

Prospects and Problems of Spices Production in India – An Analysis

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Abstract

Spices are the pearls of developing countries especially of India. Spices are highly demanded in the countries. India has rich heritage in production these rich spices traditionally, through which it can earn a huge amount of foreign exchange. India, blessed with agro-climatic zones, hence it can produce and exports spices to more than 120 countries. At present, production is around 3.2 million tones of different spices valued at approximately 4 billion US\$, and holds a prominent position in world spice production. Her biggest trading partners are the US, Europe and Japan. India has the condition of mere a goods exporter in these markets, except for spice oils and oleoresins. Out of the 109 spices, India produces as many as 75 in its various agro climatic regions. India accounts for about 45% (2,50,000 tons) of the global spice exports, though exports constitute only 8% of the estimated annual production .Over all, spices are grown in some 2.9 million hectares in the country. Spice production in India, is undertaken in millions of tiny holdings and determine the livelihood of large number of the rural population. The main challenge in spices production is marketing and price fixation.

Keywords: Indian Spices, Agricultural-climatic, Export, Marketing, Indian Spice Board.

Introduction

Agriculture plays a vital role in India's economy. Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, is one of the largest contributors to the Gross Domestic Product (GDP). Spices entered into human history around 5000 years before Christ and spice trade has a legacy of 5000 years. Spices are one of the economically and commercially significant agricultural crops in the world. Today, Indian spices are the most sought-after globally, given their exquisite aroma, texture, taste and medicinal value. Traditionally, spices in India have been grown in small land holdings, with organic farming gaining prominence in recent times. Spices may be dried fruits, roots, seeds or barks of vegetable substance primarily Used to flavor, color or preserve food. "Spices and Herbs are dried parts of various plants cultivated for their aromatic pungent or otherwise desirable Substances, the dominant spices of trade including cardamom, chili, cinnamon, Cloves ginger and pepper.

In India, different states are known as different spices. They are produced in all the states and union territories. The following table will give a clear picture.

States	Spices Produced
Andra Pradesh & Telangana	Ginger, turmeric chili and Mustard
Gujarat	Cumin Dill seeds, fenugreek fennel, chili and garlic fir ginger
Himachal Pradesh	Garlic
Haryana	Pepper, ginger, cardamom ginger, chili turmeric and garlic
Karanataka	Ginger, chili, Turmeric and garlic
Odissa	Pepper, Ginger, chili
Kerala	Turmeric, nutmeg and mace, clove.
Tamil Nadu	Chili, Pepper, cardamom, ginger, turmeric

Objectives

1. To trace the growth of spices production in the recent years.
2. To highlight the importance of spices cultivation in Indian economy.

Growth of Spices production

Spices are traditionally regarded as small cash crops and are tended by Small and marginal farmers. Spices are cultivated mainly in small holdings, frequently as inter crops. Again, traditional planting methods are used and Production is generally unplanned. India is largest producer, consumer exporter of spices with a 46 per cent share by volume and 23 per cent share by value, in the world market. The Indian spices export basket consists of around 50 spices in whole form and more than 80 products in value added form. The following table explains the quantity production and value of spices for different years between 2001-02 to 2015-16.

Indian Spices Exports From 2001-02 to 2015-16

Year	Quantity	Value
2001-02	235916	1833.53
2002-03	243203	1940.55
2003-04	264106	2086.71
2004-05	254382	1911.6
2005-06	348524	2350.52
2006-07	350363	2627.6
2007-08	373750	3575.75
2008-09	444250	4435.5
2009-10	470520	5300.26
2010-11	502750	5560.5
2011-12	525749	6840.7
2012-13	575270	9783.42
2013-14	726613	12112.76
2014-15	817250	13735.39
2015-16	893930	14899.68

Sources: Spices Board Cochin, 2016

In India spices production is under taken in small hoardings in hilly tracts. Approximately 2to3 million small farmers are cultivate one or more spices. Acceding to Central Statistics Office (CSO) Estimate, the share of agriculture and allied sectors contributed 15.35 percent to Gross Value Added (GVA) during 2015-2016 at 2011-2012

prices. India is the biggest producer, consumer and exporter of spices and spices Production.

Problems of Spices Production

They continue to be adversely affected by the lack of investment, out-of-Date technology, limited research and development (R & D) and the absence of marketing expertise. While small farmers are able to spread their risks by Cultivating different crops, they are at a disadvantage on the marketing front Because of the small quantities they produce. This makes it impossible for them to exploit the market potential to the full.

The Importance of Spices Cultivation in Indian Economy

Spices have tremendous importance in the live, as ingredients in food, alcoholic beverages, medicine, perfumery, cosmetics, and coloring and also as garden plants. Spices are used in foods to give flavor, pungency and color. Apart from these effects spices can lead to like salt and sugar reduction, improvement of texture and prevention of food spoilage. Spices have been essential factor in health care through the ages in all cultures. They are organized in a number of ways to take out their active ingredient for internal and outside use.

Lack of easy availability of grate is the major problem of small formers uncertainty and tenure of leased in land affects the spices queers. Irrigation and climate change in also the production of spices in India. Instability in the prices of spices products is another major problem in spices cultivation. Very recently GST is get another problems, since unprocessed agricultural products will not have GST, if it packed with brand name than the GST will increase.

Conclusions

The demand for spices and its products are every increasing both in the internal and external markets. India has a universal reputation as the only nation which produces almost all kinds of spice and it is from beginning to end these spices export the nation earns the much desirable foreign exchange over a long phase of time. India is the largest producer as well as the consumer of the spices in the world. Several kinds of spices are grown in

India since time immemorial, it is because of this the country is known to the world as "The Home of Spices".

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