



C O N T E N T S

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2012-13 – A PERSPECTIVE

I have pleasure in placing the 73rd Annual Report of the Coffee Board for the year 2012-13.

Coffee prices both at global and domestic levels have shown mixed trends. During the year 2012-13, the prices in the International market touched 191.45 C/lb for Arabica and 107.06 C/lb for Robusta. The average price for Arabica was 169.30 C/lb and 103.47 C/lb for Robusta. This shows a decrease of 33.8% for Arabica and 3.3 % for Robusta compared to the previous year. Similar trend was also recorded in the domestic market and the Arabica prices peaked to Rs.218/kg with an average price of Rs.192/kg and the Robusta peaked to Rs.163/kg with an average price of Rs.145/kg. The decrease compared to last year was 29% in case of Arabica and a 28 % increase in case of Robusta.

During 2012-13, permits were issued for exports of 3,04,666 MT. Against the total export permits issued the confirmed shipments provisionally accounted for 2,98,040 MT valued at US\$ 851.73 million and Rs.4532.51 Crores with a unit value of Rs.1,52,442 per MT exported to 104 countries as against 109 during the last year.

As far as coffee production is concerned, there was an increase of 6.40% in the global production which grew from 135.9 million bags in 2011-12 to 144.6 million bags in 2012-13. India's production was 3,18,200 MT consisting of 98,600 MT of Arabica and 2,19,600 MT of Robusta. The overall production of the country improved by 1.34%. Arabica production declined marginally by 1.62% whereas Robusta increased by 2.01%.

The blossom and crop setting for 2012-13 season was good as a result of adequate blossom and backing rains received in most parts of the coffee growing tracts during March-April 2012. The weather conditions and the rainfall during the South-West and North East monsoon periods were favourable for crop development.

The incidence of white stem borer, which is a major pest on Arabica and coffee berry borer, were generally low to medium and kept within check with the Board's advisories and the Mission Mode Action Programme on white stem borer. Among the diseases, the incidence of coffee leaf rust, a major disease on Arabica was low to medium level.

From the grower's point of view, during the year various support and relief measures extended by the Government of India have helped the growers to recover from their financial difficulties with the scarcity of labour remaining a cause for concern.

For the sustenance of coffee plantations, improvement of production, productivity, quality of coffee, the Board in the first year of the XII Plan continued to implement the XI plan schemes which provide support for replanting, water augmentation for improving productivity and quality up-gradation to augment price realization. Schemes, like, Interest subsidy for working capital loans, subsidy for Rainfall Insurance by small growers were also implemented. Schemes like support for consolidation, expansion were implemented in Non Traditional Area and NE Region.

In order to address the issue of scarcity of labour and encourage coffee growers to adopt use of machinery in farm operations, the Govt of India approved the scheme "Support for Mechanization of Farm Operations". The scheme was continued during the period under report with encouraging results.

The advent of the café culture continued to support the improvement in domestic consumption. The survey for estimation of consumption has been initiated. For the future of the industry the domestic coffee consumption requires to continue moving at an ever increasing pace. This would work as a shield to the growers



against the volatility of the international coffee market. The increase in domestic consumption would be felt by a sanguine coffee industry. The ripples of which would be felt by the industry with sizeable employment opportunities, encouraging entrepreneurship and general improvement in the value chain. To achieve this the Board continued to promote domestic consumption which included extending support for roasting, grinding and packaging segment by providing subsidy to prospective entrepreneurs, self help groups and growers' collectives.

At the exports front, to increase earnings and support value addition, Board continues to extend support for the export of value added and high value coffees to far off markets which will in turn expand market reach while reinforcing the Country's presence as an important exporter of high quality, high value coffees in the international coffee community.

International Market Outlook 2012-13:

The Arabica coffee prices have shown a decline compared to the previous year 2011-12 whereas Robusta have shown a more upbeat and steady trend in 2012-13.

In the financial year viz. 2012-13 (April-March), the average ICO composite indicator price was at 144.61 Cents/lb, which showed a decrease of about 28% compared to 202.16 Cents/lb during 2011-12.

The New York Futures (Arabica) average price decreased by 33% during 2012-13 and was 163.57 Cents/lb compared to 244.26 Cents/lb during 2011-12. The London Futures (Robusta) price during the 2012-13 was 93.22 Cents/lb, which showed an decrease of about 4.14% as against 97.25 Cents/lb in 2011-12.

