

INDIAN AGRICULTURE: EMERGING AS AN INTERNATIONAL BUSINESS

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***Abstract:** Globalization is the concept that has come to dominate the world since the nineties of the last century with the end of cold war and break up of the former Soviet Union. The Uruguay Round Agreement on Agriculture (URAA) marks an important turning point in the history of international trade negotiations. The URAA has succeeded in laying a firm foundation for strengthening multilateral discipline in agricultural trade. The role of agriculture changes depending upon the stage of overall development of the economy. Indian Agriculture is going through a new phase of development. The policy emphasis has been shifting from supply driven to demand driven. The study thus lay emphasis in how globalization has created an impact on Indian Agriculture.*

***Keywords:** URAA, Agricultural trade, Globalization, Agripreneur*

INTRODUCTION

In India there are healthy signs of transformation in agriculture and allied activities. Visible improvement has come about through adoption of management practices in on farm and off farm operations in this sector. Agriculture business has evolved out of the new input output matrix. Agripreneurs have come to realize the importance of quality changes and value addition in agriculture. The right type of managerial skills and entrepreneurial expertise peppered with timely measures by the government would help fulfill after growing needs of agri-businesses.

India and Agriculture

Agriculture in India has a significant history. Vedic literature provides some of the earliest written record of agriculture in India. Over 2500 years ago, Indian farmers discovered and began farming many spices and sugarcane. Between 6th and 4th centuries BC, the Persians followed by Greeks traded sugar from India to Europe, where it was luxury and expensive spice, which lead discovery of spice route by Vasco Da Gama who made a tremendous profit during the trip followed by Pedro Alvares Cabral in 1500. This was the beginning of imperialism and colonialism in India.

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Indian Agriculture and Foreign Trade Since 1947

A Chronology of Trade Shifts in India

1947-52: Liberal trade regime

1952-65: Consolidation of the control regime

1966-71: Currency devaluation and reduction of some tariffs and subsidies

1972-74: Tightening of import controls in response the first oil shock

1975-79: Selective liberalization of investment goods import

1980-82: Tightening of import controls in response the second oil shock

1983-85: Liberalization of some investment and intermediate imports and increased tariffs

1986-90: Tightening if import controls and introduction of new export incentives in response to worsening balance of payments

1991-94: Major trade liberalization with simplification and unification of trade while retaining most consumer goods imports under strict control Achieved Article V111 status of the IMF.

REVIEW OF LITERATURE

In "Implication of WTO on Indian agriculture issues and challenges"-Sakeer E, Rais Ahmed. (2012) discusses various advantages the country can make use of by implementing AOA –Agreement on agriculture. He further presents various views on challenges impeding agriculture not only India but in all developing nations. In "A study of export of Agricultural commodities and agro based products from Gujarat in the WTO regime"-Joshi, Arun Kumar. (2011) Comprehends of the agriculture exports in both pre and post liberalization period. This striking identification of differences in WTO regime will change the trend of agriculture and ratify the nature of instability in the sector. In "Impact of globalization on agriculture in Kerala"-Ajitgan M.B, N.Ajuth Kumar2010.analyses the importance of exports in kerala where the is surplus production of agricultural commodities with special reference to exports of coir and other coconut based products. In "The Impact of WTO regime on agriculture and its political compulsion in India and south Korea" Guy deuk Yeon discusses how a political graph has changed the impact of agriculture in both countries.

NEED OF THE STUDY

Over the last decades, India has been able to produce surplus produce. After the launch of economic reforms in the country and subsequent infusion of the latest technologies, production of Agricultural products have seen a tremendous improvement. The purpose of the paper is to study the export of Agricultural products over past 3 years and how it accounts to emerging of Indian agriculture to be included in global arena, helping to explore new frontiers in trade.

OBJECTIVES OF THE STUDY

The main objectives of the study are,

1. To analyse the significant history of Indian agriculture.
2. To analyse the new vistas for growth and development of rural economy in general and agrarian in particular.
3. To analyse the exports of agriculture products for past 3 years.

RESEARCH METHODOLOGY

In order to achieve the objectives both qualitative and quantitative methods were employed. Secondary data was collected using journals, books and websites. The study is restricted to secondary data and the findings are interpreted by percentage analysis.

