## High-value crops boost India's agricultural output

Recent findings from the Ministry of Statistics and Programme Implementation (MoSPI) highlight evolving food consumption trends in India that are reshaping the valuation of

agricultural output. The Gross Value of Output (GVO), a measure of total production value before deducting input costs, reveals a clear shift toward high-value crops over the past decade.

Data from the 'Value of Output from Agriculture and Allied Sectors' report shows significant increases in the GVO of fruits like strawberries and pomegranates, and



vegetables such as parmal (parwal) and mushrooms. These crops have shown some of the most notable growth. Strawberry production, for example, surged more than 40-fold in constant prices, from about US\$158,000 to US\$6.63 million. At current prices, this growth reaches nearly 80-fold, hitting US\$12.35 million.

Other major increases include parmal, whose GVO jumped nearly 17 times to US\$94.4 million; pumpkin, which rose almost 10 times to US\$293 million; and pomegranate, which grew over four times to US\$1.1 billion. Mushroom production value increased three-and-a-half times to US\$204 million, while better processing methods helped dry ginger's GVO rise by 285% to US\$1.32 billion. Meanwhile, the GVO share of allied agricultural sectors such as meat products rose from 5% in 2011–12 to 7.5% in 2023–24. In contrast, cereals saw their GVO share drop from 17.6% to 14.5%, reflecting a shift away from traditional staples toward higher-value crops. This transition mirrors both technological improvements and changing dietary preferences, supporting goals of enhanced nutritional security and increased export potential.

Despite the strong growth in fresh fruit GVO, the share of Monthly Per Capita Consumption Expenditure (MPCE) on fresh fruits in rural areas rose only slightly, from 2.25% to 2.66%, while urban areas saw a slight decrease from 2.64% to 2.61%. However, the percentage of rural households consuming fresh fruits climbed significantly, from 63.8% in 2011–12 to 90.3% in 2022–23, indicating broader inclusion across income groups. These sectoral shifts align with Engel's Law, which states that as household income rises, the proportion of income spent on food declines. This is evident in India, where the food share of MPCE fell from 52.9% to 47.04% in rural areas and from 42.62% to 39.68% in urban areas between 2011–12 and 2023–24.

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