

A TREND ANALYSIS OF IMPORTS AND EXPORTS OF CUT FLOWERS FROM INDIA

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ABSTRACT

Floriculture is a subfield of ornamental horticulture that focuses on cultivating and selling flowers and other plants that are grown for their aesthetic value, as well as the art of flower arranging. Even though many flowers are grown outside in nurseries or crop fields, the industry of floriculture is commonly thought of as a greenhouse industry because flowers and potted plants are largely produced in plant-growing structures in temperate climates. This is why floriculture is also known as floriculture. In most cases, the term "floriculture" refers to both the production of bedding plants and the creation of cuttings to be grown in greenhouses or for use as houseplants indoors. Both activities are regarded to fall under the category of "floriculture." India is one of the major exporters of flowers. The Forestry business has been catching the eyes of traders, importers, and a lot of exporters. The paper is an attempt to study the changing trends in the global market to get better insights of the EXIM situation in India. The paper is descriptive in nature and data is sourced from official government records. The research concludes that in the last decade, India observed a steep rise in exports but later there was a considerable decline in the numbers. A similar trend was observed in the import of cut flowers. This shows that there has been a diminishing demand for cut flowers hampering trade and commerce of the floriculture industry.

Keywords: Cut flowers, export, import, floriculture trends.

Introduction

The cultivation of flowering and attractive plants for gardens, floristry, and everything else that is included in the floral business is the focus of floriculture, which is a subfield of horticulture. Floriculture is also the term for the farming of flowers.

Because of the huge demand for flowers not only within India but also on a global scale, the floriculture industry in India is experiencing a period of unprecedented growth and prosperity. The Flower Export business in India will quickly ascend to great heights and increase its growth all over the world in the not-too-distant future. (Vaibhav Sharma, 2021)

Roses from India, particularly those grown in Bengaluru and Pune, are in high demand in the United Kingdom and Europe. According to estimates provided by the Indian Society of Floriculture Professionals, the value of flowers shipped from India to other countries is approximately 30 crores. Flower export from India reaches its peak around the holidays of Christmas and Valentine's Day, particularly for the stunning roses grown in India. Ghodawat Agro Group, which is also known for delivering three lakh stems of flowers each day to the Indian market as well as the Export market, is planning to set up a floriculture project in Goa with the intention of constructing the largest orchid farms in the world. The project will focus on floriculture.

The Floristry business has been catching the eyes of traders, importers and a lot of exporters. The paper is an attempt to study the changing trends in the global market to get better insights of the EXIM situation in India.

Literature Review

In "Design for supply chain collaboration," Simatupang and Sridharan (2008) examined supply chain collaboration architecture and offered a DfC that allows participants to construct and develop essential parts of the proposed architecture.

Mei, Zhang & Qingyu (2011) examined the nature of supply chain collaboration and its effects on firm performance. Bhinde & Hetal, (2013) in an article titled "Vibrant trends in Packaging" discussed the change in packaging trends in the floristry market and its need for sustaining in a dynamic business environment. Author discussed the various Packing methods adopted at various levels in the supply chain.

Bhinde & Hetal (2014) discussed about the awareness levels of floriculture partners amongst flower cultivators at all the supply chain partners of floriculture business. Bhinde & Hetal, (2017) discussed the challenges affecting all the supply chain partners of floriculture business.

Bhinde & Hetal, (2018) discussed about the organization and administration of floriculture business where an attempt has been made to simplify the challenges affecting floriculture business. Bhinde & Hetal, (2018) discussed problems faced by farmers in floristry business. Author gave a brief for integrating various parties associated with the supply chain and setting up a LLP company for the benefit of all the stakeholders involved in the business.

Bhinde & Hetal, (2018) summarized a model for Supply Chain Collaboration amongst partners of floristry business. A collaborative model clearly explained the benefits of collaborative supply chains for aggregating the business to fetch better market and money for farmers, retailers, and exporters as well as best quality product for end consumers. Bhinde & Hetal (2019) presented a corridor model clearly explain the benefits of collaborative business aggregation to fetch better market and money for farmers, retailers, and exporters as well as best quality product for end consumers. This business model can act as a boon to floristry business partners in near future. Bhinde & Hetal (2020) concluded that the government should provide some additional benefits to farmers to increase the trade in the coming future to balance their current losses and continue with growth of cut flowers.

