

# Spices Industry In India: Challenges & Opportunities

Mr. Padam Bhushan, Research Scholar, Suresh Gyan Vihar University- Jaipur, India.

bhushanpadam01@gmail.com

Dr. Swati Mishra, Associate Professor, Suresh Gyan Vihar University- Jaipur, India.

swati.mishra@mygyanvihar.com

**Abstract - Spices constitute an essential social occasion of cultivating things which are in every way that really matters crucial in the cooking art. Spices may be either bark, buds, blossoms, common items, leaves, roots, seeds, characteristics of disgrace and styles or the entire plant tops. They are outstanding as appetizers or added substances and countless have rich helpful properties and are used in pharmaceutical, perfumery, religious traditions et cetera. India is known as "The home of spices". No Indian dinner is seen as aggregate without the tart and delicious sort of Indian spices, secretly known as 'masala'. Indian spices surely understood the world over for their gastric value are known to have high helpful values. There is no other country on the planet that creates indistinguishable number of sorts of spices from India. According to overall trade surveys around 85% of spices and culinary herbs are traded dried edge. Spices are cleaned and used in an unpleasant edge with no further getting ready. The environment of the country is found suitable for building up all spices. Without a doubt, even before the approach of money trades sailors from far away territories used to come and deal their stock for Indian spices. It's definitely not an adornment if we say that even today the fragrance of Indian spices can be felt at the specialty and corner of the world. The study has been carried out to understand the Spices Industry in India, industry overview globally, Opportunities and challenges faced by Indian Spices Industries.**

**Keywords: Export, Globally, Importance, Opportunities and Challenges, Overview, Spices**

## I. AN INTRODUCTION

India is one of the greatest creators of spices on the planet. As a matter of fact, India is the world's greatest producer of cumin, ginger, Chilly and turmeric. India is the second biggest maker of pepper on the planet. Studies demonstrate that India delivers roughly 3 million tons of spices on a yearly premise, which are worth around 186 billion (US\$ 3 billion). The history and culture of Indian spices is likely as old as human advancement itself. The Vedas, the Bible and the Quran are generally stuffed with references - quick or circumlocutory - to Indian spices. The most timely unique record in India on spices is the Rig Veda (around 6000 BC), and the other three Vedas - Yajur, Sama and Atharva. Spices constitute a basic social occasion of cultivating things, which are for all intents and purposes fundamental in the culinary workmanship. They can be fundamentally described as property things used in various structures viz; new, prepared, dried, broken, powdered et cetera which contributes aroma, taste, flavor, shading and sharpness to sustenance, rather than a singular sustenance seasoning factor. Spices may be bark, buds, sprouts, natural items, leaves, rhizomes, roots, seeds, characteristics of disgrace and styles or the entire plant tops.

Dry and semiarid parts of the India are known as Seed Spices Bowl (Rajasthan and Gujarat) and contribute more than 80% of total seed spices production. Signify 109 spices are recorded by ISO and 63 spices are produced in India and out of which 20 are being named seed spices. Out of 20 seed spices, ICAR-NRCSS working of 10 most basic seed spices to be particular cumin, coriander, fennel, fenugreek, Ajwain, anise, caraway, celery, dill and nigella.

Among every one of the states in India, Kerala tops the graph with regards to the production of spices on the grounds that the state delivers near 96% of pepper, 53% of cardamom, and 25% of ginger in the country. India isn't only one of the biggest makers of spices on the planet however it is a prime exporter of spices as well. Actually, India's offer on the planet exchange of spices remains at 48% regarding volume and 25% as far as value. India has kept up the appeal of its spices for a considerable length of time and specialists foresee that in spite of monetary lull in a few nations, India will keep on being one of the best makers of spices for a long time to come.

As indicated by the Spices Board, the Indian government body that advances Indian spices, India represents around 30% of the world's pepper production, 35% of the world's ginger production and 90% of turmeric production. Andhra Pradesh drives the nation in the production of stew and

turmeric, with 49% and 57% separately. Rajasthan is the biggest maker of coriander, cumin and fenugreek, and the figures remain at 63%, 56% and 87% separately.

