GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

UNSTARRED QUESTION NO:1397 ANSWERED ON:16.07.2004 COFFEE PRICE Karunakaran Shri P.

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

- (a) whether there has been decline in price of coffee since 2000 in whole sale market;
- (b) if so, details in the retail price of this commodity during this period; and
- (c) the steps taken to prevent cartels and price fixers controlling action?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN)

- (a) Yes, Sir. The prices in the whole sale market for green coffee had been on the decline from the late 1990s. However, they have improved slightly over the past few months.
- (b) Since the year 2000, the average retail prices of coffee seeds (Rs./kg of clean coffee seeds of Arabica Plantation and Robusta Cherry AB) in the domestic market at Bangalore have been as under.

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Year/Month Arabica Robusta

2000 91 48
2001 66 35
2002 66 35
2003 65 40
January 2004 63 39
February 2004 63 38
March 2004 69 41
April 2004 74 42
May 2004 74 42
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(c): In India, coffee is an export oriented commodity and its prices are largely influenced by the New York Exchange for Arabicas and London Exchange for Robustas. The coffee prices are determined by the market forces of demand and supply.