

Coffee Export from India

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Abstract: In India coffee is traditionally grown in the Western Ghats spread over Karnataka, Kerala and Tamilnadu. Green (unroasted) coffee is one of the most trade agricultural commodities in the world. Accordingly, the markets for fair trade coffee and organic coffee are expanding. Over one hundred million citizens in developing countries have become dependent on coffee as their primary source of income. Coffee is predominantly an export oriented commodity and 60% to 65% of coffee industry earns a foreign exchange nearly Rs. 3500 Crore per year. The export of coffee is showing a constantly increasing trend right from its inception. The major factors responsible for reduction in production estimates of 2017-18, mainly in Karnataka state is attributed that though the crop season 2017-18 experienced good blossom showers with multiple blossoms but lack of sufficient backing showers especially for the initial blossoms, coupled with high temperatures resulted poor crop setting particularly in Robusta. The growers were unable to take up irrigations to top up the scanty showers especially for backing due to drying up of most of water resources. Further, the previous year 2016-17 was a drought year resulted in low soil moisture levels which led to improper development of berries resulted in low outturn.

Keywords: Coffee, Export and India.

INTRODUCTION

Coffee is a brew drink ready from roast coffee beans, which are the seeds of berries from the Coffee plant. Coffee plant life are now cultivated in over 70 countries, primarily in the equatorial regions of the Americas, Southeast Asia, India, and Africa. The two most usually grown are Arabica and Robusta. Coffee is slightly acidic and has a motivating effect in humans. While a growing amount of north and south trade represents globalization, the above development have made the talk of east west trade redundant. The traditional method of planting coffee is to place 20 seeds in each hole at the start of the rainy season. These methods lose about 50% of the seeds potential, as about half fail to sprout. The two main variety of coffee viz., Arabica and Robusta are grown in India. Coffee has become a fundamental cash crop for many developing countries. Over one hundred million populations in developing countries have become dependent on coffee as their primary source of income. All coffee plant life are classified in the large family Rubiaceae.

LITERATURE REVIEW

Balakrishnan and Chandran (2018) Coffee was an important commercial plantation crop and was one among the most traded commodities in the global market. In India coffee was a commercial crop and is grown by plantation method. Arabica and Robusta are the two types of coffee cultivated in commercial scale. In this paper an attempt is made to analyze the growth rate of planted area, production and productivity and export of coffee in India. This study is mainly based on a time series data has been collected for the years 1985-86 to 2016-16. For the analysis purpose, the study period is divided into two sub periods that is pre liberalization period from 1985-86 to 1990-90 and post liberalization period from 1991-92 to 2015-16. Trend analysis and the Compound Growth Rate are calculated to understand the changes during the pre and post liberalization periods.

Sunanda and Nagaraja (2014) Issues and problems of coffee growers assume greater importance due to its export potential as well as the livelihood dependency of large number of small growers (98% of holdings). In this paper an attempt has been made to analyze the problems of coffee growers in the state of Karnataka, with respect to selling and marketing, availability of credit, expenditure, cost of the fertilizers, storage problems, coffee exports, weather and rainfall etc. In order to study the aforesaid problems of coffee growers, data gathered from primary sources, i.e. with the help of questionnaire and by using simple statistical tools data were analyzed and from the present study it was found that the coffee growers in Karnataka are facing lot of problem in growing coffee and to sustain in the market, from the present study it was found that most of the coffee growers in Karnataka facing operational cost, 90% of respondents are facing high intensity of cost on coffee production, 90% of the respondents facing coffee selling and marketing problems, and majority of the respondents are facing yield of coffee, coffee storage problem. Hence it is the need of the hour for Government of Karnataka to support coffee growers to overcome the problems of coffee growers in the state of Karnataka. So that it will not only beneficial to coffee growers, it also beneficial social at large.

OBJECTIVES OF THE STUDY

This research work comprises of the following objectives

- ✓ To study the conceptual framework for the coffee export in India.
- ✓ To analyze the export performance of coffee to top five countries from India.
- ✓ To offer viable suggestions to improve India's export of Coffee to top five countries

RESEARCH METHODOLOGY

The study is analytical and empirical in nature. All the data has been collected from secondary sources. The secondary sources have been collected from books, published reports, journal articles and the internet. The secondary sources are planned to be collected from Agricultural Export Processed Development Authority (APEDA). The study period is considered between the years 2014-2018 Based on the secondary data has been statistical tools will have applied the Trend Analysis and Growth Rate.

LIMITATIONS OF THE STUDY

- ✓ The researcher can take only analyze the export of coffee to top five countries not over the entire world.
- ✓ In this study only based on the secondary data.