Seed spices furthermore created in some unique states on great districts, for instance, Uttar Pradesh, Madhya Pradesh, Bihar, West Bengal, Orissa, Punjab, Karnataka and Tamil Nadu. Since there is a tremendous degree of seed spices by introducing them in new districts, the higher yields can also be expert effortlessly by realizing new developments. Among seed spices, maximum locale is under cumin taken after by coriander, fennel fenugreek, Ajwain, celery, nigella, dill, anise etc. Being infrequent harvests, these are created extensively in turn with sustenance crops and besides as cover/mixed items under rainfed/immersed conditions. Each one of these yields by and large created in Rabi season. India is the greatest creator, customer and exporter of seed spices on the planet. Seed spices contribute around 51.79 % of total district and 19.06 % of production of total spices in the country. The region under seed spices is around 1.74 million hectare and production is around 1.45 million tons (DASD, Calicut-2016-17). India is unsurprising wellspring of seed spices for acquiring countries around the globe. There has been consistently extending enthusiasm of seed spices and acquiring countries look at India for quality produce of seed spices.

### 1.) OBJECTIVES OF THE STUDY:

The said paper has the following objective:

- To understand the Spices Industry Overview
- To study the challenges faced by Spices Industry
- To study the Opportunities of Spices Industry

## II. RESEARCH METHODOLOGY

Data have been collected with the help of various secondary sources such as articles, journals, magazines, books, website etc. The main objective of this paper is to bring out the understanding of the Spices Industry in India, industry overview globally, Opportunities and challenges faced by Indian Spices Industries.

## III. OBJECTIVES'S ANALYSIS

### 4.1) SPICE INDUSTRY OVERVIEW GLOBALLY:

Spices are characterized as "an unequivocally seasoned or fragrant substance of vegetable beginning, got from tropical plants, regularly utilized as a fixing". India – the place where there is spices assumes a noteworthy part in the worldwide spices showcase. India sends out around 180 sorts of spices to about 150 nations around the world. India is the world's biggest maker and exporter of spices. In India, spices are essential business crops from the perspective of both household utilization and fare. Masala is a word usually utilized in Indian cooking and is just the

Hindi word for "appetite." Kerala is a noteworthy spice exporter.

The worldwide appetite and culinary herb industry involves numerous plants having various end utilizes including culinary, restorative and so forth. The business additionally comprises of spice subsidiaries like basic oils, oleoresin, zest oils and so forth. The world production and handling focuses of spices and culinary herbs stay amassed in Europe and in various Asian nations. Canada is quick rising as one of the main players in the worldwide flavor and herb industry. There are sure nations going about as driving makers and brokers of some specific spices and culinary herbs. For instance, India is prominently known for being a wellspring of cloves, Indonesia has provided the worldwide market with cinnamon and nutmeg and China has been the main supplier of ginger.

India produces both entire and handled spices and greater part of the prepared spices are traded to Europe and the US. For instance, dark pepper created in India is handled into green pepper, white pepper and oleoresin before being traded to European nations. To upgrade the nature of spices and procure better income thus, Indian flavor makers complete reviewing, arranging and institutionalization of spices.

India sends out more than 4 lakh tonnes of spices on a yearly premise. Nonetheless, as of late, India has endured a difficulty in the export of its spices – the shipment of spices dropped 9% from 195,248 tons amid April-June 2012 to 177,625 tons amid April-June 2013 in view of the monetary log jam in real markets, for example, Europe and the US.

An ascent in the neighborhood interest for spices has kept the costs of spices high, particularly that of cold and pepper, and this is invaluable in the Indian setting, where makers can profit from the Indian market. Be that as it may, by keeping the costs high, Indian makers are missing out in the worldwide field.

As per the Spices Board, Chilly endured the most as far as the fair value as the combined volume dropped 19%. Aside from the monetary log jam in specific nations, the cost of spices is yet another factor in charge of the decrease of the aggregate fair value.

### KEY INDUSTRY TRENDS

There has been a significant addition being utilized of new herbs and spices inferable from an extended demand in the cabin business. Change of purchasers towards driving a sound lifestyle has extended the use of herbs/consistent spices for normal flavoring. Use of pizzazz backups like key oils are basically extensively used all around in sustenance and refreshment wenders for flavoring and fragrances. The overall demand of spices has extended due to:

- ✓ Introduction of prepared coffee, tea and coursed air through refreshments in the drink business.

- ✓ Increase in the interest for regular fragrances for different wellbeing treatments
- ✓ Increase popular and utilization of ethnic nourishment.
- ✓ A sharp development in the prepared sustenance utilization.

#### 4.2) CHALLENGES FACED BY THE SPICE INDUSTRY:

The largest creator, customer and exporter of spices on the planet, India has a couple of troubles about traceability and security rules. Sustenance prosperity issues could be directed through present day dealing with development yet contaminants, pesticide developments and toxins remained basic issues.

