

## AN ECONOMIC IMPACT OF CARDAMOM PROCESSING AND MARKETING COMPANIES IN INDIA

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### Abstract

*The aim of this study includes cardamom auctions, trade and exports of spices, domestic trade in cardamom and distribution of agro inputs with this operation all over Theni district and Idukki district. In order of important spice next to pepper for its "low volume high value" nature. In fact cardamom was originally grown in Indian soil as a wild crop and the native tribal living in the interior forest care for its growth and harvest and it has been organized form of cardamom plantation was undertaken only after the British settlement in India. We operate one of the largest and most credible cardamom auctions in the industry today with distribution auctions at Bodi and Puttady. We also have a very strong presence in domestic trade of cardamom and have a strong brand in CPA, ISMPCS, HEADER, STCL, MAS, SIGCL, CPMCS and KCPMC. Cardamom, which is highly popular in the wholesale cardamom, markets all over in India. The cardamom of International commerce in native of India and has been in the country's export trade from very early times. India is the homeland for spices and cardamom is the "Queen" among them. Cardamom belongs to the ginger family. Our recent addition to our activities is the rubber trade division working out of Kerala. We have tied up with major players in rubber trade and have set ourselves ambitions targets in the coming year. An extremely efficient and knowledgeable team has begun its activity in the region from 2010 - 2011 onwards. We also have a technical services division providing valuable information, advice and technical farm services consultancy, it propose to have a quality analysis and product - testing laboratory.*

**Keywords:** *spices, CPA, socio - economic development, cardamom cultivation, labour mobility, non-agricultural sector*

### Statement of the Problem

- In India, the land of spices is the largest quantity arrived, quantity sold and quantity remained of spices in the World. World production of cardamom is estimated at the year of 2010 in 8108779.600 to 7545730.950 tonnes and 2011 in 12846838.700 to 10169670.830 tonnes. At present, the major producer is Bodi and Puttady with a monthly production of the year 2010 in 2682360 to 861886.500 tonnes and 2011 in 788894.800 to 743246.930 tonnes. India cardamom is superior quality, but has always been out - priced by Bodi and Puttady.
- The companies of CPA, ISMPCS, HEADER, STCL, MAS, SIGCL, CPMCS, and KCPMC are the major producers of cardamom in India. This enjoys a predominant position in the international spice. Out of the total area under cardamom plantation in India, more than 100 percent of the area is in the state of Bodi and Puttady used for cardamom cultivation.
- In Theni district of Bodinayakanur and Idukki district is geographically located in the most conducive place, which is highly suited for small cardamom plantation.

Small cardamom is a valuable source of income to poor farmers inhabiting in Idukki district of Kerala.

- A comparative analysis of cardamom - growing practices, problems and opportunities in Idukki district is not so for analyze the economic impact of cardamom plantation in Bodinayakanur in Theni district and Puttay in Idukki district.

### **Objectives**

1. To examine the relationship between farm size and productivity of cardamom in the study area.
2. To assess the marketing cost, marketing margin price and marketing efficiency of the cardamom planters.
3. To identify the problems faced by the cardamom planters in the production and marketing of cardamom, and
4. To offer, policy suggestions for making the cardamom plantation economically viable and profitable.

### **Scope of the Study**

- The present study aims of assessing the financial performance of Bodi and Puttady cardamom limited is combined to the analysis and interpretation of published distribution of auction viz., the quantity arrived and quantity sold.
- It also helps to identify the strength and the weakness of the company in Bodi is STCL.
- The technique employed for the purpose of the study are maximum price and minimum price of distribution of cardamom price level by preparing the consolidated quantity arrived, quantity sold and quantity remained.

### **Hypothesis of the Study**

This study focuses to the objectives, a few hypothesis have been framed to test above objectives by using appropriate statistical tools in the cardamom analysis. There is no relationship between farm size and productivity of cardamom, the exists no structural difference between small and large planters of cardamom in the study area.

### **Methodology**

The study was purely based on secondary data; the data have been collected through monthly reports, books and records Bodi and Puttady cardamoms limited. An impartment part of any kind of research work. The collection of data and the information is not able to find, it should be gathered carefully, arranged effectively and strongly supporting too thing study.

### **Importance of the Study**

The financial performance analysis is a special importance in Cardamom Company and it is eight such companies. From the point of view of the socio - economic development of the country, cardamom limited is significant enough terms of the investment and the employment. The sales and the average amount function in cardamom limited differ from that of other company. Even though many studies in direction have been conducted, the present one would be of greater significance to many because it helps to understand the pattern and structure of financial variables of leading companies a part from that identity the financial relationship between companies and industries. The change in the economic policy of government certainly has made impact on the performance of corporate sector; hence the research problem has to change to the “financial performance analysis of the Bodi and Puttady cardamoms limited”. The particular topic has been made to examine the changes that might have occurred in the performance of cardamom limited changes in the government policy.

### **Limitations of the Study**

The study has a few limitations of time and resources, although is cultivated in states of India. The area of study confined to Idukki and Bodinayakanur, it is Idukki state alone accounts for 95% of the total area under cardamom cultivation and 100% of the total average amount of cardamom in India.

