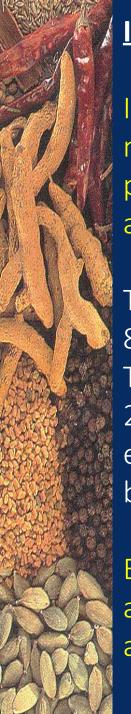




GLOBAL AGRICULTURAL PRODUCTION, CONSUMPTION AND TRADE

The global food & beverage industry is growing at around 7.3 % a year. Global food products expenditure by consumers- US\$20 tn by 2030. Revenue in the Food market amounts to US\$10.07 tn in 2024. The market is expected to grow annually by 6.53% (CAGR 2024-2028). Food Service Market size was valued at USD 2.324 tn in 2021 and is poised to grow from USD 2.540 tn in 2022 to USD 5.195 tn by 2030, growing at a CAGR of 10.76% in the forecast period (2023-2030).

Global agri-food trade has more than doubled since 1995, to \$1.8 trillion 2018 and reaching \$2.40 trillion in 2024. Emerging and developing countries' exports on the rise. The market for functional foods — offering validated health benefits -beyond basic nutrition — is one of the fastest growing segments of the global food industry. It is expected to reach US\$75 billion by 2025. Key markets are Japan, the USA and Europe.



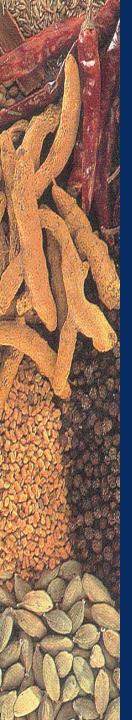
Indian Agrarian Scenario

India stands first in the production of bananas, papaya and mangoes and leading producer of guavas. It is the largest milk producer in the world, a very large producer of pulses, wheat and vegetables.

The Indian food processing industry has grown with an AAGR of 8.3% in the past 5 years & market size of US\$ 866 billion in 2022. The domestic market projected to grow by over 47% between 2022 and 2027, reaching US\$ 1,274 billion in 2024. India's exports stagnated below US\$ 40 billion has reached US\$ 53 billion in 2021-22 & may cross US\$60 billion by 2024-25

Exported to more than 100 countries. Agri Export Policy, 2018 aims to double farmers' by integrating Indian farmers and agricultural products to the global value chain.

India has all requirements to become world food bowl.



An Introduction to Spices Sector

- Export of other agricultural are looked after by APEDA, Coffee and Tea Board etc.
- > Spices Board an export promotion body under Ministry of Commerce.
- ➤ Promote and Regulate export of 52 scheduled Spices in any form, including curry powder, spice oils & oleoresins and other mixes, where spice content is predominant.
- ➤ Production, Research, Domestic Marketing of Cardamom and Export Promotion of All Spices.
- Quality Control of Spices & Spices products for Export

INDIA - THE LAND OF SPICES

1	Cardamom	14	Dill	27	Pepper long	40	Marjoram	
2	Pepper	15	Cinnamon	28	28 Star anise		Nutmeg	
3	Chilli	16	Cassia	29	Sweet flag	42	Mace	
4	Ginger	17	Garlic	30	Greater Galanga	43	Basil	
5	Turmeric	18	Curry leaf	31	Horse-radish	44	Poppy seed	
6	Coriander	19	Kokum	32	32 Caper		All-Spice	
7	Cumin	20	Mint	33	Clove	46	Rosemary	
8	Fennel	21	Mustard	34	Asafoetida	47	Sage	
9	Fenugreek	22	Parsley	35	Cambodge	48	Savory	
10	Celery	23	Pomegranate seed	36	Juniper berry	49	Bishops weed	
							·	
11	Aniseed	24	Saffron	37	Hyssop	50	Oregano	
12	Thyme	25	Vanilla	38	Bayleaf	51	Tarragon	





World Trade in Spices

Spice	Quantity (Mt)
Pepper (Black, White & Ground)	4.50,000
Capsicum / Chilli	9,50,000
Ginger Dry	200,000
Cinnamon/Cassia	40,000
Seed Spices	650,000
Turmeric	225,000
Nutmeg & Mace	25,000
Clove	160,000
Curry	60,000
Cardamom	35,000
Spice Oils & Oleoresins	20,000
Mint Products	40,000
Other Spices	295,000
Total	31,50,000