The circumstance of Indian cultivation today isn't down to earth – soil prosperity is depleting, water resources are spoiling and winding up logically more polluted by the unusual use of agrochemicals and agriculturist employments are truly and unfairly influenced by natural change and unavoidable misfortunes.

The Indian spice industry has increased some ground towards a more sensible future starting late, especially in Integrated Pest Management (IPM) and Maximum Residue Limit (MRL) consistence focused on the passage grandstand, yet there is still much to be done. One of the key issues impacting viability in the fragment fuses the excess use of agrochemicals, which has an environmental and moreover a social impact.

The troubles with respect to these join the problematic use of pesticides, the usage of unlawful substances, a nonattendance of cautious equipment provoking human prosperity hazards, the improper exchange of engineered substances and water spoiling. The mishandling of agrochemicals prompts high development levels which, hence, provoke the expulsion of things and high costs for shippers. Moreover, improving farmer occupations is in like manner a vital issue in the cultivating division, including spices.

In India, the spice region makes a principal duty to the economy and to the occupations of an immense number of little scale farmers. Around 98% of the spice production in India is by little scale farmers, who customarily develop under two hectare and frequently turn the creating of spices close-by various yields.

Low and doubtful agriculturist income, inconveniences in getting to business parts, limited access to therapeutic administrations and preparing and obliged total dealing power are a bit of the social and budgetary troubles looked by little scale farmers in the territory. Further, it moreover faces work troubles, for instance, poor working conditions, child labour and an absence of composed concurrences with the laborers.

Other challenges include:

- ✓ Insufficiency of Legal Provisions
- ✓ Rejection of Export Materials
- ✓ Some Indigenous Varieties are vanishing
- ✓ Poor Product Quality
- ✓ Competition
- ✓ Low Productivity
- ✓ Insufficient Quantities of Quality Spices
- ✓ Insufficient Mechanization of Spice Production and Processing
- ✓ Poor Post-reap Handling
- ✓ Drying of spices on non-clean surfaces making further tainting from microorganisms, for example, organisms, germs and microbes including unsafe ones like Salmonella,
- ✓ Agricultural Extension isn't Market-arranged
- ✓ Lack of continuous learning of territory sown, particularly with yearly products.
- ✓ Facilities at the reviewing and pressing focuses are likewise simple and the dealers in this segment don't have present day gear for cleaning and evaluating or for capacity of spices.
- ✓ Staphylococcus aureus, Bacillus cereus and Clostridium perfringens, yeast and form, E-coli, Coliform.
- ✓ Lack of mindfulness among farmers of the most recent innovations in production and post-collect tasks.
- ✓ Proper drying of spices inside 8-12 for each penny of dampness isn't done in the wake of gathering, bringing about microbial defilement.

#### 4.3) OPPORTUNITIES OF SPICE INDUSTRY:

The Indian spices market is worth INR 40,000 crore annually. Main spices created in the nation incorporate pepper, cardamom, bean stew, ginger, turmeric, coriander, cumin, celery, fennel, fenugreek, Ajwain, dill seed, garlic, tamarind, clove, and nutmeg among others.

The Indian spices showcase is anticipated to reach around USD 18 billion by 2020 with development in the part is relied upon to be driven by marked spices and spice blends. The Indian government is forcefully advancing spice exports through different activities, for example, setting up of spice parks. Spice Parks offer normal handling offices to the two makers and exporters.

India exports near 52 distinct spices. Spices exports from India developed to USD 626.8 million amid the main quarter of 2015-16 when contrasted with around USD 511.2 million in a similar period a year ago. India exported 215,215 tons of spices amid the primary quarter of FY16 as contrasted and 213,443 tons in a similar period a year ago.

The market is to a great extent disorderly and the marked fragment makes up around 15%. The marked market is ruled by players, for example, MTR, Badshaah, Catch, Everest, Ramdev and so on. As of late, Tata Chemicals has propelled its spices image Tata Sampan Spices.

The activities and execution of key players Everest Spices, MDH, Eastern Condiments, DS Group - Catch, MTR alongside the present market situation has additionally been contemplated. The report contains most recent industry pioneer's feeling.