Statistics

Three Year Export Statement of APEDA Products

Product	2011-12		2012-13		2013-14	
	Qty	Rs. Lacs	Qty	Rs. Lacs	Qty	Rs. Lacs
Floriculture						
Floriculture	30926.02	36532.15	27121.86	42344.6	22485.21	45590.62
Fruits & Vegetables Seeds	15205.81	28776.35	17168	34772.39	17816.7	41053.76
Total	46131.83	65308.5	44289.86	77116.99	40301.91	86644.38
Fresh Fruits & Vegetables						
Fresh Onions	1309925	172299.8	1666873	196662.7	1482499	316961.3
Other Fresh Vegetables	734178.8	131048.2	768627.2	151633.6	953731.2	229332.3
Walnuts	5841.56	23108.4	5295.47	19983.57	6726.36	32453.5
Fresh Mangoes	63441.29	20974.3	55584.99	26471.78	41279.97	28542.85
Fresh Grapes	108584.6	60288.15	172744.4	125942.8	192616.9	166647.5
Other Fresh Fruits	270437.2	75541.11	263970.3	77975.78	240552.5	102159.2
Total	2492408	483260	2933095	598670.1	2917405	876096.5
Processed Fruits and Vegetables						
Cucumber and Gherkins	258603	74503.45	238624.9	85659.18	218749.8	95520.18
Dried & Preserved Vegetables	64794.09	52678.47	68520.25	63795.76	56158.38	74271.74
Mango Pulp	150499.1	62082.91	147815.7	60855.73	174860.3	77294.76
Other Processed Fruits & Vegetables	274807.1	157759.8	269217.3	173305.5	287384.6	226660.3
Pulses	174625.2	106793.1	202751.4	128500.3	345051.4	174637.1
Total	923328.4	453817.8	926929.5	512116.5	1082204	648384.1

contd. table

<i>Product</i>	<i>2011-12</i>		<i>2012-13</i>		<i>2013-14</i>	
	<i>Qty</i>	<i>Rs. Lacs</i>	<i>Qty</i>	<i>Rs. Lacs</i>	<i>Qty</i>	<i>Rs. Lacs</i>
Animal Products						
Buffalo Meat	986618.5	1374574	1107506	1741289	1449759	2645782
Sheep/Goat Meat	11181.04	25522.07	16046.91	42565.86	22608.95	69411.53
Other Meat	318.33	364.34	194.13	233.33	255.26	323.44
Processed Meat	575.94	949.53	796.92	937.41	488.78	691.75
Animal Casings	923.56	2705.01	602.53	1837.08	352.2	2845.84
Poultry Products	624181.1	45805.29	577864.3	49493.41	437673.5	56587.37
Dairy Products	25639.51	28935.68	87824.21	141209.8	159228.5	331857.4
Natural Honey	26089.03	32123.96	25780.7	35632.05	28378.4	44501.46
Albumin (Eggs & Milk)	1454.31	5302.71	1663.83	9016.14	2025.32	13163.79
Total	1677820	1520002	1831931	2077840	2112231	3228857
Other Processed Foods						
Groundnuts	832616.9	524644.8	535637.4	406536.1	509664.8	318773.5
Guargum	707326.4	1652387	406311.8	2128701	601945.4	1173452
Jaggery & Confectionery	207694.4	76421.98	246566.9	91759.98	266472	113687.9
Cocoa Products	16678.58	17597.61	19083.34	29392.13	15962.95	57078.03
Cereal Preparations	301289.7	188859.7	293124.3	224076	321468.1	285500.2
Milled Products	171158.1	35890.14	273584.4	60360.8	418398	100576.9
Alcoholic Beverages	214110.7	145945	264466.1	190937	311564.2	239357.6
Miscellaneous Preparations	229341.9	121916	293958.2	171205.7	338972.8	218388.9
Total	2680217	2763662	2332732	3302969	2784448	2506815
Cereals						
Basmati Rice	3178174	1544960	3459899	1940939	3757271	2929996
Non-Basmati Rice	3997720	865912.6	6687991	1444881	7133183	1774996
Wheat	740746.8	102326.9	6514811	1052900	5562375	926161.1
Maize	3855721	515751.5	4788328	709634.1	3954237	598365.8
Other Cereals	217962	33540.86	652975.5	108427.4	657700.5	115690.8
Total	11990324	3062491	22104004	5256781	21064767	6345210
Grand Total	19810229	8348542	30172981	11825494	30001358	13692007

Source: Agriculture Processed Export Development Authority Portal

FINDINGS

Percentage Share of Products in 2013-14

<i>Products</i>	<i>% Share in total products</i>
Floriculture	0.63
Fruits and vegetables	6.4
Processed fruits and vegetables	4.74
Animal Products	23.58
Other processed foods	18.31
Cereals	46.34
Total	100

The highest share in exports is basmati rice with 21.40% followed by buffalo meat with 19.32% and non-basmati rice with 12.96. The year 2013-14 has an overall growth of 15.78 % of previous year's exports. This steady improvement in export of Agricultural products implies sustainable production in the country. Even though some products have declined in exports. The products include processed red meat, groundnuts, guar gum .A slight decline in wheat and maize is inevitable due to regional market demands. This can be rectified in the near future making exports at a sustainable pace.

SUGGESTIONS

Globalization has paved new way to Agri business. Indian economy can flourish if agriculture can be approached in new dimension. Agricultural practices have to be more eco-friendly without causing serious damage to the environment. The personnel turnover of future generation can be curtailed only if they realize this industry also yields profit and it will definitely alter the lifestyle which is a made one.

CONCLUSION

Against all the difficulties there are more new opportunities for Agriculture in India. New technology is bringing down the cost of activation which benefits the farmers. In addition, globalised markets and implementation of trade agreement should bring benefits for the exporters if they are assisted in overcoming their supply and competitiveness constraints. A balanced and nuanced understanding of the importance of agriculture and its potential roles would be great support for the economy to flourish.

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