The average ICO composite indicator price for the calendar year 2012 which was 156.34 Cents/lb, decreased by over 26% compared to 210.39 Cents/lb in the previous year (2011). The New York futures (Arabica) average price of 179.22 Cents/lb decreased by 30% compared to 256.35 Cents/lb in 2011 where as London futures (Robusta) average price at 91.86 Cents/lb in 2012 also declined by 9.25% compared to the average price of 101.22 Cents/lb in 2011.

In the domestic market, the ICTA average auction price during 2012 for Arabica main grade (Plantation A) was at Rs.211/kg and recorded a decrease of about 22% compared to Rs.273/kg in 2011, whereas, the price of Robusta main grade (Cherry AB) at Rs.141/kg in 2012 showed an increase of over 26% compared to Rs.112/kg in 2011

A comparative statement showing the rise and fall of coffee prices in the international and domestic markets during the past few years are furnished below;





Table -1

ICO composite indicator prices (coffee year averages) and averages of 2nd and 3rd position of New York and London Futures Markets

US Cents / lb

Financial Year (April/March)	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13
ICO Comp. Indicator	91.13	97.30	114.15	117.96	120.14	169.09	202.16	144.61
New York Futures (Arabica)	109.79	113.26	127.19	128.90	133.30	195.32	244.26	163.57
London Futures (Robusta)	51.28	63.60	87.07	88.83	64.54	82.82	97.25	93.22

Table -2

ICO composite indicator prices (calendar year averages) and averages of 2nd and 3rd position of New York and London Futures Markets

US Cents / lb

Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012	2013*
ICO Comp. Indicator	89.37	95.75	106.88	124.23	115.67	147.24	210.39	156.34	132.75
New York Futures (Arabica)	111.50	112.43	121.91	136.46	128.18	165.20	256.35	179.22	146.86
London Futures (Robusta)	46.79	59.75	78.55	96.76	67.61	71.97	101.22	91.86	93.53

* As on 31.03.2013

Table-3

Auction Prices – Average prices secured in ICTA (Bangalore)

Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012	2013*
Plant. A	104.34	109.84	112.70	131.26	175.32	186.36	272.42	211.18	164.03
Rob.Chy.AB	53.68	63.02	75.78	96.86	81.16	79.58	111.78	140.62	139.49

*Jan to March, 2013



Global Supply and Demand Balance:

The global production of 144.6 million bags in 2012-13 compared to 135.9 million bags of 2011-12 shows an increase of 6.40% in production. Global consumption in 2012-13 was at 142.0 million bags as compared to 138.9 million bags in 2011-12.

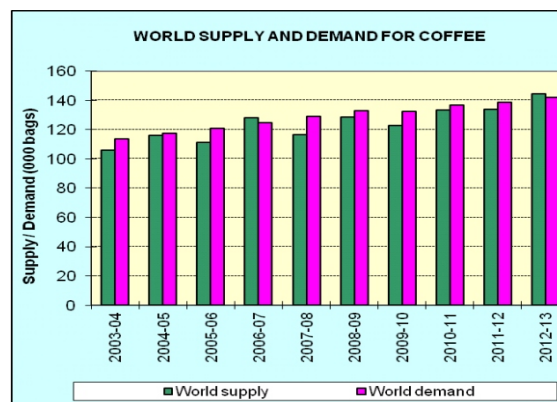


Table-4

Global Production/Consumption (In Million bags)

Calendar Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Production*	109.883	127.028	116.614	128.622	122.798	133.498	135.934	144.646
Consumption**	120.795	124.755	129.302	132.965	132.270	137.025	138.971	142.000

Source: * National crop years (as revised by ICO recently)

** Calendar year (ICO CMR July 2013)

India – Production and Exports:

Coffee production in 2012-13 is placed at 3,18,200 tonnes which is 1.34% higher than the previous year's (2011-12) production of 3,14,000 tonnes. In 2012-13 India exported 2,98,040 MT of coffee (including 49,904 MT of re-export). The quantity comprised 58,397 metric tonnes of Arabica, 1,51,008 metric tonnes of Robusta and 88,635 metric tonnes of instant and R&G exported to 104 countries. Italy, Germany,

Russian Federation, Belgium and Spain were the top five importing countries. The export earning during 2012-13, in terms of US \$ at 851.73 million as against US\$ 997.98 million during the previous year. In terms of Indian Rupees, it was equivalent to Rs.4532.51 Crores as against Rs.4662.78 Crores during 2011-12. The unit value of export earnings at Rs.1,52,077 per MT was highest and surpassed all previous years records.

