

Plantation Crops

Coffee

21. India is the sixth largest producer of coffee in the world. Karnataka is the largest coffee producing state accounting for about 70 per cent of the total coffee output. In 1997-98, coffee output was 2.28 lakh tonnes. In 1998-99, output is likely to be 2.30 lakh tonnes (Table 8.8). Nearly three-fourth of coffee produced is exported. Coffee export trade was totally deregulated since 1996. Stagnation in domestic demand for coffee could possibly be because of its high price relative to tea.

Year	Production	Export	
		Quantity	Value (Rs. Crore)
1990-91	1.70	1.00	279
1991-92	1.80	1.11	349
1992-93	1.69	1.14	381
1993-94	2.08	1.37	587
1994-95	1.80	1.37	1096
1995-96	2.23	1.71	1527
1996-97	2.05	1.81	1467
1997-98	2.28	1.79	1708
1998-99*	2.30	1.42	1196

* Provisional (April-December, 1998)

Tea

22. India is the largest producer and consumer of tea in the World. Tea is mainly grown in Assam, West Bengal, Kerala, Karnataka and

Year	Production	Export	Domestic Consumption
1994	752.9	150.7	580
1995	753.9	167.9	595
1996	780.0	161.7	618
1997	810.6	203.0	640
1998	812.3*	188.4 [@]	NA

* Anticipated. @ January-November

Tamil Nadu. Annual production, consumption and export of tea during the last five years is listed in Table 8.9.

Despite higher production in 1997, tea prices rose sharply in 1997 due to higher export demand and failure of Kenya's tea crop. Retail price of loose medium variety of Teas rose from Rs. 80–Rs. 88 per kg. in October, 1996 to Rs. 110–Rs. 125 per kg. in October, 1998. However in 1998 tea prices remained steady and even declined marginally.

Natural Rubber

23. India ranks fourth in the world rubber production with an annual production of about 6 lakh tonnes. The country's 97 per cent of demand for natural rubber is met by indigenous production. Only a small proportion of demand (less than 3 per cent) is met through imports. Kerala produces more than 90 per cent of the natural rubber and accounts for over 85 per cent of the area under cultivation. Most rubber plantations are small and the average size of a holding is 0.5 hectare only.

24. As against production of 5.84 lakh tonnes and consumption of 5.74 lakh tonnes in 1997-98, the production and consumption during 1998-99 is estimated to be 6.24 lakh tonnes and 6.03 lakh tonnes respectively. The low growth in consumption and consequent accumulation of raw rubber stock led to depressed raw rubber prices in 1998-99. Annual production, consumption and productivity of natural rubber for the past few years is listed in Table 8.10. State Trading Corporation was asked to buy raw rubber as a temporary price support measure in 1998.

Year	Consumption	Production	Yield (Kgs/Hec.)
1991-92	3.80	3.67	1130
1992-93	4.14	3.93	1191
1993-94	4.50	4.35	1285
1994-95	4.86	4.75	1362
1995-96	5.25	5.07	1422
1996-97	5.62	5.49	1503
1997-98	5.74	5.84	1565
1998-99*	6.03	6.24	1615

* Estimated