CHAPTER I
INTRODUCTION AND DESIGN OF THE STUDY

1.1. INTRODUCTION

Indian Cardamom is exported to over 60 countries, the bulk going to the Middle East. The export earnings of the crop have been steadily increasing. Large cardamom is one of the main cash crops cultivated in Theni district of Tamil Nadu. With annual production of over 4,500 MT from a total cultivation area of about 23,500 hectares, large cardamom is the main cash crop of Theni. India is the largest producer of large cardamom with 54% share in world production, and Theni contributes up to 88% of India's production. It is also cultivated in Nepal and Bhutan. It is used as a spice in several ayurvedic preparations. It contains 2-3% essential oil and possesses medicinal properties.

Large cardamom has a pleasant aromatic odour, due to which it is extensively used for flavouring vegetables and many food preparations in India. It is also used as an essential ingredient in mixed spices preparation. Apart from aroma, large cardamom also has high medicinal value. The decoction of seeds is used as a gargle in infection of teeth and gums. Large cardamom seeds are considered as an antidote to either snake venom or scorpion venom. It is also reported that large cardamom seeds are used as preventive as well as curative measure for throat troubles, congestion of lungs, inflammation of eyelids, digestive disorders and in the treatment of pulmonary tuberculosis. Majority of Cardamom cultivators often sell their produce to intermediaries for a lower price than
prevailing at auction. The cardamom growers face problems in marketing, credit and lack of knowledge of modern cultivation practices etc.

1.2. CARDAMOM PRODUCTION AND LIVELIHOODS

Large cardamom is native non-timber forest product of potential economic benefits. It is used in Ayurvedic preparation and spices. According to the botanical classification the large cardamom is grouped as part of the Zingiberaceae tribe. Its nomenclature is derived from the scientific-name *Amomum subulatum* Roxb. It is vastly different from the small type of cardamom, which is botanically known as *Ellettaria cardamom*, which used to be cultivated mostly in South India, Sri Lanka and Guatemala.

Large Cardamom, which is also known as Alainchi in Nepal was simply used as offering to God or Goddess in religious ceremonies in the past but now, its scope has broadly been widened. Firstly, it has been a very profitable cash crop to earn foreign currency for the country as well as in raising the economic status of the farmers and the income from the total export was further increased to Rs 12,72,14000 (Niraula, 2011)\(^1\).

Secondly, it is an effective and useful raw material for Ayurvedic preparation. Various types of large cardamom mixed medicines can be found in the market. Thirdly, it is one of the most popular and oldest spices. It has an appealing scent and can be used in flavoring different types of food and sweets. That is why it is also known as the ‘Queen of spices’. Fourthly, it is grown in the waste and sloppy lands of hills with the natural shading of evergreen forest like Uttis (*Alnus nepalensis*) and Siris. (Niraula, 2011) reports that Cardamom cultivation is very

helpful in preventing overflows of water bodies and, it prevents land from drought and erosion. Again Cardamom cultivation has contributed to supporting rural livelihoods by creating employment opportunities, thus preventing out migration.

1.3. IMPORTANCE OF THE STUDY

   Every nation has been looking for achieving more possible export volume with the purpose of maintaining a favourable balance of payment and trade, and also for maintaining the exchange rate in parity with other world economies. India, being one of the fast developing countries, is eager to improve her export volume. It is evident from that India has much to improve to maintain a comfortable balance of trade, which is possible only by concentrating on those areas where India can excel more. Cardamom is one among the export oriented agricultural products capable of contributing much to India’s foreign exchange reserves.

   Cardamom has played a very important role in the domestic market too. Being a tropical country, majority of people in India regularly use different types of spices for their daily cooking. More than hundred crores of people in the country offer a very vast domestic market base for Cardamom. It has been estimated that on an average 2.8 per cent of the income of the rural people is being spent for spices and the urban people spend 2.3 per cent of their money for making their food spicy. This shows the importance of Cardamom in Indian life. Idukki district in Kerala and Theni district in Tamil Nadu cardamom cultivated area (32850 ha) and total production of India (9080 MT). In the above aspects the researcher felt that cultivation and marketing of cardamom is crucial and has taken for the study.

