losses.

In 2005 the total area under fruits and vegetables was 11.72 million hectares and the aggregate production stood at 150.73 million tonnes (NHB, 2005). As a result of this huge spurt in horticulture produce, India has become the second largest producer of fruits and vegetables in the world, next only to China. The annual area and production growth under fruits and vegetables in the period 1991-2005 in India was 2.6 per cent and 3.6 per cent respectively. This growth is quite significant compared to the decline in area under cereals and cereal production which is growing at the rate of 1.4 per cent per annum only in the last one-and-a-half decades. The share of fruits and vegetables in the total value of agricultural exports has increased over the years from 9.5 per cent in 1980-81 to 16.5 per cent in 2002-03. But India is still lagging behind in actual exports of these produce. For example, India produces 65 per cent and 11 per cent of world's mango and banana, respectively, ranking first in the production of both the crops. Yet India's exports of the two crops are nearly negligible of the total agricultural exports from India.

OBJECTIVES:

1. To observe the trends in Horticulture Production and share of Exports in India.
2. To identify the determinants of the Horticulture exports in India.
3. To examine the Impact of Globalization on Horticulture Exports over a period of time.

METHODOLOGY:

The crop profiles and horticulture exports scenario have been analyzing the database, In order to realize and test the above said objectives and the present study used secondary source of data published data.

DATA: the present study completely discussed on horticulture export trends and the impact of new reforms on horticulture sector. Data on area, production and yield is taken from various report of the Indian Horticulture Database, published by the National Horticulture Board (NHB); Area, Production and Yield of Principal Crops in India, the Directorate of Economics and Statistics, the Ministry of Agriculture, for the national level data.

ANALYTICAL TOOLS: Simple Percentage, Graphs, Averages, Growth rate Calculations has used. The Study analysis has been undertaking from pre reforms period i.e., 2001 to 2012.

Results and Discussion

Indian Horticulture Production Trends (in Million Tones)

SI No	Year	Production (in Million Tones)
1	2001-02	145.8
2	2002-03	144.4
3	2003-04	153.3
4	2004-05	170.8
5	2005-06	182.8
6	2006-07	191.8
7	2007-08	211.2
8	2008-09	214.7
9	2009-10	223.1
10	2010-11	240.5
11	2011-12	257.3

Source: Director of Horticulture / Agriculture of respective State / UT's

India's Horticultural production in 2001-02 was 145.8 million tons. In 2011-12, it has increased and become 257.3 million tons. The above table shows India's horticultural production in recent years has increased yet; there are constraints which hinder the proper growth of Horticulture in India

All India Area, Production and Productivity of Horticultural Crops

Year	Area in (Million HA)	Production in (Million Tones)	Productivity in MT
2001-02	16.6	145.8	7.5
2002-03	16.3	144.4	8.8
2003-04	19.2	153.3	8.9

2004-05	21.1	170.8	8.1
2005-06	18.7	182.8	8.1
2006-07	19.4	191.8	9.8
2007-08	20.2	211.2	10.5
2008-09	20.7	214.7	10.4
2009-10	20.9	223.1	10.7
2010-11	21.8	240.5	11
2011-12	23.2	257.3	11.1

Source: Director of Horticulture / Agriculture of respective State / UT's

All India Horticultural area Production and Productivity in 2001-02 was 16.6 million hectares. Production and productivity was 145.8 Million tones, 7.5 Million tones. it has increased and become 23.2 million hectares of area, 257.3 Million tones of Production and 11.1 Million tone of Productivity. The above table shows India's horticultural area, production, and productivity in recent years has increased yet; there are constraints which hinder the proper growth of Horticulture in India

All India Area, Production and Productivity of Vegetables

Year	Area (in 000HA)	Production (in 000 MT)	Productivity (in MT/HA)
2001-02	5593	88622	14.4
2002-03	6156	84815	13.9
2003-04	6092	88334	14.5
2004-05	6082	101246	15.0
2005-06	6744	111399	15.4
2006-07	7213	114993	15.2
2007-08	7581	128449	16.4
2008-09	7848	129077	16.2
2009-10	7981	133738	16.7
2010-11	7985	146555	17.3
2011-12	8989	156325	17.4

Source: Director of Horticulture / Agriculture of respective State / UT's

During the year 2001-02 from different parts of the country Area, Production, Productivity was 5593, Productivity 88622 million tones, Productivity 14.4 Million tones. Compare to the previous years the growth of the vegetables area, 8989, Production 156325 Million tons Productivity Million tones increased.