Table-5 Export of specialty and Value added coffee (Qty in MT) (Rs./Kg.)

Calendar Year	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Specialty coffee	9096	9476	10688	10363	10002	14897	13623	12627
Value added coffee*	52394	60550	64993	49004	65300	73140	84836	88635
Total	61490	70026	75681	59367	75302	88037	98459	101262

(* Includes soluble / roast + ground in green coffee equivalent)



Coffee Debt Relief Package-2010:

In the 2nd Phase, the Govt. of India sanctioned and released additional funds of Rs.58.00 Crores under CDRP-2010 for settling the pending / supplementary claims received from the Banks. Out of which Rs.52.45 Crores of Govt. share has been reimbursed towards settlement of pending/ supplementary claims benefiting 15,258 small coffee growers by the end of March, 2013. The total amount reimbursed so far is Rs.293.45 Crores benefitting 1,35,283 small coffee growers.

Flavour of India Fine Cup Awards:

FLAVOUR OF INDIA – FINE CUP AWARDS 2013:

The Coffee Board of India is organizing Flavour of India – The Fine Cup Award Cupping Competition every year with an objective of promoting production of fine quality coffees. This has led to the showcasing of the finest coffees from India in the International markets. The coffee samples are analyzed for physical/visual quality based on the colour, smell, size and defects found in the beans. The samples are also evaluated for cup quality by an experienced panel of Coffee Cup Tasters representing Coffee Board as well as Indian Coffee industry to select the best coffees to be qualified for the final round of cupping. The outstanding coffees from among the selected coffees at National level are chosen for the Fine Cup Award by the International Jury consisting of eminent Cup Tasters from different countries.

Flavor of India-Fine Cup Award:

➤ 2012:

Out of 219 samples, 39 samples comprising of 16 Arabica; 6 of Specialty Arabica; 11 of Robusta and 6 of Specialty Robusta were selected for the final round of Cupping by the International Jury. The final cupping session of Flavour of India-The Fine Cup Award-Cupping Competition 2012 was organized on 3rd May 2012 at Melbourne prior to the Melbourne International Coffee Expo, Melbourne, Australia scheduled from 4th to 6th May 2012. The International jury selected the winners out of 39 samples which had reached the finals.

➤ 2013:

The last date for the receipt of coffee samples for Flavour of India – The Fine Cup Award – Cupping Competition-2013 was 1st March 2013 for both Arabica and Robusta. A total number of 221 coffee samples comprising 72 Samples of Arabica, 42 Samples of Robusta, 65 of Specialty Arabica and 42 of Specialty Robusta were received for the competition. Out of 221 samples, 40 samples comprising 20 of Arabica; 6 of Specialty Arabica; 8 of Robusta and 6 of Specialty Robusta will be sent to the final round of Cupping to be held in Nice, France prior to the Annual Conference & Exhibition of SCAE scheduled from 26th to 28th June 2013 at Nice, France. The International Jury will select the Best Coffees under different categories out of 40 samples for the year 2013.

29.08. 2013
Bangalore.

JAWAID AKHTAR
Chairman, Coffee Board,



CHAPTER – I

EXECUTIVE SUMMARY

PRODUCTION:

