

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:2967  
ANSWERED ON:13.12.2005  
PRICE OF SPICES  
Sujatha Smt. C.S.

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether it is fact that there have been a fall in the price of various spices including cardamom and vanilla during the last three years;
- (b) if so, the details thereof and the reasons for the continuous fall in the prices of spices; and
- (c) the steps taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI E.V.K.S. ELANGO VAN

(a): Yes, Sir. Some of the spices, including cardamom and vanilla, have registered a decline in prices.

(b): The details of the average domestic prices of spices at major market centres in India, during last three years, are given below:

Prices: Rs. Per kg

Spices	Market	2002-03	2003-04	2004-05
Pepper	Cochin	88.32	74.11	69.08
Cardamom (Small)	Auction price#	561.26	361.03	295.23
Cardamom (Large)	Gangtok	141.36	114.96	91.88
Chilli	Guntur	31.98	39.14	28.71
Ginger	Cochin	40.90	68.56	130.36
Turmeric	Cochin	41.91	48.22	52.78
Coriander	Mumbai	25.94	27.88	19.04
Cumin	Mumbai	81.44	66.30	68.31
Celery	Mumbai	26.53	26.69	28.12
Fennel	Mumbai	51.24	50.02	45.76
Fenugreek	Mumbai	16.89	17.19	15.67
Garlic	Mumbai	35.12	16.83	19.80
Poppy seed	Mumbai	145.09	159.35	151.85
Ajwain seed	Mumbai	43.89	49.53	51.73
Dill Seed	Mumbai	27.32	27.80	25.45
Mustard	Delhi	15.95	20.43	18.13
Tamarind	Mumbai	17.12	17.34	32.81
Clove	Cochin	414.30	211.84	249.03
Nutmeg with shell	Cochin	109.55	100.95	106.62
Nutmeg without shell	Cochin	192.94	171.84	187.79
Mace	Cochin	380.54	322.40	373.35
Cinnamon	Delhi	61.24	54.99	50.48
Cassia	Chennai	61.19	55.58	52.21
Saffron	Delhi	47237.50	41511.00	31855.00
Vanilla	FOB export price	8842.74	13702.98	6691.78

#Refers to the season August to July.

Source: Spices Board

Major reasons for the decline in prices of spices, including cardamom and vanilla are as follows:

\$ Production / supplies overtaking the demand of the produce.

\$ Resumption of normal supplies of the produce by major producing countries.

\$ Shifting of consumer preferences resulting in lack of demand of the produce.

(c): In order to arrest the decline in prices of spices, the Government of India is making vigorous efforts to increase the demand of various spices, both in domestic and international market. Steps have also been undertaken for improving productivity; for developing value added products; quality up-gradation; organic cultivation of spices etc.

In addition, the Government of India has recently announced a scheme for grant of a WTO-compatible subsidy on export of pepper from India, subject to certain conditions. Further, issue of advance licenses for import of duty free pepper (except light pepper) has been suspended and sale of processed pepper products in the Domestic Tariff Area (DTA) by 100% Export Oriented Units (EOUs) has been banned.