Research Gap

A lot of research has been done in the past to study the trends and overall floriculture business. Few research articles highlighted the value of exports and imports of flowers from India to the global market. Yet there exists a need to study the trends observed over long durations to study the changing trends in the market to get a better understanding of the floral EXIM situation.

Materials and Methods

Objectives of the Study

To study the trends of imports and exports of cut flowers from India.

Scope of the Study

The purpose of this study is to study the trends of imports and exports of cut flowers from India. The study is limited to exports of commodity group 0603. It covers a time frame from 2009 to 2020

Sampling Techniques

The research is conducted for a time frame from 2009 to 2020. Hence sample amounts to be 12 years' data. The data is based on the latest records that are published by the government. Hence it can be noted that convenience sampling for 12 years is used.

Limitations of the Study

It covers a time frame from 2009 to 2020.

The study is limited to exports of commodity group 0603.

Type of research

The study is descriptive research which attempts to study the trends of imports and exports of cut flowers from India.

Data Collection

The research is confined to Indian context only. The research data is collected from secondary sources like websites, research papers, articles, etc.

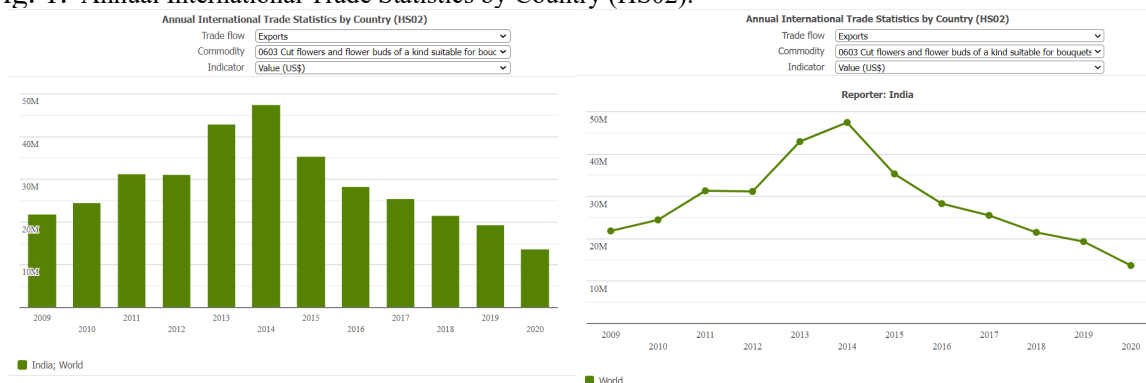
Data Analysis

The tables below display the value and value growth (%) of imports and exports of cut flowers from India to other nations.

Sr. No.	Exports		
	Year	Value (US \$)	Value Growth YOY (%)
1	2009	21856640	-10.35
2	2010	24465532	11.93
3	2011	31321721	28.02
4	2012	31175950	-0.46
5	2013	42952138	37.77
6	2014	47456887	10.48
7	2015	35310577	-25.59
8	2016	28292840	-19.87
9	2017	25539374	-9.73
10	2018	21511690	-15.77
11	2019	19350644	-10.04
12	2020	13699943	-29.20

TABLE I. EXPORTS

Fig. 1. Annual International Trade Statistics by Country (HS02).

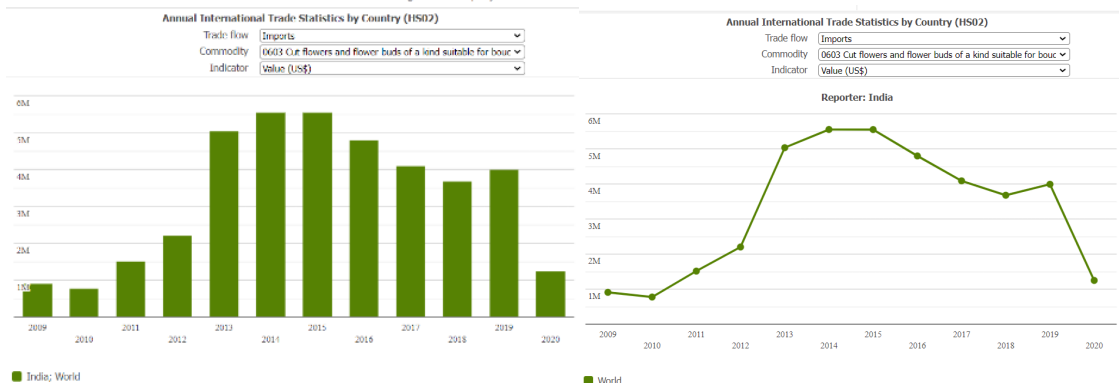


Sr. No.	Imports		
	Year	Value (US \$)	Value Growth YOY (%)
1	2009	908723	4.70
2	2010	774815	-14.73
3	2011	1514187	95.42
4	2012	2201612	45.39
5	2013	5034414	128.66
6	2014	5552899	10.29
7	2015	5550578	-0.04
8	2016	4798942	-13.54
9	2017	4088263	-14.80
10	2018	3678016	-10.03

