

Role of Seafood Exporters in The Socio-Economic Development with Special Reference to Kerala State, India

Mr. Najmudheen.C¹, Dr. Ferose.P.M²

¹Research Scholar in Management, Bharathair University, Coimbatore.

²Head of the Department, Department of Computer Application and Business Management, Government: RWPT College, Payyanur, Kannur

Abstract:

This paper examines the economic and social development of seafood exporters in Kerala. The contribution of seafood exporters has been recognized as one of the important factors for food security, employment and over all development of the country. Seafood Exports supports employment across a variety of sectors from harvesting, processing, packaging and distribution. The economic development has been analyzed based on Market potential, Growth in Capital and Hike in Profits. Social development has been analyzed based on the support and recognition from different social groups and achievement of skills and techniques. The results of the study indicate that the seafood exporters in Kerala has achieved up to a greater extend in both social and economic aspects of development.

Keywords: Seafood Export, Socio-Economic Development, Seafood exporters, Kerala.

Introduction

Socio-economic development is critical and inevitable to meet the overall development goals of a country and which will help to establish shared vision and partnerships in the communities. Economic development, social development, social recognition and support etc. are the measures of socio -economic development and the progress of socio-economic development among major sectors are not uniform. Seafood Export Industry is one of the major sectors of Indian economy and plays a prominent role in the overall development of the country. A study on the socio-economic development of seafood exporters in Kerala throws light on the degree of socio-economic development achievements of seafood exporters in Kerala.

Seafood Exports in India

Fish is one of the highest value commodities in world trade and accounts for approximately 10 per cent of total world agricultural exports. India is the second largest fish producer in the world and Indian Seafood Export Industry is over 65 years of old. Many varieties of marine fishes are exported from the country including chilled and dried items, fish oil, shrimp and prawns etc. Indian seafood Industry has come a long way; shipping seafood products to more than 75 countries. Today Indian factories have grown to have world class facilities, with better quality control; meeting the stringent international norms.

Indian fisheries contribute nearly 1% of GDP and 5% of Agriculture GDP with 3.41% of marine and 9.42% of inland world fish production and a source of livelihood for 14.48 million people. Indian seafood exports have surged each year from the late sixties and now reached a peak export level of US\$ 6.7 billion per annum in 20018-19 with a volume of 1392,000 tons. Frozen shrimp is the major export item in the export basket in terms of quantity and value with more than 65% of the total dollar earnings. In the face of continued uncertainties in the global seafood trade, India has been able to cling on to its position as a leading supplier in international market with an intend to achieve an export target of \$10 billion by 2022.

Seafood Exporters in Kerala

Kerala is the 3rd largest seafood exporting state in India in terms of quantity and 2nd position in terms of export value. The coastal waters of Kerala's 600-km coastline (10 percent of India's mainland coastline) are the most

productive in the country. The seafood industry in Kerala is one of the major export-oriented industries. Kerala has been producing a minimum average of 600,000 metric tons of marine products for the last 10 years. Kerala plays a major role in the marine products exports from the country which includes both aquaculture and wild catch seafood. Catches from the sea for export are mainly shrimps, squids and cuttle fish. Kerala and Karnataka account for major share of wild caught shrimp export.

There are around 250 seafood exporters in the state in the form of manufacturing and merchant seafood exporters which together employ hundreds of people. The first shipment of frozen shrimp from India was sent by Mr. Madhavan Nair, owner of Cochin Company in 1953 from the Cochin seaport. In 2018-19, Kerala has accounted more than 180,000 metric tons of seafood exports with a value of more than US\$ 850 Million.

Table 1: Number of seafood Exporters in Kerala

Seafood Exporters in Kerala	
Type of Export Units	Number of Units
Manufacturer Exporters	128
Merchant Exporters	118
<i>Total Registered Exporters</i>	246

Out of 128 registered Manufacturing Exporters, 114 are seafood processing units in which 91 are European Union approved Units. Kerala has a processing capacity of more than 4200 metric ton per day and more than 72000 metric tons of frozen Storage facilities.

Review of Literature

To gain background knowledge of the research topic and to identify the concepts, methodology, data analysis tools, etc., the researcher has reviewed many research articles and research theses related to this area. A brief review of some of the studies on this subject is presented below.

Abhiman Das (1999), has examined the existing variability of inter-state development and thereby identifying the indicators responsible for the diversity in development. He found that the states in India are marked with wide disparity in socio-economic development. As per his study, it is noticed that the Govt. intervention is highly required to improve the basic infrastructures like availability of safe drinking water, health care, elementary education etc. for the socio-economic development across the country.

John Kurien (2001), made an assessment on the provision of social security in the fisheries sector of Kerala State in south India. Social Security is achieved when deprivation or vulnerability is reduced or removed because of using social means, thereby, in the process, making lives and livelihoods more secure. However, provision of such social security measures is influenced by various supply and demand factors. He explained the salient achievements and the problems faced by the state in providing concrete social security measures for fish workers. They were a section of Kerala society that was initially left out of the development process. He also shows how netting them back into the mainstream was not only the result of enlightened state policy, but also, the result of the collective action by the fish workers themselves.

