

## **Module-03: Present status of Indian spice industry**

### **3.1. The market in India**

Among the global spice markets India is one of the leader producing around 3.2 million tonnes of different varieties of spices valued at over USD 4 billion. It is known the world over as 'The Home of Spices' as it produces almost all spices. The climate of the country varies from tropical to sub-tropical to temperate - making it ideal for the growth of almost all spices and accounts for about 45% of the global spice exports. According to the International Organization for Standardization [ISO], there are about 109 spices and India produces as many as 75 in its various agro climatic regions. Hence India is the largest producer, consumer and exporter of spices in the world

### **3.2. Spice industry:**

It is a dynamic and emergent sector and plays a vital role in contributing towards the economy of the Country. These industries have the potential to provide opportunities for income generation and employment.

Spice Processing is one of the growing markets in India for the following reasons:

- Increase in per capita income.
- A largely growing domestic market for spices.
- Increased usage of spices in the food.
- Growing international demand for spices.
- Increasing number of working women.
- Well developed infrastructure and distribution network.

However Quality Evaluation Laboratory has been established to provide analytical services to the Indian spice industry and monitor the quality of spices produced and processed in the country. India accounted for 46% in volume and 23% in value of global spice trade. For the year 2008 it accounts 48% in volume and 44% in value in world trade of spices.

India accounts for 25-30% of world's pepper production, 35% of ginger and about 90% of turmeric production. Among the Indian Federal states, Kerala tops in pepper (96%), Cardamom (53%), Ginger (25%) production in the country. Andhra Pradesh leads in Chilli and Turmeric production in the country with 49% and 57%. Rajasthan emerges as the largest producer in coriander, cumin and fenugreek with 63, 56 and 87%. The world spice trade is estimated at US\$ 1.5-2 billion in terms of value and 500,000tonnes in terms of quantity. India's production in the current year is expected to rise 30% to 21000 tons. Turmeric production for the year 2011-12 is expected to rise 29% as compared to previous year. The surplus production of pepper in Vietnam is around 1.20 lakh tons for 2011-12.

### **3.3. Indian spice industry**

India mainly exports chilli, turmeric, cumin, coriander, pepper, fenugreek, ginger, fennel, nutmeg & mace, celery, cardamom small and large, garlic to USA, UAE, Bangladesh, Pakistan, UK, Japan, Nigeria, Nepal, Germany, France, England, Japan and Australia. Export of spices has increased to 350363tonnes valued MLN US \$ 593 million in 2005-06. In 2006-07 the export of spices from India has been 373,750 tonnes valued MLN US \$ 793 million registering an increase of 34% in value over 2005-06.

During the year 2006-07, the spices export from India has registered an all time high both in terms of quantity and value. India commands a formidable position in the World Spice Trade with 47% share in Volume and 40% in Value. Exports of spices and spice products from the country during April-June 2008 have registered an increase of 23% in terms of quantity and 28% in terms of Rupee value. According to figures released by the Spices Board, the cumulative figures for April –June 2008 is estimated at 1, 48,550 tonnes valued at Rs.1375.05 Crores (US \$ 329.60 million) as against 1,21,180 tonnes valued at Rs.1073.50crores (US \$ 260.57 million) in corresponding period last year.

Spice oils and oleoresins including mint products contributed 35% of the total export earnings. Chilli contributed 24% followed by cumin 11%, pepper 9% and turmeric 5%. Exports during June 2008 also registered increase with an export of 44,690 tonnes of spices valued Rs.446.73crores (104.33 million US \$) as against 38,960 tonnes valued Rs.382.77crores (93.90 million US \$) in June 2007. The major items exported during June 2008 are chilli, cumin, and mint products, spice oils & oleoresins, pepper and coriander. During Apr-June 2008, the export of Cardamom (Large), chilli, turmeric, coriander, cumin, fenugreek, garlic, other miscellaneous seeds, vanilla, curry powder, spice oils &oleoresins and mint products are higher in terms of both quantity and value as compared to the same period of last year.

India produces 70% of global production for the year 2010 and the production is about 1,051,000 tonnes.

### **SUGGESTED READINGS**

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### Item-wise Export of Spices from India

Item	2005-2006		2006-2007		2007-2008	
	Qty (MT)	Value (Rs lakhs)	Qty (MT)	Value (Rs lakhs)	Qty (MT)	Value (Rs lakhs)
Pepper	17363	15095	28750	30620	35000	51950
Cardamom (S)	863	2682	650	2236	500	2475
Cardamom (L)	1046	1155	1500	1695	1325	1500
Ginger	9411	4296	7500	3975	6700	2800
Turmeric	46405	15286	51500	16480	49250	15700
Coriander	23756	6771	20500	7462	26000	11025
Cumin	12879	9819	26000	20150	28000	29150
Celery	4165	1501	3550	1321	2900	1325
Fennel	5725	2782	3575	2380	5250	2850
Fenugreek	15525	3403	8500	2699	11100	3300
Other seeds (1)	12670	3322	8000	2240	8850	3125
Garlic	34688	4798	11500	2128	675	400
Nutmeg & Mace	1530	3117	2100	4274	1300	2875
Chilli	113174	40301	148500	80775	209000	109750
Vanilla	72	1227	125	1996	200	1775
Other Spices (2)	21134	7493	19500	7280	19000	8100
Curry Powder	9340	7838	9500	8693	11500	11100
Mint Products (3)	14544	81321	16250	110095	21100	128050
Oils & Oleoresins	6074	50557	6250	51079	6600	56300
Total	350364	262762	373750	357575	444250	443550

(1) Include Bishops Weeds (Ajwan seed), Dill Seed, Poppy Seed, Aniseed, Mustard etc.

(2) Include Tamarind, Asafoetida, Cinnamon, Cassia, Cam bodge, Saffron, Spices (Nes) etc.

(3) Include Menthol, Menthol Crystals and Mint Oils.