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2 Dutt, Ruddar and Sundaram K.P.M. Indian Economy, S.Chand & Co., Delhi: 2003, p727.
1.4. STATEMENT OF THE PROBLEM

India is the major cultivator and exporter of cardamom. It is in the second place at the global level, even though there are a few places of cultivation of cardamom in India. Scientific methods and techniques for effective cultivation and marketing of cardamom and their associated products will be highly helpful to the general economic growth of States of Tamilnadu and Kerela because there are thousands of people depending on the cardamom sector for their livelihood including the producers, domestic traders, exporters, and the workers.³

Unfortunately, our cardamom sector is really suffering due to a variety of problems. Generally, the price of a commodity must be either cost based or demand based. However any downward trend in the prices of cardamom will affect only the producers. But it is inconsistent to see that the producers of cardamom never get the benefits of price hikes but they have to tolerate all the evils of adverse market conditions.⁴

We have the best quality cardamom, the government and other agencies are trying their level best to increase production and export, the producers are trying hard to increase production, but still then our cardamom sector is facing a total doom. Why? It was this factor, which inspired the researcher to go deep into the problems and prospects of the cardamom sector with special emphasis on major cardamom of Kerala and Tamil Nadu.

The problems and prospects of the sector can be analyzed from the following viewpoints like what are the basic problems in cardamom cultivation? What are the basic problems in cardamom marketing in and outside India? Has our cardamom sector a bright future? These questions need immediate attention and analyses in the absence of which our precious cardamom will disappear from the international market and will receive an unnatural death in the fast changing global economic scenario.

The researcher has identified certain problems associated with the cultivation of cardamom and its marketing practices; the problems associated with cultivation are irrigation, seeding, fertilizers and pest control. The expenses related aspects are transport, watering, and loan interest in which the preparatory expenses are considered as initial investment of the cardamom plantations like plucking, digging, planting, and irrigation. Again the cultivators face the cost of materials during the cultivation periods through activities like suckers, pesticides, fertilizers, and propping. The cultivators are mostly affected by cost of labour frequently. After the harvesting, cultivators face many problems like loan, insurance, commissions, and godown rent. In these aspects, cultivators have been facing the human problems in different angle on behalf of the present marketing environment.

Cultivators also face marketing problems after harvesting such as determination of price, grading, revenue officials, labourers, and financiers.

In those aspects, the researcher has coined the research problem for this present study. The previous studies have not analyzed the cultivation and marketing problems of the Cardamom growers in the study area.
Hence an attempt has been made in this research study to identify the cultivation and marketing problem of cardamom growers in Tamilnadu and Kerala states in order to arrive at meaningful findings that could help in strengthening the cultivation and marketing of cardamom in India.

1.5. SCOPE OF THE STUDY

India is producing and marketing more than fifty types of spices and exporting them to more than 150 countries around the globe. A study about the cultivation and marketing problems of Cardamom is far beyond the scope of the study. Cardamom is known as the ‘Queen’ of spices, having dominating role in terms of significance in the world market as well as in domestic production.

Idukki district in Kerala and Theni district in Tamil Nadu cultivated around 79 per cent cardamom area (32850 hact.) and 90 per cent of total production of India (9080 MT). Cardamom is a major plantation crop in Tamilnadu and Kerala having much economic significance by adopting a peculiar method of cultivation and marketing.