Saravanan S (2015), found that both marine and inland fish production was increasing between 2000 - 2011. In terms of state wise marine fish production, Karnataka was the leading state and on the other hand state wise inland fish production it was high in Andhra Pradesh. However, in terms of quantity it was revealed that it declines in terms of AGR but in values of marine export was in increasing trend.

Lakshmi P (2016), has conducted an economic analysis on the marine fisheries resource's potentials and exploitation of Kerala. As per her study, to improve fish production from marine water bodies, a comprehensive program needs to be worked out. It can be done by augmenting the maricultural production

and productivity through diversification and intensive maricultural practices, ensuring conservation and management of aquatic resources through responsible and participatory approach and this contribute fruitfully towards the economic development of the State.

P Krishna Thulasimani (2004), studied about the production and export of Marine Products. She analyzed the export performance and growth of marine production in India from 1990 to 1999. The share of India's marine fish production to the global production has increased from 2.78 per cent to 3.10 per cent during 1990-1999 due to modernization of fishing fleet, discovery of rich shrimp grounds and widening of Indian domestic market coupled with an increase in fish-eating population. The development that is taking place in marine products sector in India is not matching the speed of other industries. In India, the marine products export increase achieved so far is satisfactory to some extent, but when compared to the size of the country and resource potential for export the achievement is little.

Scope of the Study

Regarding the area of coverage, the study is conducted only in the state of Kerala and about the socio-economic development of seafood exporters in Kerala. It may helpful to understand the socio-economic profile of seafood exporters from India.

Objectives of the Study

1. To study the socio-economic profile of select Seafood exporters in Kerala.
2. To compare the socio-economic development of Merchant and manufacturing Seafood exporters in Kerala.

Methodology

The authors used descriptive method of study. For that the researchers used pretested questionnaire. Based on the number of registered seafood exporters in Kerala, the researchers fixed the sample size as 150. Data were collected from throughout Kerala. The researchers found that most of the seafood exporters in Kerala are in middle part of Kerala including Cochin and Alappuzha districts. A five-point scale questionnaire has served to respondents including sole traders, partnership firms, private and public limited companies. Responses were collected based on the direct and telephonic interviews with a senior level Manager/Director/Partner. The collected data has been analyzed by using statistical tools like Mean and Standard Deviation.

Socio- Economic Development and Seafood Exporters

Socio economic development of seafood exporters are categorized and analyzed based on the economic development, achievement of social goals and skills and support from different social groups.

Economic Development

As per table 2, the economic development of seafood exporters has been assessed based on the view of respondents on improvements and increase in Market potential, Growth in capital and Hike in profits. Increase in Market potential shows the highest Mean of 4.60 and Standard Deviation of 0.492. Hike in the second highest Mean of 4.34 and Standard Deviation of 0.654. Growth in Capital shows the Mean of 3.66 and Standard Deviation of 0.793.

Table 2: Understanding the Economic Development of seafood Exporters in Kerala

<i>Economic Development</i>	Mean (M)	Standard Deviation (SD)
Market potential	4.60	0.492
Growth in capital	3.66	0.793
Hike in profits	4.34	0.654

Achievement of Social Goals and Skills

As per table 3, the achievement of social goals and attainment of social skills of seafood exporters has been assessed based on the view of respondents on improvements in Organizing ability, Risk taking ability, Fulfillment of achievement motivation, Enhancement of leadership qualities, Implementation of marketing techniques and Technology up gradation.

Technology up gradation shows the highest Mean of 4.34 and Standard Deviation of 0.516. Implementation of marketing techniques shows the second highest Mean of 4.12 and Standard Deviation of 0.383. Improvements in organizing ability shows the Mean of 3.90 and a Standard Deviation of 0.702. Risk taking ability and Enhancement of Leadership qualities shows the Mean of 3.84 and Standard Deviation of 0.580 and 0.614 respectively. Fulfillment of achievement motivation shows the Mean of 3.62 and Standard Deviation of 0.662.

Table 3: Understanding the Achievement of Social Goals and Skills of seafood Exporters in Kerala

<i>Social Goals & Skills Achievement</i>	Mean (M)	Standard Deviation (SD)
Organizing ability	3.90	0.702
Risk taking ability	3.84	0.580
Fulfilment of achievement motivation	3.62	0.662
Enhancement of leadership qualities	3.84	0.614
Implementation of marketing techniques	4.12	0.383
Technology up gradation	4.34	0.516

Support from Social Groups

As per table 4, the support from different social entities to seafood exporters has been assessed based on the view of respondents on social recognition and support from different social groups like Employees, Government, Financial Institutions, Family members and Customers.

