

Saffron cements India-Afghanistan trade ties

Saffron is the most expensive spice in the world known for its aroma and colour. Jammu and Kashmir is the only region in India where saffron is produced. However, other regions such as Sikkim and Himachal Pradesh are experimenting cultivation of saffron in India.

Saffron has application in sweet manufacturing, food processing, beauty products and ayurvedic medicines, among other industries in India. India was the fifth-largest importer of saffron from the world in 2019.

India imported about USD 18 million worth of saffron, equalling 22,150 kgs, from the world in 2019. The same increased to USD 23 million, equaling 35,780 kgs, in 2020.

Saffron constitutes one of India's major imports from Afghanistan. Over 96 per cent of India's saffron imports from the world came from Afghanistan in 2020. Afghanistan is also one of the largest saffron exporters to the world.

India's saffron imports from Afghanistan grew at about 24 per cent in value and 62 per cent in volume in 2020 over 2019.

Saffron prices in India saw a drop in a couple of months last year, on the back of higher imports and a weak demand. However, the medicinal properties of saffron and growing standard of living of the people are expected to enhance the demand for saffron in the near future.

At a time when India is supporting the intra-Afghan negotiations and calling for peace in the region, growing trade ties can enhance partnership between the two countries.

Notifications

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RBI

Asset Classification following the expiry of Covid-19 regulatory package



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Priority Sector Lending by banks to NBFCs

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