- ✦ The final crop estimates for 2012-13 crop season was placed at 3,18,200 metric tonnes comprising of 98,600 metric tonnes of Arabica (31% of total) and 2,19,600 metric tonnes of Robusta (69% of total).
- ✦ Karnataka contributed 2,30,225 metric tonnes (72.35%) followed by Kerala with 64,200 metric tonnes (20.15%) and Tamil Nadu with 17,370 metric tonnes (5.40%). The Non Traditional Areas comprising Andhra Pradesh & Odisha and North Eastern Region made up the remaining 6,720 metric tonnes (2.10%).
- ✦ During the year, the overall farm productivity was 846 Kg/ha. The production was increased by 4,200 MT compared to the previous year's production of 3,14,000 MT.
- ✦ The productivity in respect of traditional areas for the year 2012-13 works out to 951 Kg/ha comprising 717 Kgs/Ha. and 1,102 Kgs/ha of Arabica and Robusta respectively.
- ✦ The total planted area of coffee during the year 2012-13 was around 4.15 lakh hectares, of which the total bearing area was around 3.76 lakh hectares.
- ✦ There are around 2,90,918 coffee holdings in the country, consisting of 1,64,479 holdings in Traditional areas, 1,18,428 holdings in Andhra Pradesh & Odisha (NTAs) and the remaining 8,011 holdings in NER. The small holdings having less than 10 hectares each were around 2,88,260 which accounted for about 99% of the total holdings.

EXPORTS:

- ✦ A total quantity of 2,98,040 metric tonnes of coffee (including 49,905 MT of re-exports) was exported during 2012-13. The quantities, comprising 58,397 metric tonnes of Arabica, 1,51,008 metric tonnes of Robusta and 88,635 metric tonnes of instant and R&G coffee were exported to 104 countries. Italy, Germany, Russian Federation, Belgium and Spain were the top five importing countries.
- ✦ The export earnings during 2012-13, in terms of US \$ at 851.73 million as against US \$ 997.98 million during the previous year. In terms of Indian Rupee, it was Rs. 4,532.51 Crores as against Rs.4,662.78 Crores during the previous year.
- ✦ In terms of unit value, the composite value of all types of coffee exported during 2012-13 was Rs.1,52,077.00 per metric tonne compared to Rs.1,39,629.00 per metric tonne during 2011-12 an increase of 9.15% over the unit value of previous year.
- ✦ The total number of exporters registered with Coffee Board as on 31st March 2013 stood at 457, which includes 62 new registrations during the year 2012-2013 as against 395 as on 31st March 2012.
- ✦ A total of 9,993 Export Permits and ICO Certificate of Origin were issued to 139 registered exporters of coffee during the year as against 10,389 Permits issued during 2011-12. Out of 9,993 permits, as many as 8,749 permits were issued against the applications filed online.

RESEARCH:

- ✦ Crosses were effected on Chandragiri variety using Kawisari and Cavimor as



- donor parents for enhancing the durability of resistance to leaf rust in Chandragiri variety.
- ✦ Reciprocal crossing was done between selected plants of Cavimor and S.3827 (Sln.10) for introgression of rust resistance genes of diploid origin into semi dwarf phenotype.
 - ✦ F₁ hybrid seed of inter-varietal crosses between (Sln.7.3 x Sln.6 x S.3822) x Sln.10, made with an objective of pyramiding of various rust resistance genes, was recovered and progenies were raised for field planting.
 - ✦ F₁ hybrids between HDT x Catuai and HDT x Sln.10 established in the field were evaluated for juvenile vigour. The progeny, S.5055 (Sln.10 1/6 x HDT 1/1) was found superior.
 - ✦ Monitoring of F₃, F₄ and F₅ progenies of Chandragiri revealed that the variety continued to manifest high field tolerance to leaf rust coupled with consistent yields and superior bean quality traits. However, mild rust incidence was noticed in base populations of F₄ and F₅, indicating that the rust pathogen was trying to adapt on this variety by mutating into new virulent gene combinations.
 - ✦ The F₁ Hybrid progenies developed from inter-varietal crosses of certain tall Arabicas like HDT, S.2464, Sln.5A, Cioccie and Agaro were studied for vegetative and yield component characters. The progeny, S. 4897 (S.2464 x HDT) was found superior in terms of high fertility status, clean coffee yield (1817 kg/ha) and field tolerance to rust.
 - ✦ Selfed progenies of fifteen different semi-dwarf genotypes were monitored for field tolerance to leaf rust. Among them the Sarchimor line (S.4940) showed high field tolerance to rust with 17.34% of the population showing very low incidence of leaf rust and maximum clean coffee yield of 1643 kg/ha.
 - ✦ Under the germplasm characterization and evaluation programme, the world collections of Arabica established at CRSS, Chettalli were evaluated for field incidence of leaf rust and white stem borer, yield, fruit and bean parameters. A monograph on character profiles and important agronomic traits was prepared.
 - ✦ Field performance of F₂ progeny of the cross, S.4422 x HDT was evaluated at CRSS, Chettalli and elite plants with high yield (5kg & above) and high percentage of 'A' grade beans (>80%) were selfed for raising F₃ progenies.
 - ✦ The performance of the elite plants in Sln.5B x Sln.9 progeny was monitored at RCRS, Thandigudi. The progeny recorded consistent yield with three year's average of 1385.7 kg/ha and exhibited good leaf rust tolerance.
 - ✦ The selfed progeny of Cavimor 'A' type plants recorded an average yield of 1281.7kg/ha (seven years) at RCRS, Thandigudi.
 - ✦ Bulk trial plots of the promising line, S.4595 established at RCRS, R.V. Nagar and TEC, Minumuluru were monitored. The progenies were found to be uniform and exhibited vigorous growth and were free from coffee leaf rust.
 - ✦ A trial was laid out with clonal progenies of S.880, S.1932, S.3399, DR-5 and two station released Robusta selections viz., S.274 and CxR (collected from Perikkallur area of Pulpally zone) to evaluate their potential to tolerate drought conditions.
 - ✦ Screening of SRAP primers was continued and out of 375 primer combinations tested, 22 were found to be polymorphic. Further, 350 SRAP primer combinations were



