

Export and Import of Agricultural Products

Agri-Exports

8.76 India's agri-exports can be divided into three broad categories, i.e. export of a) raw products, b) semi raw products c) processed and ready-to-eat products. Raw products exported are essentially of low value high volume nature, while semi processed products are of intermediate value and limited volume and processed ready-to-eat products are of high value but low volume nature. The major agri-exports of India are cereals (mostly rice - Basmati and non-Basmati), spices, cashew, oilcake/meals, tobacco, tea, coffee and marine products. Value of agri-exports to total exports of the country has been ranging between 15 to 20 per cent. Whereas marine products export has exhibited some uptrend, this advantage was more than offset by sharp decline in export prices of soya meal which of late has been a major export item. (Table 8.30).

8.77 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.

Agri-Imports

8.78 Agri-imports constitute only a small proportion of the country's total imports. During the period 1996-97 to 1999-2000, agri-imports have been in the range of 4 to 7 per cent of the total imports of the country. In recent years, edible oil has become the single largest agri-import accounting for more than 50 per cent of

TABLE 8.30
India's Export of Agricultural Products

(Million Dollars)

	1996- 97	per cent to total Agri.	1997- 98	per cent to total Agri.	1998- 99	per cent to total Agri.	1999 2000	per cent to total Agri.
Tea	292	4.3	505	7.7	538	9.0	407	7.4
Coffee	402	5.9	456	6.9	411	6.8	315	5.7
Cereals	1104	16.2	910	13.8	1495	24.9	718	13.1
Tobacco	213	3.1	288	4.4	181	3.0	229	4.2
Spices	339	5.0	379	5.8	388	6.5	393	7.2
Cashew	362	5.3	377	5.7	387	6.4	566	10.3
Sesame and Niger Seeds	78	1.1	81	1.2	78	1.3	86	1.6
Guargum Meal	100	1.5	147	2.2	173	2.9	189	3.5
Oil Meals	985	14.4	924	14.0	461	7.7	370	6.8
Fruits & Vegetables	208	3.0	204	3.1	183	3.1	202	3.7
Processed Fruits & Juices	59	0.9	73	1.1	69	1.1	113	2.1
Meat & Preparations	200	2.9	217	3.3	187	3.1	180	3.3
Marine Products	1129	16.5	1207	18.3	1038	17.3	1180	21.6
Others	1359	19.9	824	12.5	422	7.0	527	9.6
Total Agri-Exports	6828	100.0	6594	100.0	6014	100.0	5475	100.0
Total country Export	33470		35006		33218		37599	
Per cent of Agri. to Total Export	20.4		18.8		18.1		14.6	

the value of total agri-imports. In 1999 -2000, it accounted for as high as 70 per cent of total agri-imports. Another item, which has been accounting for around 10 per cent of total agri-imports is raw cashewnut. Each of the other agricultural and allied products imported into the country - cereals, pulses, spices, sugar, milk and milk products, chicken meat etc. - account for very small proportion of total agri-import, except in some climatically abnormal years warranting relatively larger import of a particular commodity – cereals (mostly wheat) in 1997-98, pulses in 1996-97 and 1997-98 (Table 8.31).

8.79 It is generally the policy that import duties should be low for those sensitive essential products where there is a large domestic shortfall in production. Pulses are a typical example, where there is zero import duty. High tariff walls were raised this year for many agricultural and allied products, such as rice, wheat, millets, sugar, milk powder, apple, chicken, edible oils etc. to allay the fears of large scale dumping of such products in Indian market in view of liberalisation of import policy in respect of many such products. Current tariff rate for import of some agricultural products are listed in Table 8.32.

Item	Tariff (per cent) (Basic + Surcharge)
Foodgrains	
Wheat	50
Rice in husk	80
Polished rice	70
Millets	50
Pulses	0
Fruits	
Apple	50
Peas & quinces	35
Other Fruits	25
Nuts	
Arecanut	100
Cashewnuts (shelled)	40
Edible Oil	
RBD Palmolein	71.6
Other refined oil	50.8
Crude palm oil (for vanaspati)	25
Crude palm oil (for uses other than vanaspati)	55
Crude coconut oil	45
Other vegetable crude oil	35
Other Products	
Spices	58.5
Sugar	60 per cent+ Rs.850 as CVD
Chicken meat	100

	1996-97	Per cent to total Agri.	1997-98	Per cent to total Agri.	1998-99	Per cent to total Agri.	1999-2000	Per cent to total Agri.
Cereal	137.2	9.6	291.5	15.8	287.7	9.9	133.6	5.1
Pulses	250.8	17.6	321.4	17.4	168.5	5.8	63.2	2.4
Milk & cream	0.7	-*	1.4	0.1	2.9	0.1	22.4	0.9
Cashew nuts	193.7	13.6	206.4	11.2	230.3	7.9	220.0	8.4
Fruits & nut	18.3	1.3	154.7	8.4	159.3	5.5	84.2	3.2
Sugar	0.9	0.1	126.5	6.9	264.1	9.0	255.2	9.7
Oil seeds	1.3	0.1	0.7	—	2.0	0.1	3.1	0.1
Veg. Oils	825.1	57.8	743.9	40.3	1803.9	61.8	1842.5	70.2
Total Agri. Imports	1428.0	100.0	1846.7	100.0	2918.8	100.0	2624.1	100.0
Total Country Import	39132.9		41484.5		42388.7		47212.1	
Percent of Agri. to Total Import	3.7		4.5		6.9		5.6	
* Negligible								