All India Area, Production and Productivity of Plantation Crop

Year	Area (in 000HA)	Production (in 000 MT)	Productivity (in MT/HA)
2001-02	2984	9697	3.3
2002-03	2984	9697	3.3
2003-04	3102	13161	4.2
2004-05	3147	9835	3.1
2005-06	3283	11263	3.4
2006-07	3207	12007	3.7
2007-08	3190	11300	3.5
2008-09	3217	11336	3.5
2009-10	3265	11928	3.7
2010-11	3306	12007	3.6
2011-12	3577	16359	4.6

Source: Director of Horticulture / Agriculture of respective State / UT's

The data refers to All India (2001-02 to 2010-11) and State wise (2009-10 to 2011-12) data on Area and Production of various Horticulture Plantation of Crops such as Fruits, Vegetables, Flowers, Nuts, Aroma & Medi., Plantation Crops, Spices, Mushroom and Honey. The production increased 9697 million tons to 16359 million tones, productivity 3.3 to 4.6 million tones .plantation crop area also increased to 2984 hectors to 3577 hectors

All India Area, Production and Productivity of Almond & Walnut

Year	Area in 000HA	Production in 000 MT	Productivity in MT/HA
2001-02	107	114	1.1
2002-03	117	114	1
2003-04	106	121	1.1
2004-05	106	121	1.1
2005-06	130	149	1.2
2006-07	132	150	1.1
2007-08	132	177	1.3
2008-09	136	173	1.3
2009-10	142	193	1.4
2010-11	137	201	1.5
2011-12	172	288	1.7

Source: Director of Horticulture / Agriculture of respective State / UT's

Almond is also the name of the edible and widely cultivated seed of this tree, and a walnut is the nut of any tree of the genus. The area and Production, Productivity of the Almond and Walnut 2001-2002 was 107 hectors production 114 million tones Productivity 1.1 million tones. 2011-2012 area speeded to 172 hectors production 288 million tones, productivity 1.7 million tones.

Exports and Imports of Horticultural Products

(Million US Dollars)

Year	Exports			Imports			Trade Balance
	Vegetables	Fruits and Nuts	Total	Vegetables	Fruits and Nuts	Total	
1997-1998	215.43	494.89	710.32	346.13	361.18	707.31	3.01
1998-1999	157.99	491.32	649.31	193.21	389.69	582.9	66.41
1999-2000	217.38	719.24	936.62	98.88	412.97	511.85	424.77
2000-2001	264.99	599.27	864.26	113.45	386.01	499.46	364.8
2001-2002	235.92	521.12	757.04	718.22	249.41	967.63	-210.59
2002-2003	253.63	588.6	842.23	630.22	389.29	1019.51	-177.28
2003-2004	328.61	554.21	882.82	570.64	473.31	1043.95	-161.13
2004-2005	383.82	757.6	1141.42	449.29	648.02	1097.31	44.11
2005-2006	567.87	850.04	1417.91	637.64	787.08	1424.72	-6.81
2006-2007	622.99	879.35	1502.34	1,011.07	825.14	1836.21	-333.87

Source: Director General of Foreign Trade, Government of India

The major horticulture exports from India are mangoes, grapes, orange, apple and banana among the fruits, onion, potato, tomato, and pumpkins, among the vegetables and cashew and walnuts from the perspectives of Indian exports to the US and EU countries, mango, grape, onion, cashew and walnuts are more important.

