

MARKET SURVEY

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SPICES EXPORTS: FOLLOWING THE TURMERIC TRAIL



Despite high domestic consumption and fluctuations in the export market, India holds a dominant position in turmeric export.

Indian spices are as old as human civilisation and the Vedas, ancient literature and travelogues are replete with innumerable references to them. Spices trade in India started with the Arabians, who enjoyed the monopoly till the 15th century. From the beginning of the 16th century, the Dutch began to control the Indian spices trade, till the British emerged as a strong rival to them. Even though spices exports are low in volume, they are high value crops.

The spices grown in the country are mainly consumed by the large domestic market. That is, 94 per cent of the total production of spices in India is domestically consumed and the remaining six per cent is exported. India's share in the world trade of spices is 47 per cent in volume and 25 per cent in value terms. India exported 37.37 million tonnes of spices valued at Rs 3675.75 crore during the year 2006-07. India exports spices to a number of countries in different parts of the world. The major im-

porters of the Indian spices are the USA, Japan, Russia and the Arab countries. The area under spices cultivation and its production in the country during the period 2000-01 to 2004-05 is given in Table I.

Table I reveals that there was a wide variation in area and production of spices in India from 2000-01 to 2005-06. In the year 2004-05, the areas under spices cultivation reached the highest level of 5.78 million hectares with production of 8.04 million tonnes, due to the prices prevalent for spices during the previous year 2003-04.

Turmeric trail

Turmeric obtained from the underground rhizome of the plant *curcuma longa*, belongs to the family zingiberaceae. The origin of turmeric is believed to be South-East Asia. It is widely cultivated in India, China, Java

Table I
Area under Spices and its Production in India During 2000-01 to 2005-06

Year	Area (in million hectares)	Production (in million tonnes)
2000-01	2.36	2.51
2001-02	2.77	3.38
2002-03	2.49	2.88
2003-04	2.65	3.18
2004-05	5.78	8.04
2005-06	5.71	7.93

Source: Spices Board, Cochin

Table II
Area, Production and Yield of
Turmeric in India
During 2000-01 to 2005-06

Year	Area (in '000 hectares)	Production (in '000 tonnes)	Yield (kg per hectare)
2000-01	187.4	719.6	3,839
2001-02	162.9	552.3	3,389
2002-03	149.8	526.4	3,512
2003-04	152.3	600.0	3,939
2004-05	160.6	700.7	4,363
2005-06	174.6	830.2	4,755

Source: Spices Board, Cochin

and Haiti. It grows two-three feet (0.6-0.9 metre) tall and has large bright green leaves, yellow flowers and a rhizome consisting of short segments. The cured and dried rhizomes are commercially called turmeric.

Turmeric is largely consumed as a spice in India. It is widely utilised as a food adjunct in many vegetables, meat and fish preparations in most of the Asian countries. Turmeric is also used to flavour and add colour to butter, cheese, pickles, liquor, fruit drinks and cakes. In ancient India, turmeric was largely used for dyeing wool, silk and cotton to impart a yellow hue. It is also employed as a colouring agent in confectionery and food industry. In

the Indian medical system, turmeric occupies an important place as an ingredient in the preparation of medicinal oils and ointments. It is also used as a cure for stomachache, as a tonic, blood purifier and antiseptic. Its antiseptic and healing properties have both preventive and curative role in adolescence pimples. It is widely used by women in India to

remove unwanted hair and as a cosmetic cure. India is the largest producer and exporter of turmeric in the world market, but still it meets only 46 per cent of the total demand for turmeric in the world. Turmeric production in India was 830.2 thousand tonnes with an area of 174.6 thousand hectares under its cultivation during the year 2005-06.

In India, turmeric is cultivated in the states of Andhra Pradesh, Tamil Nadu, Kerala and Karnataka.

Turmeric production in the states of Andhra Pradesh and Tamil Nadu jointly account for 76 per cent of the total turmeric production in India.

The areas in India under turmeric



cultivation, production and the yields for the period of five years from 2000-06 are given in Table II.

It may be concluded from Table II that the area, production and yield of turmeric in India fluctuated during the given period. The variations in price of turmeric and diseases besetting its cultivation were the main reasons for these fluctuations.

Export of turmeric

Turmeric is second in export earnings of spices in India. It fetched Rs 4473.75 lakh as export earnings during April-June 2007. Turmeric is exported to many countries particularly Bangladesh, Iran, Japan, Pakistan, South Africa, Sri Lanka, the USA, the UK and the UAE.

Export of spices and turmeric for the period of seven years from 2000-01 to 2006-07 are presented in Table III.

Table III reveals the fact that the share of turmeric in total spices exports was 18.9 per cent during the year 2000-01. Later, it decreased to 13.7 per cent during 2006-07. The export value of turmeric in total value of spices was higher (6.67 per cent) during the year 2003-04. The reason for the variation in value was the fluctuation in price of turmeric in the world market. Still, India occupies a dominant position in turmeric export. If the government of India frames suitable policies to increase turmeric exports, no doubt, our nation will lead the world spices market.

Table III
Export Earnings of Spices and
Turmeric in India
During 2000-01 to 2006-07

Year	Spices (tonnes)	Turmeric (tonnes)	Per cent	Spices (lakhs)	Turmeric (lakhs)	Per cent
2000-01	235,917	44,627	18.9	183,352.19	11,567.62	6.31
2001-02	243,203	37,778	15.5	194,054.88	9,073.71	4.68
2002-03	264,107	32,402	12.2	208,671.02	10,337.99	4.95
2003-04	254,382	34,500	13.5	191,160.50	12,751.88	6.67
2004-05	348,524	43,097	12.5	235,051.87	15,624.95	6.65
2005-06	350,363	46,405	13.2	262,762.46	15,286.02	5.82
2006-07	373,750	51,500	13.7	367,575.00	16,480.00	4.48

Source: Spices Board, Cochin