Export Performance of Coffee to Italy

Table – 1
Quantity in Mts; Value in Crore

Year	Quantity of Export	Trend quantity of Export	Value	GR%
2013-14	77741.90	70274.412	1103.46	--
2014-15	58877.62	72960.079	983.37	-10.88
2015-16	78553.78	75645.746	1132.58	15.17
2016-17	84890.07	78331.413	1185.53	4.67
2017-18	78164.01	81017.08	1113.19	-6.10
2018-19 (Projected)		83702.747		
2019-20 (Projected)		86388.414		
2020-21 (Projected)		89074.081		

(Source: Apeda, 2018)

Discussion

Table-1 shows that quantities of coffee export to country Italy between years 2014-2018. It is observed that the values were high (81017.08) in the year 2017-2018 and it is during 2014 the export of coffee to Italy is low (70274.412) compared to every subsequent including projected years. According the trend analysis made on there seems a better possibility of exporting more quantity of goods (89074.081) during the year 2021 which is projected to be higher the quantity of coffee exported during 2014.

The values of coffee exported have been increasing and exhibiting an increasing trend in forth coming years. The performance based on the secondary data indicates lowest values (983.37) during the year 2014-15 and highest (1185.53) during 2017-18.

The growth rates were usually up and down between the years 2014-2018. In the year 2015 growth rate values were low (-10.88 percent) and it highest (15.17) during the period of 2015-2016. As per the analysis, the growth rate will increase (15.17) during 2015-2016 and thereafter, the growth rates are declining along the projected years (4.67 & -6.10).

Interpretation

India's export performance of coffee with respect to Italy till 2018 is indicating positive performance in terms of quantity and it is expected to increase. The increasing and decreasing value on both quantity and value denotes the quality and quantity of demand imposed by Italy country towards Indian coffee products, thereby according to forecast values India can adopt push production and export strategy with respect to Italy.

Export Performance of Coffee to Germany

Table – 2
Quantity in Mts; Value in Crore

Year	Quantity of Export	Trend quantity of Export	Value	GR%
2013-14	31573.02	26902.794	484.58	--
2014-15	25369.26	28955.871	486.12	0.31
2015-16	26883.89	31008.948	461.11	-5.14
2016-17	33391.07	33062.025	541.28	17.38
2017-18	37827.50	35115.102	605.05	11.78
2018-19 (Projected)		37168.179		
2019-20 (Projected)		39221.256		
2020-21 (Projected)		41274.333		

(Source: Apeda, 2018)

Discussion

Table-2 shows that quantities of coffee export to country Germany between years 2014-2018. It is observed that the values were high (35115.102) in the year 2017-2018 and it is during 2014 the export of coffee to Germany is low (26902.794) compared to every future including projected years. According the trend analysis made on there seems a better possibility of exporting more quantity of goods (41274.333) during the year 2021 which is projected to be higher the quantity of coffee exported during 2014.

The values of coffee exported have been increasing and exhibiting an increasing trend in forth coming years. The performance based on the secondary data indicates lowest values (461.11) during the year 2015-16 and highest (605.05) during 2017-18.

The growth rates were usually up and down between the years 2014-2018. In the year 2015 growth rate values were low (-5.14 percent) and it highest (17.38) during the period of 2016-2017. As per the analysis, the growth rate will increase (17.38) during 2016-2017 and thereafter, the growth rates are declining along the projected years (11.78).

Interpretation

India's export performance of coffee with respect to Germany till 2018 is indicating positive performance in terms of quantity and it is expected to increase. The increasing and decreasing value on both quantity and value denotes the quality and quantity of demand imposed by Germany country towards Indian coffee products, thereby according to forecast values India can adopt push production and export strategy with respect to Germany.

Export Performance of Coffee to Russia

Table – 3
Quantity in Mts; Value in Crore

Year	Quantity of Export	Trend quantity of Export	Value	GR%
2013-14	6259.31	-25691.442	223.65	--
2014-15	9113.91	-7535.642	352.51	57.62
2015-16	11331.32	10620.158	425.44	20.69
2016-17	13004.17	28775.958	478.68	12.51
2017-18	13392.08	46931.758	442.42	-7.57
2018-19 (Projected)		65087.558		
2019-20 (Projected)		83243.358		
2020-21 (Projected)		101399.158		

(Source: Apeda, 2018)

Discussion

Table-3 shows that quantities of coffee export to country Russia between years 2014-2018. It is observed that the values were high (46931.758) in the year 2017-2018 and it is during 2014 the export of coffee to Russia is low (-25691.442) compared to every future including projected years. According the trend analysis made on there seems a better possibility of exporting more quantity of goods (101399.158) during the year 2021 which is projected to be higher the quantity of coffee exported during 2014.

The values of coffee exported have been increasing and exhibiting an increasing trend in forth coming years. The performance based on the secondary data indicates lowest values (223.65) during the year 2013-14 and highest (478.68) during 2016-17.

