

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

UNSTARRED QUESTION NO:1311

ANSWERED ON:02.03.2001

PRODUCTION OF COFFEE

A. VENKATESH NAIK;KOLUR BASAVANAGOUD;RAMSHETH THAKUR

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

- (a) whether India is growing about 4% of total production of coffee in the world and exporting about 75% of its total production;
- (b) if so, the details of annual production and percentage of domestic consumption of coffee;
- (c) whether country's coffee production during the current year would be as per the target fixed;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) the steps being taken by the Government to achieve the production target and to expand the domestic consumption;
- (f) whether the prices of coffee in the domestic market are falling continuously; and
- (g) if so, the reasons therefor and the steps proposed to arrest the falling prices?

**Answer**

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(e) to (g) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN PARTS (a) TO (g) OF LOK SABHA UNSTARRED QUESTION NO. 1311 FOR ANWE 2.3.2001 REGARDING PRODUCTION OF COFFEE

(a) & (b) Yes, Sir. The production of coffee in the country during 1999-2000 was 2,92,000 MTs. The domestic consumption of coffee is around 19% of the total coffee produced in the country.

(c) & (d) Yes, Sir. Against the coffee production target of 2.80 lakh tonnes for the year 2000-01, the production of coffee is estimated at 2.95 lakh tonnes.

(f) In order to achieve the production targets, the Government of India through the Coffee Board, besides operating several plan schemes and developmental activities aimed at intensive cultivation, replanting, quality improvement and water augmentation, has also been providing necessary support in the form of agricultural research, extension, arrangement of credit and finance and other necessary backup support like supply of seed for planting purposes, etc.

In order to expand domestic consumption of coffee, the Coffee Board has been organising coffee festivals and imparting training for coffee brewing to the Hotel Sector apart from participating in all major internal trade fairs and strengthening the performance of coffee houses operated by the Board and campaigning through Audio/Video and print media.

(g) & (g): In the recent months, the international coffee prices have fallen due to surplus supply due to over production. Since nearly 80% of the coffee produced in India is exported, the industry is mainly dependent on the international coffee prices. Hence, the Indian coffee growers are not getting the same remunerative prices today as they were getting 2-3 years ago. Govt. of India has recently approved, in principle, India's participation in the retention scheme of the Association of Coffee Producing Countries (ACPC) It is hoped that the implementation of the said plan for Indian coffee will help in boosting the prices of coffee.