EXPORT OF SPICES FROM INDIA 2023-24

SPICE	QTY	VALUE
PEPPER	17,890	73,648.88
CARDAMOM(S)	6,168	99,959.85
CHILLI	601,084	1,249,248.45
GINGER	60,833	64,688.57
TURMERIC	162,019	187,586.79
CUMIN	165,269	579,723.43
CORIANDER	108,624	94,820.97
OTHER SEED SPICES		
CURRY POWDER	72,421	175,727.66
MINT PRODUCTS	27,659	343,919.81
OILS & OLEOS	18,762	412,300.59
Total (Incl Others)	1,539,692	3,695,880.50

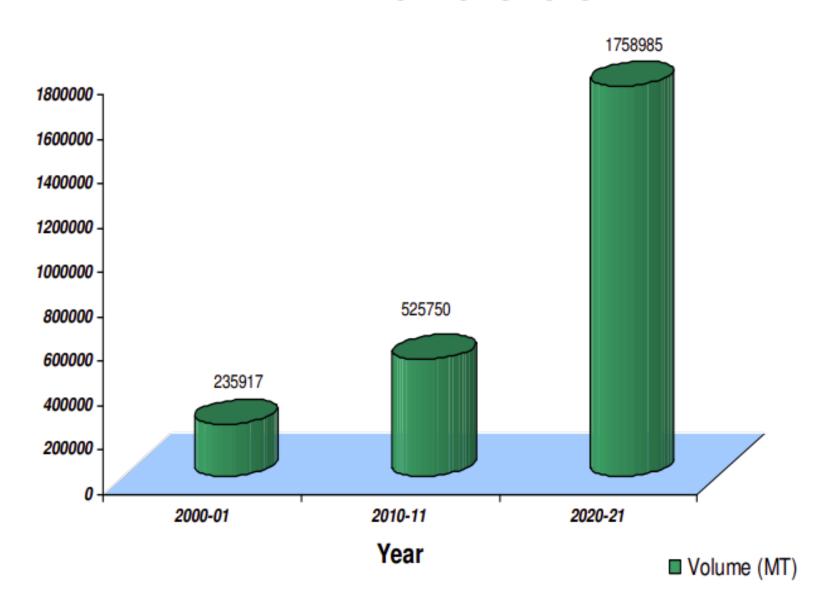
	Production of spices in Karnataka								
		2017-18		2018-19		2019-20		2020-21(Est)	
		Area	Prodn	Area	Prodn	Area	Prodn	Area	Prodn
1	Pepper	41380	35000	148379	21000	160770	30000	160774	36000
2	Cardamom (S)	25135	1450	25135	690	25135	620	25135	579
3	Chilli	100340	191480	157587	194760	74078	129238	114901	193904
4	Ginger	20809	249920	15858	244070	22388	234171	20536	249911
5	Turmeric	19340	122760	26579	153770	20740	132668	21496	130928
6	Tamarind	12170	58030	11888	35376	11042	40026	11042	40026
7	Cloves	120	170	186	143	97	92	97	92
8	Nutmeg	300	200	499	547	420	541	420	541
		228580	667660	393894	682485	318040	580226	360145	665348



