

## **Analysis of Areca nut production and export in India**

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### **ABSTRACT**

The Areca Nut is the seed of the areca palm (*Areca catechu*), which grows in much of the tropical Pacific, Asia, and parts of east Africa. It is commonly referred to as betel nut or supari, as it is often chewed wrapped in betel leaves (paan). Areca nut (*Areca nut catechu L.*) is a common masticator nut, consumed by all sections of the population, cutting across caste, region, religion, age and gender in India. Areca nut forms an essential requisite for several religious and social ceremonies and its use dates back to Vedic period with high antiquities. This study is based on Secondary data related to area of cultivation, production, productivity and export performance of Areca Nut in India and the World. Areca Nut is a plantation crop, is cultivated mainly by small and marginal farmers in India. Areca nut is largely grown in the plains and foothills of the Western Ghats extending from Mumbai to Kanyakumari and in the North Eastern region, covering West Bengal, Assam, Meghalaya, Tripura, and the like. 87 per cent of the area under its cultivation across India lies in Karnataka, Kerala and Assam. India exports areca nut and its value-added products not only to neighbouring SAARC countries but also to the Middle East and elsewhere. Till recently, India's exports were mainly confined to the whole areca nut, however, in recent years India has also exported scented supari, pan masala, and the like. The main countries to which such value-added products are exported are UAE, UK, USA, Iran and Kenya. The export of areca nut and its by products from India has almost tripled in a span of 20 years since 1991. India's exports currently reach more than 50 countries in the world. As far as the whole areca nut is concerned the UK, UAE, Maldives, USA and Australia are the major buyers; for split and ground varieties, the USA, South Africa, UK, Australia, Canada and Kenya are the major importers; while for other forms of areca nut Malaysia, Maldives, UK, UAE and Oman are the major markets.

**Key Words :** Aggression, Socio-economic status, Academic performance

### **INTRODUCTION**

In an agrarian economy like India, agriculture occupies a key place in the programme of economic development. For rural Indians, agriculture has become a way of life. This sector is contributing nearly 50 per cent of the National income and plays a significant role in

the over-all development of this country. When traditional form of agriculture started becoming commercial during the British period, farmers attitude towards agriculture was changed. As a consequence, in the agricultural sector, commercial crops started playing a unique role in the world of agriculture. Among various commercial crops grown in India, the ARECA NUT is one of the predominant crops.

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It is commodity of conventional, commercial and economic importance. While values in the Asian context, the commerciality is ensured by the fact that it contributes about 21,000 crores of rupees to the gross National product. Besides this, its economic importance is witnessed by 6.25 million of people who make their livelihood through areca industry. On the hand, it is reflected in all religious, social and cultural life of Indians. The cultivation of areanut can be traced from the vedic period. Areca kernel is used mainly for chewing purpose in “Tambula”, “Beeda”, Pansupari’ and “Ghukta”.

#### Betelnut - Plant Profile

##### Names

Betel nut, Areca nut (English)

Pakku (Malayalam)

Supari, tari (Bangladesh)

Botanical name : *Areca catechu*

Family : Palmae, the palm family (also known as Arecaceae).



Areca nut is deeply rooted in religious and cultural life of Indian people. It is used by all sections of the population, cutting across caste, region, religion, age and gender in India. The area under areca nut is around four lakh hectares with a production of around 4.78 lakh tonnes. Karnataka and Kerala together account for 70 per cent of area and production of areca nut. In Karnataka, around 2.15 lakh hectares are under areca nut cultivation. Chikmagalur district stands first in both area and production followed by Shimoga, Davanagere districts. At present, areca nut is cultivated in 80 per cent of the taluks in Karnataka, with Kadir taluk ranking first in both area and production, followed by Channagiri and Bhadravati taluks.

World production of areca nut was 8.54 lakh tonnes with an area of 7.03 lakh hectares. India's share in production is a mammoth 55 per cent. The productivity of areca nut in China is 225 per cent higher than that of India. In Karnataka, the investment made on areca nut gardens by farmers is forty thousand crore rupees. The annual expenditure is Rs.2750 crores. Areca nut provides income and livelihood security to more than three crore people in India. The annual compound growth rate of consumption (five per cent) is more than that of production (4.2 %) hinting at the demand – supply gap. India exported 1750 tonnes of areca nut and its products to more than 40 countries during 2009-10. India also imported 40,000 tonnes of areca nut valuing Rs. 100 crores at Rs.25, 000 per tones in 2009-10.