- tested for their efficacy in detecting polymorphism in two robusta coffee samples. 25 new SRAPs were screened on two arabica genotypes for polymorphism.
- ✦ SCAR assays with BA 12412K and SAT 244 markers linked to S_H3 gene for rust resistance were used for marker assisted selection of plants homozygous to S_H3 and used in breeding and also for tracking plants homozygous to S_H3 in F₁ and F₂ hybrid progenies.
 - ✦ Under seed production and distribution programme, 8990 kg seeds comprising of 6978.5 kg arabica and 2011.5 kg robusta were supplied to the coffee growers in traditional areas. In non-traditional areas, 4411.25 kg of seed, consisting of 4410.75 kg arabica and 0.5 kg robusta produced at RCRS, R.V.Nagar and TEC, Minumulur and supplied to the ITDA and individual growers
 - ✦ A total of 21,165 rooted clones of C x R were supplied to growers from CCRI, CRSS, Chettalli and RCRS, Chundale. Further, 26,265 rooted clones were in the hardening stage for supply to the growers.
 - ✦ The ICO-CFC sponsored multi-country project on coffee leaf rust was concluded on 31st March 2013. The closing and dissemination workshop of the project was organized at Yercaud, Tamil Nadu on 19th & 20th March 2013.
 - ✦ Under the validation of SCAR markers for S_H3 genes, rust races I and VIII were inoculated for maintenance breeding on S.795. Homozygous plants of S.795 with S_H3 genes were established at CRSS, Chettalli farm by grafting and growth parameters and leaf rust incidence recorded.
 - ✦ Morphological and yield data were collected from tissue culture trial plots with S.2800, S.2794 and C x R genotypes established in the different agro-climatic locations.
 - ✦ Insecticidal crystal protein (ICP) produced by the bacterium *Bacillus thuringiensis* (Bt) was applied on twenty-three arabica plants on an estate in Kodagu to test the bio-efficacy.
 - ✦ The data on nutrient status from multi-location field trials on integrated nutrition management revealed that the status did not vary much among the treatments indicating the adequacy of supplied nutrients through inorganic sources alone or reduced doses of inorganic fertilizers integrated with organic manures and bio-fertilizers. But the microbial population was higher in treatments with bio-fertilizer and organic manure indicating improvement in soil biological properties.
 - ✦ Data from the field trial to study the “influence of different organic nutrient sources on soil physico-chemical properties, yield and quality of Arabica coffee” indicated that status of major and micronutrients did not vary significantly between treatments. But the yield data for the year clearly indicated a statistically significant yield improvement over control in treatment involving 50% of chemical fertilizer supplemented with 50% of vermicompost.
 - ✦ A total of 8096 soil, 64 leaf and 844 agrochemical samples received from growers of different regions were analysed and advisory rendered.
 - ✦ Field trials to study the impact of different organic manures on carbon sequestration in soils cropped to coffee were initiated in research farms of CCRI, CRSS Chettalli and RCRS Thandigudi.
 - ✦ Generation of data base on secondary and micronutrient status of coffee growing soils of Tamil Nadu to develop region specific