Over the last 6 years, Indian spices industry or market has shown tremendous growth. Spices will rise as \$18 billion industry by 2020, as per K Nirmal Babu, Director of the Kozhikode-based Indian Institute of Spices Research (IISR). Of the \$18 billion spices advertise by 2020, the offer of India will be around \$5 billion. The evaluated yearly development rate for spices request on the planet is around 3.19%. India is the focal point of starting point for dark pepper and cardamom. Aside from this, the nation is the real maker of ginger, turmeric, Chilies and tree types of spices. India has the biggest household showcase for spices on the planet. Generally, spices in India have been developed in little land property, with organic farming gaining quality in recent times. India is the world's biggest maker, buyer and exporter of spices; the nation delivers around 75 of the 109 assortments recorded by the International Organization for Standardization (ISO) and records for half of the worldwide exchanging spices.

#### MAIN MARKET & EXPORT FEATURE:

- ✓ Major merchants of Indian spices are US, Vietnam, China, UAE, Iran, Thailand, UK, Saudi Arabia, Malaysia and Germany
- ✓ During April to December'17, India's export of Chilies was 36% y-o-y to 353,400 tons, cumin trades expanded 15% y-o-y to 104,260 tons, little cardamom export rose 44% y-o-y to 4,180 tons and garlic trades progress 92% y-o-y to 37,830 tons.
- ✓ Total spices which are exported from India remained at 1.08 billion kgs, valued at US\$ 3.11 billion in the year 2017-18.
- ✓ Top spices delivered in the nation incorporate ginger, fennel, fenugreek, tamarind, pepper, cardamom, clove, Chilly, turmeric, coriander, cumin, celery, Ajwain, dill seed, garlic, and nutmeg among others.

In spite of the fact that seed spices have been utilizing Unani and Ayurvedic medications, yet broad work ought to be done to know the Potentiality of seed spices to fix the different human and creature infections. Seed spices can be suited in different products in various editing as well as cultivating framework. The fenugreek can be developed as a feed edit which is wealthy in protein. The straw from

various spices can be utilized as a feed for the creature by mixing it in various proportion. Regular vegetables and blooms can be turned intercrop with seed spices. Expanding wellbeing cognizance among the spice client particularly the European and American people group prompts the developing interest for natural yield items including spices. It has prompted the advancement of universal exchange for natural spices. India is customarily developing spices naturally. In spite of the fact that there is have to expand the zone under natural development of seed spices. Exporters having some expertise in natural production have been fruitful in accomplishing the universal measures endorsed for spices.

India is today in the lucky position as one of the world's biggest maker of seed spices and is a noteworthy player in the worldwide market. India has the better capability of expanding the production of seed spices yields and future prospects of their export are many. The seed spices can be developed effectively under saline/antacid water, corrosive soils, disintegrated lands, bring down ripe soils, constrained soil dampness conditions and metal contaminated soil. These seed spice flourish well under these odd circumstances as well as enhance them by following means. Some seed spices have potential for hyper gathering of salt resultant aides in recovering saline sodic soil, for example, fennel and coriander. In this manner decrease in soil pH and ESP and increment in replaceable calcium happens in soil. Seed spices harvests could be effectively developed on substantial metal dirtied soils and under environmental contamination as substitutes for some other eatable yields and evacuates the apparent measure of overwhelming metals by hyper gathering.

#### IV. CONCLUSION

The enthusiasm for spices and its things are reliably growing both in the internal and outside business areas. India has a general reputation as the principle country which makes an extensive variety of spices and it is through these spices exports the country picks up the really vital remote exchange over a critical parcel of time. Regardless of the way that there is gigantic essentialness of spices, it is fairly miserable that the part has not refined the required level change in light of the issues in the publicizing, production arrange, exports, pre and post procuring works out. Furthermore exporters abroad are doing combating. From one perspective they have to oversee numerous little scale farmers who require an OK cost for their make. Of course, exporters need to pass on things that comply with quality necessities and dynamically with social and regular proportions of flimsy markets. This requires costly quality organization systems and planning of farmers. A concentrated on effort is relied upon to consolidate poorer nuclear families in value chains: various leveled headway, particular refreshing, organization aptitudes and access to financing are out and out required.

India has achieved freedom and strength in sustenance production. These drove India to wind up sustenance security to the masses and giving balanced eating regimen. India has a splendid past, enchanting present and an astonishing future with respect to production and export of spices. Starting late, regular developing has expanded huge criticalness. The spices made from this kind of developing are with no terrible fixings. More than 100 arrangements have been made in different seed spices and seed are open for improvement. Various things have been made and many need to make to progress postharvest development in seed spices, for instance, crucial oil, oleoresins, cry crush powder, squashes, RTS, moves, dill parag et cetera. Other than the epic degree, there is certain creating challenges to which, there is squeezing need to answer these issues to twofold the agriculturist's compensation.

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