



A STUDY ON EXPORTS OF SPICES AND CHALLENGES FACED BY EXPORTERS WITH REFERENCE TO COIMBATORE CITY

GUIDE: DR.R.PADMANABAN.M.COM (IB)., M.PHIL., PGDCA., Ph.D.,

AUTHOR: BHAVADHARAN.I.S STUDENT AT SRI KRISHNA ADITHYA COLLEGE
OF ARTS AND SCIENCE (B.COM.CA)

ABSTRACT

Indian spices have much popularity for their taste and flavour in both domestic and foreign markets. The foremost aim of the present study is to disclose the growth and instability under area, production, yield, export volume and value of selected spices in India. Composition and direction of trade and projection of quantity export of selected spices from India was analysed using Markov Chain. Revealed Comparative advantage was calculated to know the export performance of selected spices in global market. Multiple regression was use to find out the factors influencing export of selected spices from India. Garret's Ranking Technique was used to identify the problems faced by exporters in export of spices from India. The study revealed that cumin (5.40%), coriander (3.16%), turmeric (1.70%), ginger (4.61%), fenugreek (8.70%) and pepper (-3.82%) had significant growth in area during study period (1999-00 to 2017-18). Whereas, chilli (3.64%), cumin (9.97%), coriander (6.63%) turmeric (3.69%), ginger (8.45%) and fenugreek (8.88%) had significant positive growth in production at national level. Export quantity and value of chilli, cumin, coriander, turmeric, ginger, fenugreek and pepper was found significant positive growth. Vietnam was most reliable market for chilli and cumin export, Malaysia was stable market for coriander and turmeric, Saudi Arabia, Sri Lanka and U.S.A were stable markets for ginger, fenugreek and pepper respectively. Export projections of selected spices had shown positive trend. Spice Board of India and other organisations were taken up many promotional initiatives for spice export. Chilli, cumin, coriander, turmeric, ginger and pepper were enjoyed the positive trend of comparative advantage in international market in exports



1.INTRODUCTION

Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, is one of the largest contributors to the Gross Domestic Product (GDP). Spices is one of the economically and commercially significant agriculture crops in the world. Today, Indian spices are the most sought-after globally, given their exquisite aroma, texture, taste and medicinal value. Traditionally, spices in India have been grown in small land holdings, with organic farming gaining prominence in recent times.

Spices may be dried fruits, roots, seeds or barks of vegetable substance primarily used to flavour, colour or preserve food. "Spices and Herbs are dried parts of various plants cultivated for their aromatic pungent or otherwise desirable substances, the dominant spices of trade including cardamom, chilli, cinnamon, cloves, ginger and pepper.

This study attempts to know about of export of spices made from Coimbatore export companies. The data of major spices exported are Cumin, Ginger, Fenugreek, Chili, Cardamom, Curry powder, Coriander, Turmeric, Oil & Oleoresins, Garlic & Mint products.

India is known as the home of spices and boasts of a long history of trading with the ancient civilization of Rome and China. Today, Indian spices are the most sought-after globally, given their exquisite aroma, texture and taste. India has the largest domestic market for spices in the world. India is the world's largest producer and exporter of spices of the 109 varieties listed by the International Organization for Standardization (ISO).as the country produces and exports about 75 varieties of spices. The agriculture and food processing sector plays an instrumental role in augmenting the growth of the economy, as it is an important source of raw material for the industrial sector

Even though many spices were originated from India, sourcing different varieties of spices from India were difficult and risky. It meant boarding on the long and difficult sea voyages and withstanding the strong competition from other powerful empires who were eager to rule the spice trade. The Arab merchants supplied the Indian spices to the West between seventh and fifteenth centuries, but they took care to keep.



2.LITRATURE MAIN CONTENTS

2.1 OBJECTIVES OF THE STUDY

1. To trace the origin and growth of spices export from India.
2. To assess the problem faced by spices export from India.
3. To study the production and prospects of spices export in India.

2.2 SCOPE OF THE STUDY

The scope of study in the export of spices is vast and multifaceted. Market research and analysis is crucial to understanding current market trends, demand, and consumption patterns of spices in various countries. This includes analysing competitor strategies, strengths, and weaknesses, as well as identifying specific market segments such as organic, fair trade, or specialty spices.

2.3 STATEMENT OF THE PROBLEM

Spices exporters in India face challenges such as stringent international regulations, fluctuating market demand, intense competition, and logistical complexities. Compliance with diverse regulatory standards and maintaining high quality are particularly demanding. Here are some common problems faced in the export of spices:

2.4 RESEARCH METHODOLOGY

Research design is the strategy and plan that guides the process of conducting a research project. It's a blueprint for how to collect, analyse, and interpret data, and it's a critical component of the research process. A strong research design ensures that the research problem is thoroughly investigated, and that the answers to research questions are valid and reliable.

2.5 COLLECTION OF DATA

The data was collected through questionnaire.