- nutrient management package was initiated. Magnesium and zinc were found to be the most limiting nutrients in the 169 soil samples collected from selected coffee growing zones of Tamil Nadu.
- ✦ Field experiments on planting designs and pruning methods revealed that among the different pruning treatments, Hedge row system on multiple stem without topping {(spacing - 6' x 3' for tall arabica and 5' x 3' for semi- dwarf arabica) + cyclic pruning after each harvest} recorded significantly higher clean coffee yield.
 - ✦ Three types of harvesting machines involving two types of battery operated coffee harvesters (imported & indigenous) and one petrol engine operated multipurpose harvester (imported) were evaluated for their efficiency in harvesting Robusta coffee fruits in comparison with manual harvesting (stripping). The total number of plants harvested and total fruits harvested per day were higher with petrol engine operated harvester followed by indigenously battery operated coffee harvester.
 - ✦ A study on collar pruning of grown up coffee plants indicated that the commercially available tree pruner could be used for collar pruning of the plants much more efficiently than by manual method.
 - ✦ Mechanical weeding using brush cutter was found to be highly efficient compared to manual slash weeding with respect to man days and total cost per unit area. The total man days utilized per acre in mechanical weeding was 2.97 while it was 7.01 in manual weeding.
 - ✦ The telescopic pole pruner was found to be 70% more efficient than manual method for shade lifting. The cost incurred per tree to lift the shade using pole pruner was Rs. 2.69 per tree as against Rs.3.89 by manual method.
 - ✦ To study the crop behavior with regard to weather parameters, yields were recorded on selected Robusta and Arabica varieties at three research stations. The incidence of pest and diseases were also recorded.
 - ✦ New trials were initiated to standardize suitable methods of composting locally available wastes under the agro-climatic conditions of traditional and non-traditional areas.
 - ✦ Assessment of enzymatic activity to detoxify hydrogen peroxide, an important function to protect plant cells from oxidative damage, revealed that whenever, peroxidase activity was high, the catalase activity was low and vice-versa. The total hydrogen peroxide detoxification was high in the arabica variety Chandragiri.
 - ✦ The double cross hybrids S.4932 (BBTC X Sarchimor) and S.4933 (Sarchimor X BBTC) and their parents S.4202 (Sarchimor) and S.4754 (BBTC) were assessed for physiological and biochemical parameters during pre-monsoon period. The hybrid S. 4933 was found to be physiologically more efficient.
 - ✦ Spray of *Lantana camera* leaf extract + DMOS, a formulation developed at CCRI, increased the number of leaves (70.59 %), total nodes (102.49 %) and bearing nodes (25.97%), four months after treatment compared to water spray. Whereas foliar spray of Grow Best a proprietary formulation could increase leaves, total nodes and bearing nodes by 16.34%, 11.94 % and 4.24% respectively.
 - ✦ Identification of physiologically efficient genotypes at CRSS, Chettalli such as SIn.9, S.795, S. 4864 (a cross between tetraploid genotype of C x R and SIn.12) and one robusta C x R cultivar at different soil moisture regimes indicated increase in chlorophyll fractions and total chlorophyll