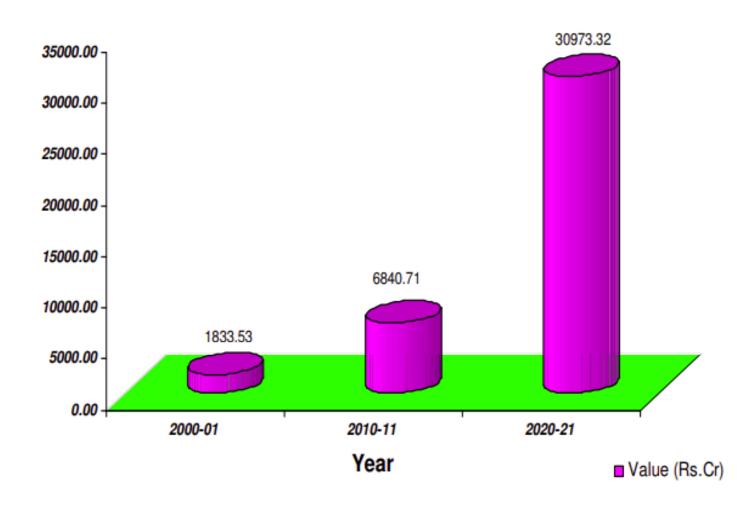
Major importer of Spices from India

	20)22-23	2023-34		
COUNTRY	Qty(MT)	Value(Rs Lakhs)	Qty (MT)	Value(Rs. Lakhs)	
CHINA	257553	639164.46	309085	768527.11	
U.S.A	233351.4	245203	174296.33	208204	
U.A.E	111130	194598.85	128314	247345.06	
BANGLADESH	208204	207664.98	270169	286615.39	
THAILAND	61714	149808.12	64759	160949.52	
INDONESIA	47099	119916.53	51751	125757.74	
MALAYSIA	66217	120560.76	68898	131861.16	
U.K	28170	86850.55	34441	110439.08	
SRI LANKA	52996	93265.02	51169	97153.97	
NEPAL	58045	55917.17	46534	58778.71	
GERMANY	14913	73202.77	14375	72687.73	
SAUDI ARABIA	36372	74789.87	34947	91118.07	
NETHERLANDS	12686	57545.32	14578	68265.22	
CANADA	11993	42294.09	15255	59019.53	
Australia	12227	42688.61	14713	55522.7	
TOTAL	1,404,35	3,176,138.22	1,539,692	3,695,880.50	

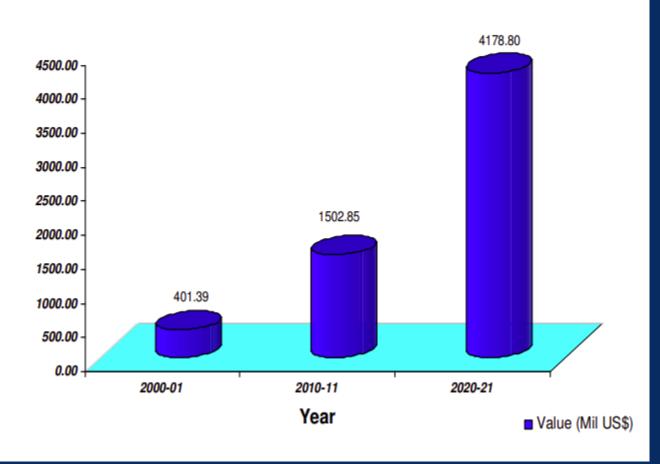
TREND IN EXPORT OF SPICES



TREND IN EXPORT OF SPICES



TREND IN EXPORT OF SPICES



INDIAN SPICE MARKET

Domestic Estimated Production (2021-22) - 10.485 MMT

Export - 13.39 % (1.404 million. Tons)

Domestic - 86.61% (89.54 Mn Tons)

- > India is the largest producer, consumer & exporter of spices in the world.
- A strong supplier of a whole range of spices to the world market.
- > India is exporting spices and spice products to more than 160 destinations.

SPICES EXPORT BASKET

Whole Spices

- Fresh
- Dried
- Freeze dried
- Dehydrated
- In brine
- Organic

Spice powders/blends/mixes

- Curry powder
- Masalas
- Pickles
- Ground/cracked/ crushed spices

Oils & oleoresins

- Encapsulated spices
- Spray dried spices

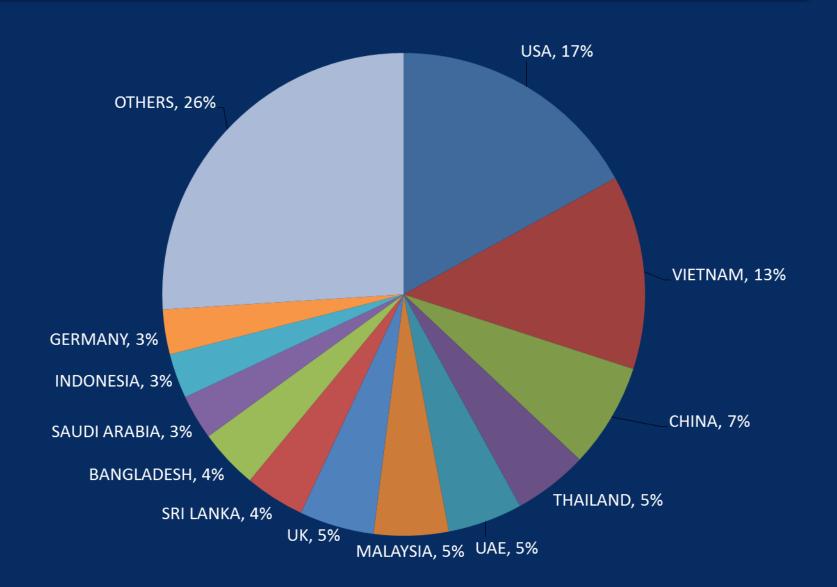
Spice Extracts

- Phytochemicals
- Liquid seasoning
- Natural flavours
- Natural antioxidants
- Natural colours
- Resinoids

