

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

UNSTARRED QUESTION NO:1334  
ANSWERED ON:21.08.2007  
PRICE OF COFFEE  
Gaddigoudar Shri P.C.

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

- (a) whether the small coffee growers are demanding remunerative price for their produce during the last three years;
- (b) if so, the details thereof;
- (c) whether there is an increase in the price of coffee during the last three years;
- (d) if so, the details thereof; and
- (e) the steps taken/proposed to be taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

a) to (d) It is always the endeavour of the producer to get better prices. Fortunately in the last three years coffee prices have been recovering from the low prices scenario, and are now reasonably remunerative. Coffee prices are largely determined by the international prices depending upon market forces of demand and supply. The domestic prices in respect to various grades for the last three years are as under :

(Rs/kg)

Year	Plant A	Arabica	AB	Robusta	Pmt	AB	Robusta	Chy	AB
2004	72.16	54.16	51.02	34.94					
2005	104.34	85.86	66.60	53.68					
2006	109.84	86.98	69.08	63.02					

- (e) In order to ensure better prices to the growers, some of the key areas identified by the Coffee Board in the XI Plan period are to
- (i) improve farm productivity by replanting uneconomical coffee blocks
  - (ii) achieve better value addition through quality upgradation
  - (iii) expand domestic coffee market to bring about better supply demand position and also reduce over dependence on export
  - (iv) encourage export of high value coffees to gain better export earnings and
  - (v) extend interest subsidy on working capital loans to the growers to reduce production costs.