Exports of fresh fruits from India to the world

(Unit: Quantity in tonne; value in Rs. lakh)

SI No	Commodity	Quantity				Value			
		1991	1995	2000	2005	1991	1995	2000	2005
1	Apple	3075.2	6507.6	5476.6	23225.2	183.5	678.0	884.3	2635.0
2	Banana	290.2	966.1	6289.7	12817.7	6.3	89.6	1280.8	1342.8
3	Lemon	147.0	289.6	2360.0	10523.5	4.7	28.0	326.2	835.8
4	Other Citrus Fruits/ Mosambi	215.0	452.7	242.4	11378.6	3.3	29.0	34.8	1444.3
5	Orange	6611.2	11764.7	24019.2	31528.4	239.1	665.5	2375.5	3300.7

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6	Grapes	5347.7	16813.4	14005.6	38898.3	854.6	4049.0	5513.8	12643.8
7	Guava	237.3	233.5	2101.5	3339.8	21.2	21.6	272.1	692.6
8	Litchi		5.8	299.2	545.0		3.5	73.8	70.9
9	Mango	19378.3	25414.4	34631.2	53480.0	3121.6	4502.7	7154.9	8961.1
10	Papaya	272.5	320.9	12660.0	3701.0	28.5	44.9	2076.1	531.2
11	Pineapple	197.2	116.8	137.5	1765.6	13.8	8.6	38.0	245.2
12	Sapota	1299.4	2600.4	1572.1	951.1	102.3	268.5	243.1	105.1
13	Other Fruits	3865.0	14868.7	22925.0	29184.1	353.7	1510.7	4001.3	4852.5
14	Total Fruits	102068.6	215332.3	316760.8	488790.7	34831.2	153023.2	311666.2	340400.0

Note: Blank spaces indicate no exports in this period; other fruits include sapota and litchi also

Source: India Trades Database

The India trade database provides the quantity and value of exports of fresh fruits from India to the world. India's exports of fruits in quantity terms increased from 102 thousands tones in 1991 to 488 thousands tones in 2005 and in value terms this increase is Rs. 348 crore in 1991 and 3,404 crore in 2005. The export quantity increased by more than four times in the last 15 years and the value of exports by 10 times. The major fruits exports in terms of quantity are mango 53.5 thousands tones apple 23.2 thousand tones bananas 12.8 thousand tones others citrus fruits 11.4 thousand tones and lemon 10.5 thousand tones. In value terms and mango exports the maximum foreign exchange for India.

MAJOR FINDINGS OF THE STUDY:

- India's Horticultural production in 2001-02 was 145.8 million tons. In 2011-12, it has increased and become 257.3 million tons
- All India Horticultural area Production and Productivity in 2001-02 was 16.6 million hectares. Production and productivity was 145.8 Million tones, 7.5 Million tones. It has increased and become 23.2 million hectares of area, 257.3 Million tones of Production and 11.1 Million tone of Productivity.
- In 2001-02 from different parts of the country Area, Production, Productivity was 5593, Productivity 88622 million tones, Productivity 14.4 Million tones.
- Mushrooms in all India wise in 2001 to 2002 the production in mushrooms 40 million tones. But 2005 to 2008 the production level was decreased 2008 to 2010 it has increased to 41 million tones
- A significant change for area under vegetables is seen in 1995-2000 with an additional increase in area in 2000-04. The most prominent is the fruits group, which sees an increase of 28.7 per cent in total horticulture area gain. The gain in area in last 4-5 years is equivalent to the change in area in the 1990s.
- The major horticulture exports from India are mangoes, grapes, orange, apple and banana among the fruits, onion, potato, tomato, and pumpkins, among the vegetables and cashew and walnuts from the perspectives of Indian exports to the US and EU countries, mango, grape, onion, cashew and walnuts are more important.
- A significant change for area under vegetables is seen in 1995-2000 with an additional increase in area in 2000-04. The most prominent is the fruits group, which sees an increase of 28.7 per cent in total horticulture area gain.
- The National Horticulture Mission aims to double the production of fruits and vegetables by 2010. Tables 22 and 23 project the future production and supply of fruits and vegetables in India for 2015-16. Based on 1999 as the base year
- Fresh vegetables the decline in yield has only been seen for peas in last decade, although the gains in the yield are almost negligible for sweet potato, pumpkin, lettuce and beans.
- Total domestic demand for fruits is expected to increase to 17.43 million tons by 2010 and 25.47 million tons by 2020. For vegetables, this demand is expected to be 103.16 million tons by 2010 and 137.25 million tons by 2020.
- China, India and USA are the world's largest producers of fruits and vegetables. In the exporters list China, USA and countries of Europe are the leaders. India is the second largest exporter of citrus fruits like mosambi, mango and guava combined and the world's largest exporter of onion.

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