Nutraceuticals & Cosmeceuticals

- Health Supplements
- Lifestyle Products

DIRECTION OF INDIAN SPICE EXPORTS IN TERMS OF VALUE







UNIQUENESS OF SPICES INDUSTRY

- 1. Raw material Abundantly available locally
- 2. Technology cost effective and mostly locally available
- 3. Most of the spices / Food products have long storage Life and available throughout year.
- 4. Machines manufactured every where.
- 5. Technologists available locally
- 6. Determines consumption and value of food
- 7. Market Transparent.
- 8. Lot of contract manufacturers.
- 9. Recession Proof
- 10. Application in multiple sectors
- 11. Lots of things can happen over good food
- 12. Million of combinations and innovation
- 13. Spices determines a master chef





RECENT TRENDS IN SPICES INDUSTRY

- Popularity of ethnic cuisines drives demand for new spices and 1. spices blends.
- Spices are increasingly promoted as a super food with health benefits
- Sustainable sourcing of spices is becoming one of the leading trends
- **Turmeric (curcuma) is advancing on the European market** 4.
- 5. **Spices combinations are in demand**
- Increasing food safety and anti-adulteration requirements 6.
- New origins are appearing on the supply side of the market
- 8. Packaging innovations appearing on the market
- 9. **Demand for organic spices is increasing**
- 10. Fair Trading Practices are becoming an official European request





POST-COVID PROSPECTS - FOOD INDUSTRY

- 1. The world got disrupted, almost got rebooted. Old dogmas quashed
- 2. World agricultural production affected but India has bumper crop
- Small players in importing countries have vacated space for main suppliers.
- 4. Work from home has influenced food habbits.
- 5. Shift in consumer behaviour Importance of balanced nutrition Demand healthy / health foods
- 6. As cost reduction measure major players abroad are shifting production bases to India More private labelling
- 7. Good food is also means safe food.
- 8. New call for global food security programme Buffer stock /meal schemes.
- **9.** Derived demand for food products
- 10. "SAFE FOOD " has become the biggest brand Demand for nil / less residue foods- Big opportunity for single farm/ origin and clusters
- 11. Huge scope for Rural agri-prenuership and new schemes.
- 12. Indian can achieve US\$ 100 billion exports in 20256-27





Advantage Karnataka

- 1. Major spices are grown and also has well diverse agri production
- 2.Geographical convenience Access to raw materials from other states.
- 3. Well established infrastructure ICDs
- 4. Scientific institutions and labs
- 5. Machinery manufacturing
- .6. Technical manpower
- 7. One district and one product- many spices in the list.
- 8. Fast Growing markets and organised retail network with emphasis on . new economy sectors
- 9. Most conducive environment for high end value added products functional foods and nature care products.
- 10. Good eco-system and growth drives.
- 11. Specialised govt. organizations.
- 12. New Agri Export Forum





Challenges:

- 1. Challenge of Productivity:
- 2. Challenge of Quality & Food Safety:
- 3. Challenge of Equity-Better returns to the farmers.
- 4. Challenge of Sustainability: integrates three main goals-environmental health, economic profitability and social & economic equity.
- 5. Challenge of Technology:

6.SKILL GAP:

- 7. Challenges of Resources and Climatic Changes:
- 8. Challenges of supply chain:
- 9. Challenge of infrastructure:
- 10.Access to Credit Need for a specialized credit institution for food Processing - to lend (credit special concessions) to FP sector
- 11. Challenge of tariff and non tariff barriers:
- 12. Challenge of New competitors:
- 13. Global Uncertainties- Most relevant for the day
- 14. Transition of the consumer's consumption patterns.







