

Plantation Crops

Tea

8.9 India is the largest producer and consumer of tea in the world and accounts for around 28 per cent of world production and 15 percent of world trade. Consumption, production and trade of tea since 1995-96 is shown in Table 8.8. There is no restriction on export of tea and under the present Exim Policy, import of tea is permitted with an import duty of 70 per cent.

8.10 Tea auctions in the North fetched higher prices in 2001 compared with the preceding year, ranging from a high of Rs 90/kg (January) to a low of Rs 56/kg (November) in Guwahati auctions. The average auction prices in South India were Rs 46 per kg as against Rs 44 per kg in the preceding year. Low prices of South India Tea have been a source of concern, and the Government has operated a price subsidy scheme in 2000 and 2001, to compensate small growers of tea for the low price realization in the auctions.

Coffee

8.11 Coffee is mainly grown in two States - Karnataka and Kerala - which account for 82 per cent of country's coffee production. Robusta and Arabica are the two varieties accounting for 52 per cent and 48 per cent of the area respectively. Production of coffee in the country

TABLE 8.9 Production, Consumption and Export of Coffee (‘000 Tonnes)				
Year	Production	Export		Domestic Consumption
		Qty	Value (Million \$)	
1990-91	170	100	108	54
1996-97	205	181	452	55
1997-98	228	179	477	55
1998-99	265	212	431	50
1999-00	292	245	447	50
2000-01	301	247	333	55
2001-02	317*	120**	139**	-
* Post Blossom forecast				
** April-October, 2001.				

has grown over the years to reach over 301 thousand tonnes in 2000-01 from 170 thousand tonnes in the 1990-91, whereas domestic consumption has stagnated around 54 thousand tonnes in the 1990s. This has led to a steady growth in the export of coffee, which has increased to 247 thousand tonnes in 2000-01 from 100 thousand tonnes in 1990-91. The major buyers of Indian coffee are the Russian Federation and Western Europe. Domestic prices of coffee are currently higher than international prices. The recent fall in international coffee prices has adversely affected Indian coffee exporters, resulting in lower value

TABLE 8.8 Tea Production, Consumption and Trade (Qty : Million Kgs; Value : Rs Crore)						
Year	Production Qty	Exports		Imports		Domestic Consumption Qty
		Qty	Value	Qty	Value	
1995-96	761	167	1,244	0.5	2.4	567
1996-97	787	169	1,301	1.3	6.2	585
1997-98	836	211	2,003	2.6	17.8	602
1998-99	855	206	2,192	8.9	64.7	620
1999-00	835	192	1,933	10.4	68.5	638
2000-01	848	204	1,890	15.2	95.5	658
2000-01 (April-Nov)	733	144	1,349	9.7	60.3	—
2001-02 (Apr-Nov)	742	125	1,107	10.8	59.8	—

realization in 2000-01, despite an increase in quantity of coffee exported in the same year. Production, consumption, and export of coffee in recent years are given in Table 8.9.

Natural Rubber

8.12 Rubber is cultivated mainly in Kerala and the Kanyakumari district of Tamil Nadu and the total area under rubber cultivation is nearly 563,000 ha. About 97 per cent of the country's demand for natural rubber is met from domestic production. The consumption, production and yield of natural rubber during the last five years is given in Table 8.10. Export of natural rubber has been insignificant since international prices are often lower than the domestic prices.

8.13 The domestic prices of natural rubber, which continued to fall in 1999, experienced some improvement in 2000 and the annual average price ruled at Rs 3,125/quintal in 2000, slightly higher than Rs 2,997/quintal in 1999. The market intervention operations by State Trading Corporation, which started in September 1997 by procuring rubber on Government account, were discontinued in April

TABLE 8.10			
Natural Rubber-Consumption, Production and Yield			
Year	Consumption	Production	Yield
	(⁰⁰⁰ Tonnes)		(Kg/Ha)
1996-97	560	550	1503
1997-98	570	580	1549
1998-99	590	610	1563
1999-00	630	620	1576
2000-01	630	630	1576
2001-02*	640	650	1580
*Estimated			

2001. Government, under the provisions of the Rubber Act 1947, has fixed and notified on September 12, 2001 the minimum price of the two most commonly used varieties of natural rubber, viz., RSS 4 and RSS 5, at Rs 32.09/Kg and Rs 30.79/Kg respectively to enable the rubber growers get a reasonable price for their produce. In January, 2002 the RSS-4 price touched Rs 39.50 and the RSS-5 price was Rs 37.50 indicating some improvement in domestic prices.