Society recognition shows the highest Mean of 3.96 with Standard Deviation of 0.826. Support from Government shows the second highest Mean of 3.86 and Standard Deviation of 0.695. Support from Family members shows the Mean of 3.76 and Standard Deviation of 0.817. Support from Customers shows the Mean of 3.64 and Standard Deviation of 0.688. Support from Employees shows the Mean of 3.62 and Standard Deviation of 0.527. Support from Financial Institutions shows the Mean of 3.50 and Standard Deviation of 0.925.

Table 4: Understanding the Support from social groups for seafood Exporters in Kerala

<i>Support from Social Groups</i>	Mean (M)	Standard Deviation (SD)
Society recognition	3.96	0.826
Employees support	3.62	0.527
Support from Government	3.86	0.695

Family member support	3.76	0.817
Support from financial institutions	3.50	0.925
Customer support	3.64	0.688

Comparison of Socio- Economic Development in Merchant Seafood Exporters and Manufacturing seafood Exporters

Comparison of Economic Development

As per table 5, the Mean Deviation of Manufacturer Exporter is higher than Merchant Exporter in all three parameters of Economic Development, Market Potential, and Growth in Capital and Hike in Profits.

Table 5: Comparison of Mean Deviation of Economic Development between Merchant Exporter and Manufacturer Exporter

<i>Economic Development</i>	<i>Mean (M) Merchant Exporter</i>	<i>Mean (M) Manufacturer Exporter</i>
Market potential	4.41	4.70
Growth in capital	3.41	3.79
Hike in profits	4.29	4.36

Comparison of Achievement of Social Goals and Skills

As per table 6, the Mean Deviation of Manufacturer Exporter is higher than Merchant Exporter in all six parameters of Achievement of Social Goals and Skills, organizing ability, Risk taking ability, Fulfillment of achievement motivation, Enhancement of leadership qualities, Implementation of marketing techniques and Technology up gradation.

Table 6: Comparison of Mean Deviation of Social Goals and Skills Achievement between Merchant Exporter and Manufacturer Exporter

<i>Social Goals & Skills Achievement</i>	<i>Mean (M) Merchant Exporter</i>	<i>Mean (M) Manufacturer Exporter</i>
Organizing ability	3.76	3.97
Risk taking ability	3.82	3.85
Fulfillment of achievement motivation	3.53	3.67
Enhancement of leadership qualities	3.65	3.94
Implementation of marketing techniques	4.18	4.42
Technology up gradation	4.12	4.13

Comparison of Support from Social Groups

As per table 7, the Mean Deviation of Manufacturer Exporter is higher than Merchant Exporter in all six parameters of Support from social groups, Society recognition, Employees support, Support from Government, Family member support, Support from financial institutions, Customer support.

Table 7; Comparison of Mean Deviation of Support from Social Groups between Merchant Exporter and Manufacturer Exporter

<i>Support from Social Groups</i>	<i>Mean Merchant Exporter (M)</i>	<i>Mean Manufacturer Exporter (M)</i>
Society recognition	3.65	4.12
Employees support	3.47	3.70
Support from Government	3.71	3.94
Family member support	3.41	3.94
Support from financial institutions	3.12	3.70
Customer support	3.53	3.70

Finding & Conclusions

Indicators of measuring the economic development of seafood exporters market potential is the most important factor followed by growth in capital and hike in profit respectively.

Most important indicator among the social goals and skills of sea food exporters in Kerala is Technology up gradation followed by Implementation of marketing techniques, organizing ability, Risk taking ability, Enhancement of Leadership qualities and Fulfillment of achievement motivation respectively. Risk taking ability and Enhancement of Leadership qualities are equally important.

Understanding the Support from social groups for seafood exporters in Kerala Society recognition is most important element followed by Support from Government, Support from Family members, Support from Customers, Support from Employees and Support from Financial Institutions respectively.

In a comparison of economic development in merchant Seafood Exporters and Manufacturing seafood Exporters, all three indicators of Market Potential, Growth in Capital and Hike in Profits are high in manufacturing seafood Exporters.

Comparison of Mean Deviation of Social Goals and Skills Achievement between Merchant Exporter and Manufacturer Exporter in all six parameters Manufacturer Exporter shows high mean deviation than Merchant Exporter.

Comparison of Support from Social Groups the Mean Deviation of Manufacturer Exporter is higher than Merchant Exporter in all six parameters of Support from social groups, Society recognition, Employees support, Support from Government, Family member support, Support from financial institutions, Customer support.

Analysis of socio economic profile of Seafood Exporters in Kerala shows that a higher rate of achievement in Economic Development and a moderate rate of achievement in Attaining Social Goals and Skills and Support from Social Groups.

A Comparative study of Socio-economic development between Merchant and Manufacturing Seafood Exporters in Kerala shows that Manufacturing Seafood Exporters are attaining more economic development, achieving more social goals and skills and gaining more social support than Merchant Exporters.

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