



## **PHDCCI's Background Note on 'Performance Evaluation and Review of some Commodity Boards'**

### **1. Tea Board of India**

Tea board in India was set up for the overall development of tea industry in India. The board function varies from increasing the productivity of tea plantations, improving quality of tea, supporting research and development to increase productivity of tea industry, promoting exports and welfare of plantation workers, among others.

The board has played a pivotal role in revolutionizing the domestic production and export of tea plantations in India, positioning country as one of the major tea-producing and exporting countries in the World. In 2022-23, India produced 1,366 million kg of tea, capturing a substantial 21% of the World's production. Additionally, the country exported 231 million kg, accounting for 13% of the global tea trade.

Remarkably, emergence of non-traditional tea-growing states such as Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, and Sikkim, which have begun to make significant contributions to the overall tea production landscape. The proactive initiatives by the tea board have also empowered small tea growers, who have increasingly become vital players in this sector. Since 2017-18, the establishment of over 90 mini-tea factories across the country has empowered

these growers, further enhancing their role in the tea value chain and solidifying India's reputation as a powerhouse in the global tea market.

## **2. Coffee Board of India**

Coffee Board of India plays a pivotal role in enhancement of production, productivity & quality of coffee, export promotion for achieving higher value returns for Indian Coffee and supporting development of Domestic market. The core activities are primarily directed towards research & development, transfer of technology, quality improvement, extending development support to growing sector, promotion of coffee in export and domestic markets.

The total planted area of coffee for the 2022-23 season stands at 479669 hectares. While there has been an increase in the planted area in traditional coffee-growing states like Karnataka, Kerala, and Tamil Nadu, non-traditional states such as Odisha and Andhra Pradesh are also beginning to focus on coffee plantation. Currently, 22% of the total planted area for coffee is in these non-traditional states.

India's coffee production is estimated to grow from 298000 metric tonnes in 2019-20 to 374200 metric tonnes in 2023-24, demonstrating a 25% rise over the past five years. There has also been a notable improvement in coffee productivity, which increased from 767 kg/ha in 2018-19 to 814 kg/ha in 2022-23. Additionally, India's share of coffee exports was 5.1% in 2021-22.

In the words of Coffee Board "Coffee Board serves as the friend, philosopher and guide to the Coffee sector covering the entire value chain".

### **3. Spice Board of India**

The Spice Board of India is leading efforts to enhance the quality of Indian spices, aiming to position the Indian Spices Industry as a global processing hub and a top supplier of clean, value-added spices and herbs. This includes serving the industrial, retail, and food service segments of the global spices market. The Board has prioritized quality and hygiene as fundamental principles in its development and promotional strategies.

India's spice exports are estimated at 1539692 metric tons (MT) with a record value of USD 4.4 billion. This achievement marks a significant transformation in the spice trade, as India's exports surged from 575000 MT worth USD 2 billion in 2011-12 to 1539,692 MT valued at USD 4.4 billion in 2023-24. This phenomenal growth translates to a staggering increase of 167 percent in volume and a 120 percent in value, indicating India's dominance in the global spice market.

In order to promote organic farming in India and accelerate the exports, Spices Board is actively working to ease production of organic spices. Hundreds of vermicomposting units and organic seed banks were set up for ginger and turmeric. In addition, Quality Improvement Trainings have been extended to educate the farmers about latest developments.

### **4. Rubber Board of India**

The Rubber Board of India plays a crucial role in promoting rubber cultivation, processing, and marketing. It supports rubber farmers through various initiatives, including research, extension services, and the provision of technical advice. The

board also formulates policies and programs to enhance productivity and sustainability in the rubber sector. In terms of export, India has established a significant presence in the global rubber market. The country exports various rubber products, including raw rubber, tires, and other processed goods.

India's natural rubber (NR) production for the 2023-24 reached 857000 tonnes(P), reflecting a growth of 2.1% compared to 839000 tonnes in 2022-23. This positive trend was also evident in the domestic consumption of natural rubber, which experienced an increase of 4.9%, reaching 1416000 tonnes compared to 1350000 tonnes in the previous year.

Despite challenges such as fluctuating prices and competition from other rubber-producing nations, India continues to expand its rubber export landscape, emphasizing quality and sustainable practices. Overall, the rubber industry plays a vital role in the Indian economy, contributing to employment and rural livelihoods while also making a mark on the international market.

**In conclusion**, the efforts of the various boards in India—Tea Board, Coffee Board, Spice Board, and Rubber Board—have significantly contributed to the enhancement of their respective industries. Through initiatives aimed at increasing productivity, improving quality, and promoting exports, these boards have positioned India as a key player in the global markets for tea, coffee, spices, and rubber. Additionally, boards in India facilitate fair price discovery for these commodities by providing domestic and international market price.

They provide essential market information, including production levels, enabling informed decision-making among farmers and traders. The rise of non-traditional cultivation, support for small growers, and emphasis on sustainable practices reflect the ongoing transformation and growth potential of these sectors. As India continues to innovate and adapt, its prominence in these industries is likely to strengthen further, benefiting both the economy and the livelihoods of countless farmers.