Similarly, almost all the states of India produce one or more of Cardamom but Tamilnadu and Kerala have a remarkable role in cardamom production. It is to be noticed that the major portion of the quality Cardamom is produced in Idukki district in Kerala and Theni district of Tamil Nadu. So the present study concentrates on Idukki district and Theni district for cardamom alone. The fist hand information collected from the cultivator and sales persons of cardamom have been discussed here. The secondary data has been collected from the journals, books, Sumeru Cardamom Plantation, association and various reports published by the Board.
1.6. OBJECTIVES OF THE STUDY

The following are the objectives of this study:

1. To examine the relationship of socio-economic characteristics of cardamom growers in Tamilnadu and Kerala;

2. To analyze the growers perception towards cardamom cultivation in Tamilnadu and Kerala;

3. To study the marketing problems of cardamom growers in Tamilnadu and Kerala;

4. To compare the cultivators perception on the cultivation and marketing of cardamom between Tamilnadu (Theni) and Kerala (Idukki); and

5. To offer suitable suggestions relating to study on the basis of findings.

1.7. HYPOTHESES OF THE STUDY

NULL HYPOTHESES (H₀)

1. There is no association between socioeconomic characteristics and Cultivation and Marketing problems of Cardamom Growers of the study.

2. There is no significant difference among the average level of opinion of respondents about the ranking of expenses with cultivation and marketing problems of cardamom growers in Tamil Nadu and Kerala.

3. There is no relationship between the dependent variables of the study in respect to cardamom growers.
1.8. METHODOLOGY OF THE STUDY

The methodology of this research work is comprised of the three phases. It helps the researcher to carry out the work successfully. The first phase data collection, the second phase sample selection and the third is phase is analysis of the available data analysis.

Method of Data Collection

Both primary as well as secondary data has been used for the present study. The primary data was collected from the respondents, (i.e. the cardamom growers) to know their existing marketing problems. The primary data was collected with the help of the well structured questionnaire covering personal details, land, irrigation, seeding, pest control cultivation, inter crop, finance, government and promotional agencies, comparisons, demand, grading, pricing, financing, competition, export promotion, payments and problems. All these were coined as meaningful questions and answers were drawn from the growers.

The secondary data was collected to strengthen the research work with additional details from the Spices board, Spices Research Stations at Kerala, Karnataka and Tamilnadu and the related articles and sites.

Both the data were used systematically and presented in the form of tables with necessary calculations to draw the objective results. The results were interpreted which is of significant help to cultivation and marketing problems of cardamom growers.
Method of Sample

Bodinayakanur is a major market place for cardamom, coffee, tea and black pepper. This city is also called "Cardamom City" because of the large quantity of cardamom trade in this area. It has an auction centre for cardamom.\footnote{M.Subramani M.A., M.Phil., P.G.D.J & M.C., D.L.L & A.L., "History of Theni District.". thenitimes.sitesled.com. pp. history p2/2. Retrieved 2008-09-14.}

The world production of cardamom is estimated to be around 35,000 MT. Cardamom is one of the main cash crops cultivated in Idukki district in Kerala and Theni district of Tamil Nadu. India is the largest producer of cardamom with 54% share in world production. Among the Indian states, Kerala and Tamil Nadu have a dominant role as a cardamom producing area. Idukki district in Kerala and Theni district in Tamil Nadu cultivated around 79 per cent cardamom area (32850 haect.) and 90 per cent of total production of India (9080 MT).\footnote{Agricultural market intelligence centre report, Kerala Agricultural University, Vellanikkara, Kerala, August 2012, p.no.3.} Udumbanchola taluk in Idukki district of Kerela and Bodinayakkanur taluk\footnote{Collectorate staff (2006–2007). "District Statistical Handbook 2006-2007 Theni District" (PDF). District Collectorate, Theni. pp. 1–47. Retrieved 2008-09-15.} in Theni district of Tamil Nadu are the major cardamom growing area. The researcher has identified the cultivators throughout the district block wise and were purposively selected. A total of 300 cardamom growers were selected at proportionate random from the selected two district of the study. For the purpose of study the researcher confined with 150 respondents of Theni; and 150 respondents of Idukki for the statistical calculation. The details of sample distribution are as follows:
Table 1.1

