

Production and Distribution

India produces about 2.5 per cent of world's coffee on almost the same percentage of coffee plantations. Thus India is an insignificant producer of coffee and stands nowhere when compared with Brazil (25%), Columbia (15%) and Indonesia (7%). Coffee Arabica and Coffee Robusta are the two main varieties of coffee grown in India accounting for 49 per cent and 51 per cent of area respectively under coffee.

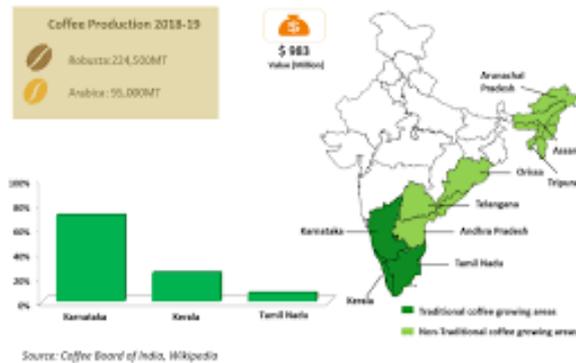
The restricted agro-climatic conditions have forced the coffee plantations to confine themselves to small area in south India comprising hill areas around Nilgiris. Almost the entire production is shared by three states namely Karnataka, Kerala and Tamil Nadu.

Karnataka is the largest producer accounting for about 70 per cent of total coffee production and 60 per cent of the area under coffee in India. This state also gives the highest yield of 10.3 quintals/hectare. Most of the 4,650 plantations are at about 1,370 meters above sea level where annual rainfall is 125-150 cm.

Kodagu and Chikmagalur account for over 80 per cent of the state's total output. The other important coffee producing districts are Shimoga, Hassan and Mysore. Kerala is the second largest producer of coffee but lags far behind, accounting only for about 23.27 per cent of the total production of the country. Its yield of 7.9 quintals/hectare is also low as compared to 10.3 quintals/hectare of Karnataka.

Most of the coffee plantations are at an altitude of 1,200 m where annual rainfall is over 200 cm. Kozhikode, Waynad, Malappuram, Kollam, Kannur and Palakkad are the chief producing districts. Tamil Nadu is the third largest producer where India's 6 per cent coffee is produced. About half of Tamil Nadu's coffee is produced in Nilgiri district. The other districts are Madurai, Tirunelveli, Salem and Coimbatore.

INDIA COFFEE MARKET-KEY DATA



Trade

Among the plantation crops, coffee has made significant contribution to the Indian economy during the last 50 years. Although India contributes only a small per cent of the world production, Indian coffee has created a niche for itself in the international market, particularly Indian Robustas which are highly preferred for their good blending quality.

Arabic coffee is also well received in the international market. In short Indian coffee is well known for its quality and is much in demand in the international market. Therefore, India exports coffee to a large number of countries including U.K., the U.S.A., Russia, Australia, Iraq and a large number of countries of continental Europe.

Chennai, Mangalore and Calicut are the chief ports of export. Indian coffee exports have registered significant increase, both in terms of quantity and earnings during the last few years.

Coffee industry and exports

In India coffee is grown in regions that receive 2,500-4,000mm rainfall across more than 100 days, followed by a continuous period dry period of similar duration. Coffee growing areas in the country have diverse climatic conditions, which are suitable for the cultivation of different varieties of coffee.

- India is the third largest producer and exporter of coffee in Asia, and the sixth largest producer and fifth largest exporter in the of coffee in the world
- The country accounts for 3.14% (2018-19) of the global coffee production.
- The coffee production during 2018-19 stood at 319,500 MT
- The coffee export from India during 2018-19 stood at US\$ 836.85 million and reached US\$ 712.3 million in April 2019- March 2020
- Of the total coffee produced in India. 70% is exported and 30% is consumed domestically.