Challenges:

- 1. Challenge of Productivity: Dwindling Quality Raw material production / supply - Increase productivity to bring down the cost and increase surplus.
- 2. Challenge of Quality & Food Safety: More legislation on quality requirements. World-wide USA – New FSMA Act-more stringent norms on pesticide/ chemical residues. Safe food is the best brand
- 3. Challenge of Equity-Better returns to the farmers.
- 4. Challenge of Sustainability In terms of farming using principles of Sustainable agriculture integrates three main goals-ecology. environmental health, economic profitability and social & economic equity.
- 5. Challenge of Technology: New products requirements imposing need to constantly innovate—Limited applied R&D to innovative products.
- 6. SKILL GAP climate supply chain infrastructure varriers -

QUALITY ISSUES IN SPICES

Spices can be contagions

Compliance with regulations: These regulations may include phytosanitary requirements, MRL for pesticides, labeling standards & documentation requirements. Navigating through the complex regulatory frameworks can be challenging.

Food safety concerns: Spices contaminated with harmful microorganisms, such as bacteria, molds and yeasts, which can pose a health risk to consumers. Spice quality testing helps identify and mitigate potential food safety hazards, ensuring that spices are safe for consumption and do not cause foodborne illness.

Quality control: Maintaining consistent quality standards and meeting the required quality specifications - cleanliness, purity, MRL of pesticides, absence of contaminants. Spices are prone to contamination, primarily due to microbial growth, pesticide residues, and mycotoxins. Food safety throughout the supply chain is crucial. Implementing proper hygiene practices, regular testing, and traceability systems are essential. Meeting the stringent food safety standards of different countries can be a challenge.





NEW INITIATIVES OF SPICES BOARD

- I. Quality Initiatives of Spices Board
 - a) Quality Labs
 - b) Mandatory Sampling
 - c) Training Lab technicians
 - d) Accrediting private Laboratories
- II. Spices Parks Common infrastructures and processing facilities.
- **III. Market Access Initiatives**
- **IV.**Technology upgradation Initiatives
- V. R & D initiatives

Spice Items under Mandatory Testing and Certification for Exports

- ✓ Chilli & Chilli Products (Aflatoxin & Sudan)
- ✓ Turmeric dry & Powder (Aflatoxin & Sudan)
- ✓ Ginger dry & powder (Aflatoxin)
- ✓ Cumin Seeds (Extraneous matters)
- ✓ Sugar coated fennel Seed (Sunset yellow)
- ✓ Nutmeg & Mace (Aflatoxin)
- ✓ Curry Leaf (Pesticides)
- ✓ Spice Mixes, Chilli and Cumin (Salmonella)

BUYER SELLER MEETS









Geographical Indication (GI) registered Spices

- Malabar Pepper (by SB)
- Alleppey Green Cardamom (by SB)
- Coorg Green Cardamom (by SB)
- Naga Mircha
- Guntur Sannam Chilli (by SB)
- Byadagi Chilli (by SB)
- Sikkim Large Cardamom
- Mizo Chilli
- Assam Karbi Anglong Ginger
- Waigaon turmeric
- Sindhudurg and Ratnagiri Kokum
- Uttarakhand Tejpat





DEVELOPMENT SCHEMES

1. Cardamom Replantation Scheme

The scheme is to motivate the growers to improve production and productivity through systematic replanting of the diseased, old and senile plantations. Individual farmers having a land holding size of 0.10 Ha to 8 Ha are eligible to avail the scheme. The rate of subsidy proposed is 33.33 % or Rs.1.00 Lakh / ha for general category and 75% or Rs 2.10 Lakh for SC/ST

2. Dryers for Cardamom/Pepper/Clove/Nutmeg/Pepper Thresher /Seed Spice Thresher

Growers having a land holding size of 0.40 ha to 8 ha are eligible to submit application under the scheme. Growers groups/ Associations/ NGOs / SHGs etc with Unique ID from NITI Aayog can also submit the application. It is proposed to provide subsidy of 25% to general category farmers and 35% to SC, ST, small & marginal farmers, women farmers and farmer groups/ Associations/NGOs/SHGs.

3. Small Cardamom Certified Nursery (units) - 33.33% of cost of production of planting material of subject to a maximum of Rs 3 per sucker/ seedling for General Category and 75% of cost of production of planting material @ Rs 6 per sucker/ seedling for SC/ST.