<table>
<thead>
<tr>
<th>Name of the blocks</th>
<th>Cardamom cultivators</th>
<th>10% of the population</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Idukki district</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Devikulam</td>
<td>192</td>
<td>19</td>
</tr>
<tr>
<td>Adimali</td>
<td>108</td>
<td>11</td>
</tr>
<tr>
<td>Nedumkandam</td>
<td>183</td>
<td>18</td>
</tr>
<tr>
<td>Elamdesom</td>
<td>149</td>
<td>15</td>
</tr>
<tr>
<td>Thodupuzha</td>
<td>274</td>
<td>27</td>
</tr>
<tr>
<td>Idukki</td>
<td>158</td>
<td>16</td>
</tr>
<tr>
<td>Kattappana</td>
<td>142</td>
<td>14</td>
</tr>
<tr>
<td>Azhutha</td>
<td>298</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1504</strong></td>
<td><strong>150</strong></td>
</tr>
<tr>
<td><strong>Theni District</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Andipatti</td>
<td>178</td>
<td>18</td>
</tr>
<tr>
<td>Chinnamanur</td>
<td>162</td>
<td>16</td>
</tr>
<tr>
<td>K Myladumparai</td>
<td>186</td>
<td>19</td>
</tr>
<tr>
<td>Theni</td>
<td>152</td>
<td>15</td>
</tr>
<tr>
<td>Bodinayakkanur</td>
<td>398</td>
<td>40</td>
</tr>
<tr>
<td>Kambam</td>
<td>96</td>
<td>10</td>
</tr>
<tr>
<td>Periyakulam</td>
<td>145</td>
<td>15</td>
</tr>
<tr>
<td>Uttamapalaiyam</td>
<td>188</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1505</strong></td>
<td><strong>151</strong></td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td><strong>3009</strong></td>
<td><strong>301</strong></td>
</tr>
</tbody>
</table>

Source: Block-wise report Collected by the researcher during the study period (May-July 2011)

**Method of Analysis**

The researcher has carried out the research work by analysing the data with the help of the following tools.

1. Percentage analysis
2. Chi-square test
3. Anova – one way
4. Correlation and
5. Factor Analysis
All the above tools are used to draw the suggestions on the problems and marketing of cardamom cultivation of the growers in two districts in respective two states.

**Area of the Study**

The research work has been carried out in two states namely Kerala and Tamilnadu and very particularly two districts viz., Idukki district of Kerala and Theni district of Tamil Nadu where the major cardamom is cultivated in the hilly parts of the districts. Hence the researcher has compared the problems of cardamom cultivators of the two districts regarding the cultivation and marketing practices.

**Period of the Study**

The research work has been carried out for the period of two years from July 2011 to June 2013.

**1.9. LIMITATIONS OF THE STUDY**

1. The study mainly focused and surveyed only two districts i.e., Theni (Tamilnadu), and Idukki (Kerala) due to unique cultivation of cardamom.

2. The study is based on variables related with agricultural, climatic and economic conditions, and it is impossible to have complete accuracy in such studies.

3. The study covers only one item of spices i.e., cardamom and the findings may not be relevant to other spices.
4. The time constraint has made the researcher to confine to 300 numbers of cultivators’ respondents from both districts of the study.

5. Many problems have been prevailing in the cardamom marketing. Certain problems alone having highly influenced and cultivators’ opinion varied regarding determination of price, grading, revenue officials, labourers, and financiers. Thus the researcher has concentrated and confined to study the marketing problems on the above juncture.

1.10. CHAPTER SCHEME

In the First Chapter, Introduction, Cardamom Production and Livelihoods, Importance of the Study, Statement of the Problem, Scope of the Study, Objectives of the Study, Hypotheses of the Study, Methodology of the Study, Limitations of the Study and Chapter Scheme have been discussed.

The Second Chapter deals with review of the literature and presents the previous studies related to the objectives of the present study.


An analysis of Cultivation and Marketing Problems of Cardamom Growers in Tamil Nadu and Kerala has been dealt with in the Fourth Chapter.

The Fifth Chapters gives a summary of findings and offers suitable suggestions relating to the study on the basis of findings are presented.