There are two types of cardamom cultivated in India namely, small cardamom and large cardamom, but this study is only related to the small cardamom, because it is the most popular commercial variety of India cardamom, which is exclusively cultivated in Idukki district of Kerala. The study concentrates only on cardamom cultivation in the sample district. The study takes into account the views of the sample respondents; the period of the study is confined to two years of 2010 - 2011.

### **Period of the Study**

The secondary data related to cardamom were collected for the period of two years from 2010 and 2011.

### **Review of Literature**

Review of literature is an important part of the study and arms the researcher with a sound knowledge of the critical studies already undertaken in the field of his study, some studies have direct relevance to the topic and a few have indirect bearing on the study. An attempt is made to review a few of them covering various aspects of cardamom cultivation.

**Varghese P. K (2007)** analysis the three important concepts such as costs, return and profitability while assessing the economics of any production activity. Among these, the most controversial one is the consumption of cost of cultivation, especially for perennial crops, which have long gestation periods, estimation of imputed costs like family

- labour further add to the problem of calculating the cost of cultivation of agricultural produce.

**R. Mahesh (2004)** in his study entitled labour mobility in rural area, analyzed the significant causes for large scale mobility of agricultural labourers from rural areas to semi urban and urban areas and concluded that the utilization and crop patterns, farming system in the village have undergone significant changes. The labour requirement for the agriculture has increase to some extent, but not in much. The non - agricultural sector in the village provides only limited employment opportunities the labour demand is not adequate to provide significant work to the existing rural labour force in the village. The situation has promoted some workers to shift occupations and some to shift place.

#### Tools Used

The secondary data has been used percentage for the purpose of analysis and interpretation of the data.

**Table 1: Distribution of Auctioneer in Bodi and Puttady by Quantity and Market of Cardamom in March 2010**

Place	Company	Qty Arrived	Q.A %	Qty Sold	Q. S %	Qty Remain	Q.R %	Total	Total %
BODI	CPA	51052.9	1.90	48144.0	5.60	2908.9	14.20	102105.8	5.80
	ISMPCS	50486.6	1.90	48923.5	5.70	1568.1	7.70	100973.2	5.80
	HEADER	113082.5	4.21	108207.0	12.60	4875.5	23.90	226165.0	12.90
	STCL	14772.0	1.00	14469.0	1.70	303.0	1.50	29544.0	1.70
PUTTADY	MAS	69053.1	2.60	68702.4	8.00	350.7	1.70	138106.2	7.90
	SIGCL	199979.0	7.45	193564.7	22.45	6414.3	31.32	399958.0	22.70
	CPMCS	204896.3	7.70	203845.7	23.70	1050.6	5.12	409792.6	23.22
	KCPMC	179037.6	6.70	176030.2	20.42	3007.4	14.70	358075.2	20.29
<b>Total</b>		2682360.0	33.46	861886.5	100.97	20473.5	100.14	1764720.0	100;31

Source: Auction Report March, 2010.

In the above table 1 shows that the cardamom arrived to “BODI” and “PUTTADY” as on March 2010. In the amount of quantity arrived to CPMCS was maximum and the amount of Quantity arrived to CPMCS was maximum. The maximum amount of quantity remaining was in STCL. Average amount of quantity arrived to CPMCS was increased to 7.70% and the average amount of quantity sold in CPMCS was increased to 23.70%, the average amount of minimum quantity remaining STCL was 1.50%.

### Major Findings

- The Bodi and Puttady by quantity and marketing of cardamom in March 2010 shows fluctuation trend. The quantity arrived to CPMCS was increased to 7.70% and quantity sold in CPMCS was increased to 23.70% the average amount of decreased to quantity remaining in STCL was 1.50%.
- The cardamom price level and companies in March 2010, SIGCL had the highest value of maximum price level which was 5918 and STCL had the lowest value of maximum price level which was 2170.50, CPA had the highest value of minimum price level which was 4344.50 and STCL had the lowest value of minimum price level which was 1636.
- The Bodi and Puttady by quantity and marketing of cardamom in April 2010 shows fluctuation trend. The quantity arrived to HEADER was increased to 21.70% and quantity sold in KCPMC was increased to 21% the average amount of decreased to quantity remaining STCL was 1.44%.
- The cardamom price level and companies in April 2010, HEADER had the highest value of maximum price level which was 5229.50 and STCL had the lowest value of maximum price level which was 2398.50, CPA had the highest value of minimum price level which was 3497.50 and STCL had the lowest value of minimum price level which was 1732.

### Suggestions

- The Bodi and Puttady cardamom limited has to improve the distribution of auctioneer in quantity and market of cardamom. Based on findings we see that the Bodi and Puttady cardamom limited have to control their expenses for increasing the average amount.
- The quantity arrived and quantity sold to provide to two years on 2010 - 2011 the study period. The company has to take the steps in order to maintain the same level, so it can be average amount to the firm.
- The company should not make payment of dividend till its raise enough cash resources to meet its percent.

### Conclusion

An analysis of financial performance of Bodi and Puttady cardamom limited is to measure day to day transactions; it based on findings the firm had to percentage of the average amount to overcome their adverse. The Bodi and Puttady cardamom limited to enhance its percentage and average amount. A firm came maximum price its value through increasing its minimum price level, an increase of amount beyond the limit will not necessary result in the quantity remained unless, quantity sold and quantity arrived an increased for quantity and market. The company position needs to examine and eliminate the unnecessary in all months.

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