DEVELOPMENT SCHEMES

Turmeric Boiler

The scheme is to motivate the growers to process the turmeric hygienically and to produce quality turmeric suitable for exports. Growers having a land holding size of 0.40 ha to 8 ha are eligible to submit application under the scheme. Growers groups/ Associations/ NGOs / SHGs etc with Unique ID from NITI Aayog can also submit the application. It is proposed to provide 50% subsidy.

Turmeric Polisher

The scheme is to motivate the growers to process the turmeric hygienically and to produce quality turmeric suitable for exports. Growers having a land holding size of 0.40 ha to 8 ha are eligible to submit application under the scheme. Growers groups/ Associations/ NGOs / SHGs etc with Unique ID from NITI Aayog can also submit the application. It is proposed to provide subsidy of 25% to general category farmers and 35% to SC, ST, small & marginal farmers, women farmers and farmer groups/ associations /NGOs /SHGs.

For registered spices exporters, institutions etc with a view to develop the export of spices from India. Under the scheme assistance is provided to the stakeholders under two major components (i) Export Development (Infrastructure Development Scheme) and (ii) Promotion of Spices

To support development of Infrastructure, enhance facilities for processing and value addition of spices and establishing systems for quality and safety compliance.

The Export Promotion component includes programmes for promoting export such as Product Development & Research, Promotion of Indian Spice Brand, Participation in International meetings/seminars/trainings, Package Development etc. Programs

1. Infrastructure Development:

1A) Assistance to exporters for Rapid Food Testing Devices and Kits

Rapid Food Testing Devices & Kits are now available to test intrinsic properties, physical parameters, toxins, contaminants residues etc. Scheme aims to encourge the exporters, to install the rapid testing devices and kits to undertake testing of raw materials as well as processed products, across various stages of the supply chain, that helps to monitor the intrinsic parameters, quality and safety aspect.

1A) Assistance to exporters for Rapid Food Testing Devices and Kits

Assistance under the scheme will be 33 % of the cost of Rapid quality & safety testing device and kits subject to a maximum of Rs. 10.00 lakhs for general category and 75% of the cost of the Rapid quality & safety testing device and kits subject to a maximum of Rs.15 lakhs for SC/ST exporters, FPO exporters & exporters in NE region & other Himalayan States/ J& K and Ladakh, State notified ITDP areas & Islands (Union Territories of Andaman & Nicobar and Lakshadweep)

1B) Assistance for implementation of food safety and quality assurance mechanisms/ certifications:

Under this scheme, cost of accreditation/certification of processing units, in house laboratories etc of the exporter under ISO/ HACCP/ FSSC 22000/ NPOP etc (including KOSHER, HALAL, GMP, SQF, BRC etc) by recognised agencies, Certification by authorized agencies of importing countries / Foreign buyer Verification Program (FBVP) etc will be considered. The Board proposes to give 33% of the cost of certification subject to a maximum of Rs.5.00 lakh for general category exporter during the period. It is 75% of the cost of certification subject to a maximum of Rs.7.50 lakhs for SC/ST exporters, FPO exporters and exporters in NE region & other Himalayan States/J&K and Ladakh, States notified ITDP areas & Islands (Union Territories of Andaman & Nicobar & Lakshadweep) during the period.

(2) Trade Promotion

2A) Sending business samples abroad.

Export contracts of spices and spice products in general are concluded based on samples provided to the buyers. Exporters are required to send samples to their customers abroad for approval and also to match the samples of the buyers. Considering the higher cost of couriering samples and number of samples required to be couriered for a contract, it is proposed to support exporters to offset the cost of courier charges for sending samples abroad.

The assistance will be provided as reimbursement to Merchant exporters with annual turnover, not more than Rs. 250 crores and MSME exporters. The assistane will be provided @ 50 % of the cost of courier charges subject to a maximum of Rs.1.50 lakh for general category per annum

75% of the courier charges subject to a maximum of Rs.2.25 lakhs for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J& K and Ladakh, States notified ITDP areas and Islands, per annum.

2C) Product Research & Development (For Registered Exporters/ Institutions)

Spices are known to have medicinal, cosmetic, nutritional and health values. A vast body of traditional knowledge about such uses is available in the country. The assistance under the scheme will be 50% of the cost of product research and development subject to a maximum of Rs.25.00 lakh & Rs.1.00 crore, if clinical trials and patenting are involved.