#### **Export performance of Areca Nut :**

Not only our neighboring SAARC countries but also Middle East and other Muslim countries have become an assured destination for the value- added areca nut products. Demand for these products has been fast increasing globally, especially among the people of Indian / Asian origin. Export of areca nut products from India has almost tribbled in a span of 20 years since 1991. India's export currently reaches more than 40 countries in the world. During 2009-10 India exported nearly 1750 tonnes of areca nut in the forms of splits nuts (13 %), whole nuts (37 %) and value added forms like scented *Supari* (50 %). Major destinations of these items are Malaysia, Maldives, UAE, Nepal, UK, Sri Lanka, South Africa, Canada and Kenya. Interestingly, the demand is increasing gradually in the developed world also including USA, UK, Canada, Australia, Thailand, Singapore and France, that too for the products such as Ghutka and *Panmasala*. The *panmasala* and scented *supari* are exported to countries like UAE, Afghanistan, Canada, Mexico, Saudi Arabia, Singapore, UK and the like. The UAE has been major market for Indian *panmasala*, accounts for 50 per cent of export from India in recent years. The UK, Canada, Saudi Arabia and USA stand next to UAE in import of Indian *panmasala*.

#### **Agencies instituted in production of Areca Nut :**

The Central Areca nut and Cocoa Marketing and Processing Co-operative Limited or CAMPCO was found on 11 July 1973 at Mangalore. The organisation working on principles of co-operative was found to mitigate the sufferings of areca nut and cocoa growers in Indian states of Karnataka and Kerala. The CAMPCO has now extended its services to other states of India like Assam and Goa also. The CAMPCO has now become multi state co-operative under relevant Indian laws. The organisation is mainly into

procurement, marketing, selling and processing of areca nut and cocoa. The company also provides guidance for farmers for growing areca nut and cocoa. The company plans to enter into natural rubber business also. The company has set up a chocolate manufacturing plant in 1986 at Puttur of Dakshina Kannada district of Karnataka. The plant produces chocolates and other products of cocoa both under its own brand and also for Nestle. The company plans to increase production of choco chips by setting up of new plant.

#### **Statement of problem :**

Areca nut is a tropical crop. It is capable of growing under variety of climatic conditions. In India, it is extensively used by large sections of the people and it is very much linked with religious practices. India is the largest producer of areca nut and at the same time largest consumer also. Demand for areca nut products has increased steadily in India. The production aspects begin from the harvest and end before it is marketed, major issues related to the production aspect of areca are harvesting, plucking, drying, grading, dehusking. So the areca nut production is one of the important tasks for the producers. The marketing is another difficult task to be undertaken by the areca nut producers are storing, grading, practices of second sale, gutkha banning. There is no proper fixed price for areca nut. The various channels of distribution are required to reach the consumer. Hence, the present study.

#### **Objectives of the Study :**

1. To know the cultivation of areca nut, production process in India.
2. To study the area, production and productivity of areca nut in India and
3. To analyze the export performance of areca nut in India.

### **METHODOLOGY**

This study is based on Secondary data related to area of cultivation, production, productivity and export performance of Areca Nut in India and the World. Data related to the study have been collected from the Annual Reports of Food and Agriculture Organization, (1997-2014) Rome, Hand Book of National horticulture Board of India (2014), Haryana, Annual Reports (1997-2014) of Directorate of Areca nut and Species Board, Calicut. The period covered is from 1997-98 to 2014-15. In order to study the various objectives and make inferences, statistical tool of analyses like percentage, annual growth rate, mean, standard deviation and Co- efficient variation are used in the study.

#### **Processing of Areca Nut :**

##### ***Types of Areca Nut processing:***

There are mainly two types of processing of areca nut, viz., chali (ripe sun dried nuts) and red boiled type (tender or mature nuts). Chali is mainly produced in Dakshina Kannada and parts of Uttara Kannada districts. Chali is used in the preparation of scented supari and is greatly demanded in Northern India. Different types of red boiled nuts are prepared in other parts of the state to meet market demand. About 20 per cent of total areca production in the country is consumed as ripe fruit.

The areca nut farm can also be intermixed with banana, mango, jack, coconut, cocoa,

ginger and pepper without affecting the main crop depending on the type of the soil, temperature and water availability. Areca nut plant starts yielding from 7th year till it is of age 40. After that, it becomes uneconomical to maintain it. As the trees grow older, a smaller tree would be planted adjacent to the old trees to make the farm sustainable harvesting season is usually from September till January in three phases. The dried areca nut is non perishable agriculture product and it can be stored for any length of the time.



**Step 1: Getting ready for work**



**Step 4: Storing and Transporting**



**Step 2: Harvesting the fruits from the tree**



**Step 5 : Peeling to Get the Kernel**



**Step 3: Separating the fruits from the bunches**



**Step 6: Boiling the Kernel**