Sr. No.	Imports		
	Year	Value (US \$)	Value Growth YOY (%)
11	2019	3990835	8.50
12	2020	1248314	-68.72

TABLE II. IMPORTS

Fig. 2. Annual International Trade Statistics by Country (HS02)



The value of goods exported from the commodity category 0603, which includes cut flowers and flower buds. In the year 2020, the total amount from India was 13.6 million dollars. When compared to 2019, value-wise sales of the commodity category 0603 from India dropped by 29%. Cut flowers and flower buds saw a decrease in exports of \$5.65 million over the course of 2019.

Cut flowers and flower buds accounted for 0.004% of total exports from India. Exports of commodity group 0603 when compared to 2019, the proportion of overall exports from India that were composed of the commodity group 0603 fell by 0.001 percentage points. In 2019, this proportion was 0.005%, while the total value of India's cumulative exports was \$323 billion.

The value of exports of commodity group 0603 from India totaled \$73 million in 2020; these exports accounted for 18.7% of the total sales of the group in India in 2020. When compared to 2019, the proportion of sales of commodity group 0603 that was contributed by exports from India decreased by 5.68 percentage points; in 2019, this proportion was 24%, and exports of commodity group from India were \$79 million.

India is a major exporter of cut flowers and flower buds of a variety that is appropriate for use in bouquets or for ornamental purposes, whether they are fresh, dried, dyed, bleached, impregnated, or prepared in any other way.

The following countries are projected to be India's top export destinations for Cut Flowers and Flower Buds in the year 2020:

- The United Arab Emirates, with a portion equal to 15.8 percent (2.17 million US dollars)
- The United States of America, with a share of 13.6% (1.87 million US dollars)
- The United Kingdom, which contributed 13% (1.79 million US dollars) of the total.
- Singapore, with a ten percent share (1.38 million dollars in US currency)
- Malaysia, with 9.3% parts (1.27 million US dollars) of the pie
- Germany, which contributed 704 thousand US dollars and had a share of 5.14%
- Spain, which contributed 578 thousand dollars, or 4.22% of the total.
- New Zealand, which contributed 371,000 USD and had a stake of 2.7%
- Kuwait, which contributed 346,000 dollars, amounting to a share of 2.52%
- Nepal, which contributed 345,000 dollars, or 2.52% of the total.

The following are the principal commodity groups that will constitute India's cut flower and flower bud exports in the year 2020:

- 52% (7.19 million US\$): Cut flowers and flower buds of a kind that suit, for use in bouquets and aesthetic purposes, fresh
- 47% of the market (6.5 million US dollars): 060390 - Cut flowers and flower buds.

In the year 2020, India's imports of the commodity group 0603, had a total value of \$1.24 million. When compared to 2019, sales of commodity group 0603 to India experienced a value reduction of 68 percent. The value of India's imports of commodity group 0603, was \$3.99 million in 2019. This represents a decrease of \$2.74 million compared to 2018.

In 2020, India's imports of goods from commodity group 0603 reached 6.59% of the overall imports of the group in that year; the total value of India's imports from commodity group was \$18.9 million. When compared to 2019, the proportion of imports to India that were purchases of commodity group 0603 decreased by 6.05 percentage points. In 2019, this proportion stood at 12.6%, and imports of commodity groups to India were valued at \$31 million.

Finally, during India's financial year 2021, the country exported floricultural goods with a value of more than five billion Indian rupees. The United States of America and the Netherlands were the two countries that accounted for the largest shares of these exports during that particular year.

Conclusion

The research concludes that in the last decade (12 years considered in this study), India observed a steep rise in exports but later there was a considerable decline in the numbers. A similar trend was observed in the import of cut flowers. This shows that there has been a diminishing demand for cut flowers hampering trade and commerce of the floriculture industry.

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