

Cultivate More Coffee; Create Demand: Govt.

By: DHNS

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"With the Indian economy poised to grow by over 8 per cent in the next few years, there is opportunity for the coffee industry to increase footprints in the domestic market", Planning Commission Deputy Chairman Montek Singh Ahluwalia said.

Addressing the India International Coffee Festival here, Ahluwalia said that rising income level of the Indian people will ensure 500 million citizens in 20 years who will have enough disposable income to spend on products like coffee.

India needs to increase its coffee production by 5 per cent annually to meet export commitments as well as rising domestic demand for the brew. "We need to increase our output by 5 per cent every year to keep up with our overseas commitments and to meet the rising domestic consumption, which is growing at 6 per cent per annum," Coffee Board Chairman Jawaid Akhtar said.

To save coffee growers in India from the vagaries of price fluctuation, the government, on Wednesday, called for increase in acreage of coffee cultivation as also its domestic demand. Speaking at the India International Coffee Festival, Commerce Minister Anand Sharma also appealed to the global players to invest in coffee production in India, which has tremendous potential.

"It is important to build on this domestic demand to insulate coffee prices from the global prices volatility. We also need to increase roasting capacity in the country and more and more global players should invest in this area which has tremendous scope," Sharma said. Both industry and the board should look for new areas for propagating coffee.

Over 90 per cent of coffee production takes place in developing countries while consumption happens mainly in the industrialised economies. Worldwide 25 million small producers are dependent on coffee for their livelihood. The government had announced a debt relief package of Rs 435 crore covering 1.3 lakh small coffee growers.