The growth rates were usually up and down between the years 2014-2018. In the year 2018 growth rate values were low (-7.57 percent) and it highest (57.62) during the period of 2014-2015. As per the analysis, the growth rate will increase (57.62) during 2014-2015 and thereafter, the growth rates are declining along the projected years(20.69).

Interpretation

India's export performance of coffee with respect to Russia till 2018 is indicating positive performance in terms of quantity and it is expected to increase. The increasing and decreasing value on both quantity and value denotes the quality and quantity of demand imposed by Russia country towards Indian coffee products, thereby according to forecast values India can adopt push production and export strategy with respect to Russia.

Export Performance of Coffee to Belgium

Table – 4
Quantity in Mts; Value in Crore

Year	Quantity of Export	Trend quantity of Export	Value	GR%
2013-14	18418.27	15396.638	314.01	--
2014-15	12194.60	16130.968	254.39	-18.99
2015-16	15739.76	16865.298	284.57	11.86
2016-17	20293.28	17599.628	374.17	31.49
2017-18	18040.58	18333.958	360.59	-3.63
2018-19 (Projected)		19068.288		
2019-20 (Projected)		19802.618		
2020-21 (Projected)		20536.948		

(Source: Apeda, 2018)

Table-4 shows that quantities of coffee export to country Belgium between years 2014-2018. It is observed that the values were high (18333.958) in the year 2017-2018 and it is during 2014 the export of coffee to Belgium is low (15396.638) compared to every future including projected years. According the trend analysis made on there seems a better possibility of exporting more quantity of goods (20536.948) during the year 2021 which is projected to be higher the quantity of coffee exported during 2014.

The values of coffee exported have been increasing and exhibiting an increasing trend in forth coming years. The performance based on the secondary data indicates lowest values (254.39) during the year 2014-15 and highest (374.17) during 2016-17.

The growth rates were usually up and down between the years 2014-2018. In the year 2015 growth rate values were low (-18.99 percent) and it highest (31.49) during the period of 2016-2017. As per the analysis, the growth rate will decrease (-3.63) during 2017-2018 and thereafter, the growth rates are declining along the projected years.

Interpretation

India's export performance of coffee with respect to Belgium till 2018 is indicating positive performance in terms of quantity and it is expected to increase. The increasing and decreasing value on both quantity and value denotes the quality and quantity of demand imposed by Belgium country towards Indian coffee products, thereby according to forecast values India can adopt push production and export strategy with respect to Belgium.

Export Performance of Coffee to USA

Table – 5
Quantity in Mts; Value in Crore

Year	Quantity of Export	Trend quantity of Export	Value	GR%
2013-14	3778.66	3351.988	175.86	--
2014-15	3826.19	3840.924	152.94	-13.03
2015-16	3572.98	4329.86	187.93	22.88
2016-17	4670.07	4818.796	246.71	31.28
2017-18	5801.40	5307.732	315.27	27.79
2018-19 (Projected)		5796.668		
2019-20 (Projected)		6285.604		
2020-21 (Projected)		6774.54		

(Source: Apeda, 2018)

Table-5 shows that quantities of coffee export to country USA between years 2014-2018. It is observed that the values were high (5307.732) in the year 2017-2018 and it is during 2014 the export of coffee to USA is low (3351.988) compared to every future including projected years. According the trend analysis made on there seems a better possibility of exporting more quantity of goods (6774.54) during the year 2021 which is projected to be higher the quantity of coffee exported during 2014.

The values of coffee exported have been increasing and exhibiting an increasing trend in forth coming years. The performance based on the secondary data indicates lowest values (152.94) during the year 2014-15 and highest (315.27) during 2017-18.

The growth rates were usually up and down between the years 2014-2018. In the year 2015 growth rate values were low (-13.03 percent) and it highest (31.28) during the period of 2016-2017. As per the analysis, the growth rate will decrease (27.79) during 2017-2018 and thereafter, the growth rates are declining along the projected years.

Interpretation

India's export performance of coffee with respect to USA till 2018 is indicating positive performance in terms of quantity and it is expected to increase. The increasing and decreasing value on both quantity and value denotes the quality and quantity of demand imposed by USA country towards Indian coffee products, thereby according to forecast values India can adopt push production and export strategy with respect to USA.

CONCLUSION

From the research study, it is clear that the export performance of coffee of India is found to be good and it can be improved by adding value to the coffee beans at the origin. Coffee is one of the popular drinks in the world. Coffee consumption in India steadily increased, export earning earned by trading coffee is satisfactory at the present and it is predicted to be better in future. In here, India has been highly export of coffee to Italy from top five countries. If government takes initiative in supporting the coffee producers, the market will find a better prospect.

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