2D) Promotion of Indian Spice Brands Abroad

A considerable portion of spices from India is exported in bulk form and is subjected to stiff international competition from low-cost economies of South East Asia, Africa and the Far East. India being a hub for spice processing, the spice sector needs to evolve to be better, stronger and more adaptable than our competitors. The scheme aims to assist exporters in penetration of Indian brands in overseas markets with clear mark of traceability and food safety. The assistance will be in the form of interest free loan covering 100% of slotting/listing fee and promotion measures including the cost of product development subject to a maximum of Rs. 1.00 crore per exporter in the period.

2E) Participation in International fairs/meetings/ seminars/ Trainings

International trade fairs and exhibitions abroad are ideal opportunities for the exporters to introduce/present their strengths before the global buyers and sustain the market share. The program aims at motivating the exporters to participate in the international trade fairs and exhibitions abroad for promoting exports. The Board proposes to support exporters for setting up stalls in international fairs to showcase their capabilities and capacities in export of spices.

The assistance will be 50% of the cost of air fare subject to a maximum of Rs.1.50 lakhs per annum & 50 % of the cost of stall rent subject to a maximum of Rs 5.00 lakhs per annum for general category & 75 % of the cost of air fare subject to a maximum of Rs.2.25 lakhs per annum & 75 % of the cost of stall rent, subject to a maximum of Rs 7.50 lakh per annum as cost of stall rent for SC/ST exporters, FPO exporters and exporters in NE region (including Sikkim & Darjeeling region) and other Himalayan States/ J& K and Ladakh, States notified ITDP areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep

Under the scheme reimbursement of 75% of the registration charges of CRES (excluding GST) subject to a maximum of Rs.11,250/- will be provided.

INNOVATIVE PRODUCT - SPICE CHOCOLATES

- Developed innovative Spice flavoured chocolates (flavours of chilli, cinnamon, cardamom, cumin, clove & mace)
- In discussion with leading chocolate manufacturers for marketing the products across domestic and international markets
- "Altogether different and delicious taste"
 - Mr. Caitlin Wiesen, Country Director, UNDP
- "An imaginative memento which would make an excellent presentation in foreign countries during promotional events"
 - Shri. Ranjan Mathai, Former Foreign Secretary
- "A unique assortment of spices flavoured chocolates with quite a variety & flavor"
 - Mr. Sanjiv Rangrass, Divisional Chief Executive, ITC Agri Business Division



OTHER INNOVATIVE PRODUCTS

SPICE FRAGRANCE CANDLES

SPICE FRAGRANCES
BATHING BARS





OTHER INNOVATIVE PRODUCTS

SPICE FRAGRANCES
BEAUTY CREAMS





SPICE AROMA
OILS







SPICES INDIA- SIGNATURE STALL

Visual Merchandising & Retail

Design Magazine (VMRD), had
a Cover story on Spices India
signature stall as a innovative
specialty food retail store

Won 1st Prize for Store Design,
2nd Prize for Store Frontage,
2nd prize for VM during
National level VMRD annual
design awards on 30 Jan,
2014.

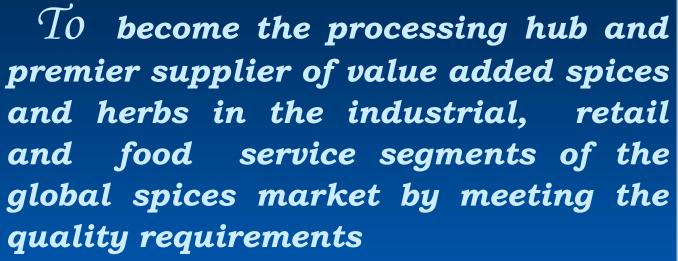
Average of 10,000 footfalls per month





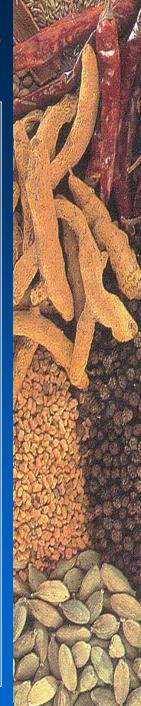


Vision of the Indian Spice Industry



Rs. 45,000 Crores in 2024-25 and RS 60,000 Crores in 2029-30







THANK YOU