- The sample size was 100
- The area of study was Coimbatore.
- Data used in this study was both primary and secondary data's



3.ANALYSIS AND DISCUSSION

TABLE:3.1

TABLE SHOWING THE TYPE OF SPICES EXPORTED BY RESPONDENTS

S.NO	SPICES TYPE	NUMBER OF RESPONDENTS	PERCENTAGE (%)
1	Turmeric	46	46
2	pepper	30	30
3	Cardamom	19	19
4	Cloves	5	5
	TOTAL	100	100

SOURCE: Primary data

Interpretation:

The above table indicates that 36% of respondents are less than 2 years, 33 % of respondents are 2-5 years,19% of respondents are 6-10 years,12% of respondents are More than 10 years

Inference:

Majority 36% of the respondents are less than 2 years

CHART:3.1

CHART SHOWING THE TYPE OF SPICES EXPORTED BY RESPONDENTS

YEARS OF EXPORTING BY RESPONDENTS

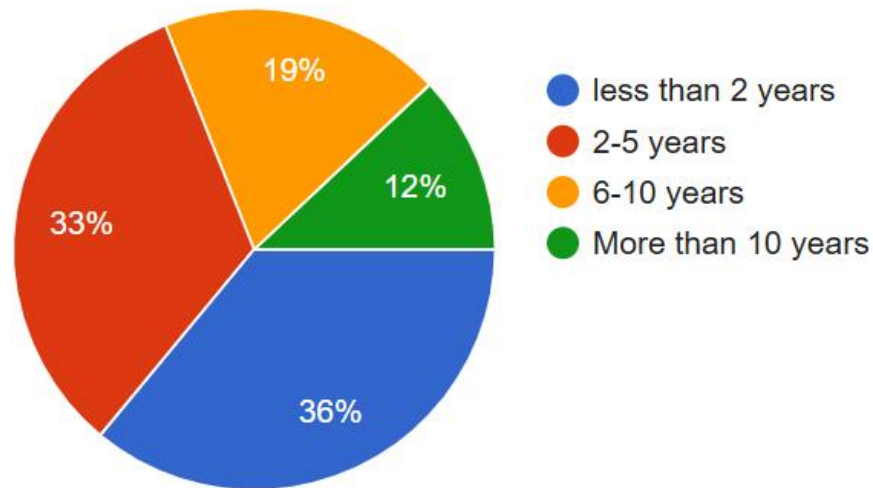


TABLE :3.2

TABLE SHOWING MAJOR EXPORT TO COUNTRIES/CONTINENT BY RESPONDENTS

S.NO	COUNTRY/CONTINENT	NUMBER OF RESPONDENTS	PERCENTAGE (%)
1	USA	25	25
2	Europe	14	14
3	Japan	11	11
4	All of the above	50	50
	TOTAL	100	100

SOURCE: Primary Data

Interpretation:

The above table indicates that 25% of respondents are Exporting to USA,14% of respondents are Exporting to Europe,11% of respondents are Exporting to Japan,50% of respondents are Exporting to All of the above.

Inference:

Majority 50% of the respondents are Exporting to All of the above.

CHART:3.2

CHART SHOWING MAJOR EXPORT TO COUNTRIES/CONTINENT BY RESPONDENTS

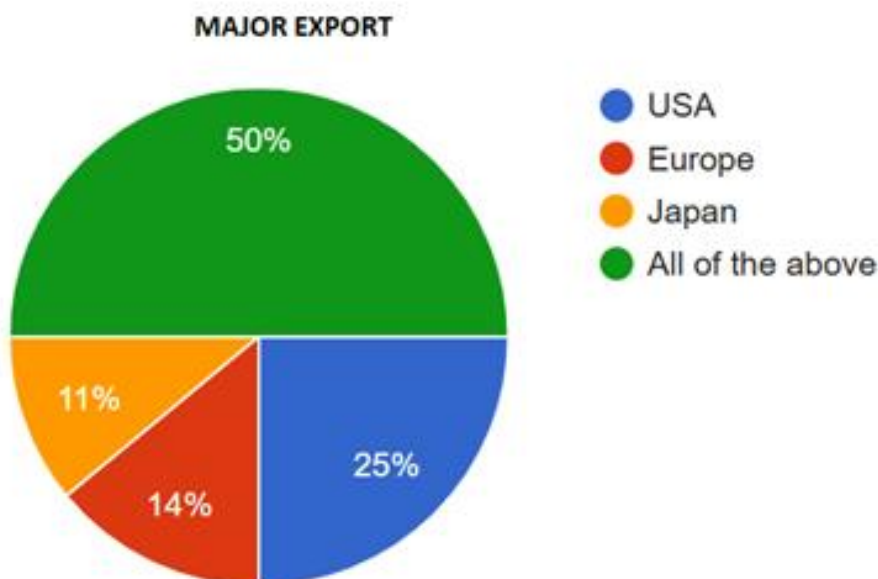


TABLE:3.3

**TABLE SHOWING PERCENTAGE OF DIFFICULTIES IN INTERNATIONAL
QUALITY STANDARDSBY RESPONDENTS**

S.NO	DIFFICULTIES	NUMBEROF RESPONDENTS	PERCENTAGE
1	Yes	69	69
2	No	31	31
	TOTAL	100	100

3.3 SOURCE: Primary Data

Interpretation:

The above table indicates that 61% of respondents are facing difficulties in complying with international quality standards 31% of respondents are not facing difficulties in complying with international quality standards

Inference:

Majority 61% of the respondents are facing difficulties in complying with international quality standards

CHART:3.3

CHART SHOWING PERCENTAGE OF DIFFICULTIES IN INTERNATIONAL

QUALITY STANDARDSBY RESPONDENTS

PERCENTAGE OF DIFFICULTIES IN INTERNATIONAL QUALITY STANDARDS

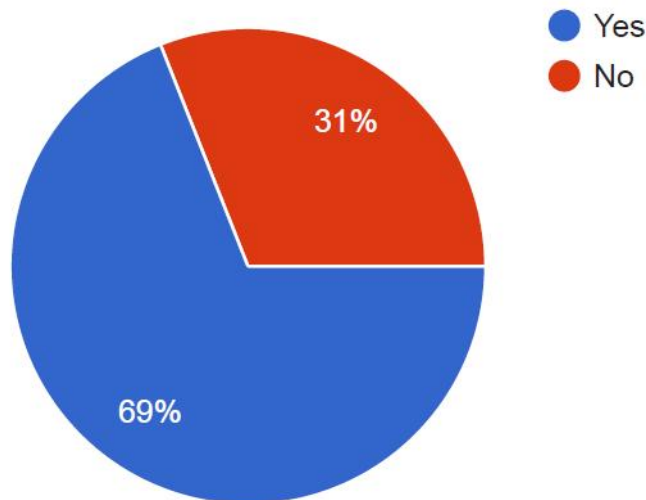


TABLE:3.4
TABLE SHOWING STRATEGIES USE TO OVERCOME EXPORT CHALLENGES
BY RESPONDENTS

S.NO	STRATEGIES USE TO OVERCOME EXPORT CHALLENGES	NUMBER OF RESPONDENTS	PERCENTAGE
1	Diversification exports markets	18	18%
2	Improving product quality	49	49%
3	Collaborating with logistics companies	26	26%
4	Seeking government support	7	7%
TOTAL		100	100%

SOURCE: Primary Data

Interpretation: The above table indicates that 18 % of respondent's Diversification exports markets 49 % of respondents Improving product quality 26 % of respondents Collaborating with logistics companies 7% of respondents are Seeking government support

Inference:

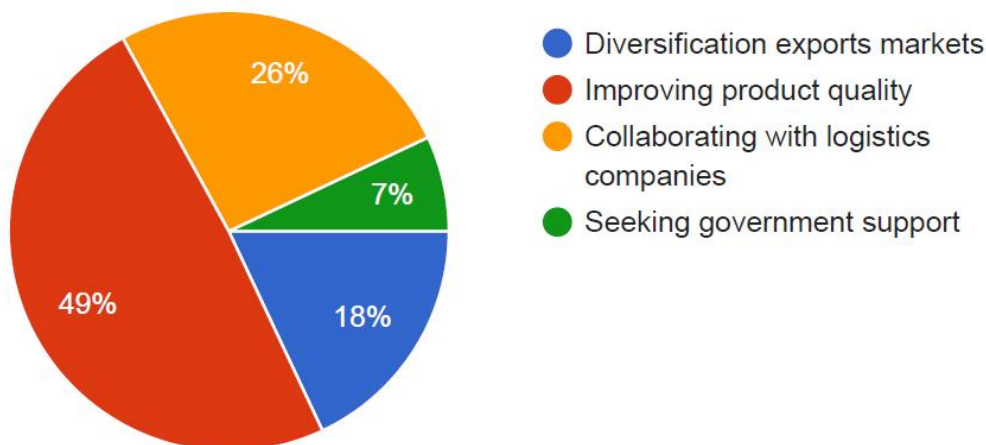
Majority49 % of respondents Improving product quality

CHART:3.4
CHART SHOWING STRATEGIES USE TO OVERCOME EXPORT CHALLENGES



BY RESPONDENTS

STRATEGIES USE TO OVERCOME EXPORT CHALLENGES



4.CONSLUSION

- India has been known from prehistoric times as the land of spices. Tamil Nadu contributes to 27 percent of the total **exports** of **spices** through Chennai and Tuticorin ports. The State is the largest producer of clove and Tamarind as well in the **country**.
- After Madurai and Sales, **Coimbatore** produces a large amount of **Spice** Cardamom in Tamil Nadu. But in the case of Turmeric, **Coimbatore** accounts for 60 percentage of Tamil Nadu's production. About 90 per cent of the total production of turmeric is consumed within India and only 10 per cent is **exported**.
- The history of Indian spices is as old as human civilization. The Vedas, ancient literature and travelogues are replete with innumerable references to the spice trade in India. India is the largest producer and exporter of spices in the world and so called the 'spice bowl of the world'.

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