

# Module-03: Present status of Indian spice industry

## The Market in India

- **India** is one of the **leader** producing around 3.2 MT of different varieties of spices valued at over USD 4 billion.
- India - '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.
- There are about 109 spices and India produces as many as 75 in its various agro climatic regions (International Organization for Standardization [ISO]).
- Hence India is the largest producer, consumer and exporter of spices in the world

## ❖ Spice Industry

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.

❖ 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's share in spice production

Pepper	25-30%
Ginger	35%
Turmeric	90%

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.

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