

### *Domestic demand*

It is estimated that three-quarters of processed fruit and vegetable output is consumed domestically. Demand is for standard items such as ketchup, jams, fruit juice and pickles. Of the domestic market, approximately 54% is household demand and 46% institutional (hotels, airlines, hospitals and defense services). The tourism component of the institutional market is rapidly growing as international, domestic, business and leisure travel increase.

### *Exports*

Partly because of the limited domestic demand, the processed fruits and vegetables industry is far more export-oriented than most other industries, exporting nearly a quarter of its production. Yet this accounts for only 1% of world trade in processed foods. Major export products include dried and preserved vegetables, mango and other fruit pulps, jams, fruit jellies, canned fruits and vegetables, dehydrated vegetables, frozen fruits, vegetables and pulps, freeze dried products and traditional Indian products like pickles and chutneys. The main markets are Russia and other republics of the Commonwealth of Independent States (CIS), the U.K., the U.S., the Middle East and Germany.

India's export advantage in this sector arises from the abundance of raw material. The enormous variation in climatic and soil conditions in different regions gives rise to a diversity and abundance of fruits and vegetables, both tropical and temperate. Additionally, it has an advantage in terms of growing seasons. Tomatoes, for example, grow throughout the year. Similarly, many spring and summer fruits and vegetables of temperate countries are grown in the winter in India. Canadian companies with expertise in the manufacture of a variety of valued-added fruit and vegetable products can investigate this sector, for both the growing domestic market and to take advantage of the incentives available for export-only units.

### **Selected Sub-Sectors**

#### *Fruits*

The major fruits grown are mango, banana, citrus, apple, guava, pineapple, papaya, litchi and grapes. Production in 1992-93 was estimated at 33 million tonnes, cultivated over 3.21 million hectares.

#### *Vegetables*

Vegetables are grown on 5.1 million hectares, with the current production (excluding root and tuber crops) estimated to be 71 million tonnes. In addition, 15 million tonnes of potatoes and 5.7 million tonnes of onions are produced. Almost all varieties of vegetables are grown in India. The major crops are roots and tubers such as potatoes, onions and garlic; green vegetables such as brinjal, peas, beans, okra, cabbage, cauliflower, gourds, spinach, carrots and radishes. Plantings of asparagus, broccoli and celery are increasing, mainly to cater to demand from cities and the export market.