- content in all the cultivars at water stress condition.
- ✦ Assessment of premature fruit drop in different genotypes at CRSS, Chettalli indicated that the drop varied from 19.72% to 36.78% during monsoon period. The maximum pre-mature fruit drop of 36.78% was in S. 4857 followed by 36.45% in S.4864 and 35.63% in S.4862. A lowest of 19.72% was in S.795 followed by 22.51% in S.4860 and 22.62% in S.4859. The highest fruit drop was during June even though the rainfall was low during this period.
 - ✦ The foliar application of Mepiquat chloride (Chamatkar) at the dosage of 4 liters in 200 litres of water during August and September at monthly intervals, improved cropping nodes by 6.88%, number of flower buds per tertiary by 12.59% and number of berries per cropping node by 2.25% compared to control.
 - ✦ The study to monitor rust race flora of different coffee regions of Karnataka and Tamil Nadu was continued. Thirty five rust differentials and 24 'A' type plants in eight locations were periodically observed for rust initiation. In Kodagu region, three rare clones of rust differentials viz., 681/7, 829/1, and 1621/13 remained free at all the three locations even after eleven years, while all other differentials were found susceptible.
 - ✦ Of the twenty six rust samples differentiated during the period, common rust races viz. I, VIII, XII, XXIII, XXXVII, XLI and new rust races with virulent genes were isolated.
 - ✦ Fourteen designated rust races and fifteen new races differentiated earlier were maintained on Bourbon coffee seedlings.
 - ✦ Seven new hybrid F_2 progenies of twelve years age and eleven F_1 hybrids of seven years age were assessed for field incidence of leaf rust. Among the F_2 hybrids, rust incidence was low in two hybrids. Among the different hybrids of F_1 progeny, least disease incidence was recorded on S.4933 (1.93%) while the highest disease incidence was recorded in S.4901 (16.38%).
 - ✦ At CRSS, Chettalli, among the ten new hybrids observed, S.4864 was found to be free from rust incidence. In the remaining hybrids, the rust incidence varied from 0.33% in S.4862 to 16.96% in S.4864 (Sln.4 x S.4179).
 - ✦ Leaf rust incidence was recorded on seventy-six world collections in the coffee gene bank at CRSS, Chettalli to identify the rust resistant and tolerant cultivars. Rust incidence on different collections was in the range of 1 to 64%; none of the collections were totally resistant to leaf rust.
 - ✦ The study to develop spray schedules with contact and systemic fungicides against coffee leaf rust was continued on arabica cultivar S.795. The average rust incidence was least on plants receiving Bordeaux mixture during pre and post monsoon and spot spray of Contaf (hexaconazole) during mid-monsoon.
 - ✦ Comparison of efficacy of bio-control agents and botanicals for the management of coffee leaf rust with Bordeaux mixture spray indicated that leaf rust was least on Bordeaux mixture sprayed plants, followed by plants receiving *Bacillus brevis*, *Pseudomonas fluorescens*, *Enterobacter intermedius*, Neem kernel aqueous extract, and soap nut powder solution spray.
 - ✦ Combination spray of hexaconazole with foliar nutrients caused crinkling of the tender foliage and appearance of chlorotic spots, even on the older leaves, indicating phyto-toxicity.



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- ✦ To encourage the use of cross vane pheromone traps for the management of coffee white stem borer, 43473 traps with bait were supplied to coffee growers.
 - ✦ The third phase of the Mission Mode Action programme to educate the growers on the effective management of coffee white stem borer in the Arabica coffee growing tracts of South India was launched during September. Six teams were formed to work in the field for a period of one year. Five teams were located in the hot-spots of borer activity in Karnataka and one was placed in Tamil Nadu. A total of 162 educational programmes were conducted benefiting 3900 growers.
 - ✦ A DVD film in Kannada depicting live demonstration of all the available interventions to manage the coffee white stem borer effectively was prepared and distributed to the major Coffee Growers Associations, Research Stations and Extension Department. The film was translated in to Tamil language and released for use in Tamil Nadu.
 - ✦ Under the DBT project on: 'Development of Arabica coffee plants resistant to coffee white stem borer' was continued. 616 Bt strains / isolates were screened for virulence against the borer larvae by incorporating in the artificial diet. 11 isolates and 80 strains with activity against the borer larvae were identified.
 - ✦ Under the project: "Identification of female sex pheromone and its role in mating success and identification of kairomone responsible for host plant selection by the coffee white stem borer" implemented in collaboration with M/s. Pest Control (India) Ltd. Bangalore, bioassays like electro antennogram and wind tunnel olfactometer were carried out using leaf volatiles. In wind tunnel olfactometer experiments, female response to male pheromone was about 60%, whereas it showed 80% response to combination of leaf volatile with male pheromone.
 - ✦ A multi-institute collaborative research programme titled "Eco-friendly approaches for the management of coffee white stem borer" involving ICAR institutions viz., Indian Institute of Horticultural Research, National Bureau of Agriculturally Important Insects, National Research Centre for Banana and the Bio-control Research Laboratories of Pest Control India was initiated. Under the project trials were laid out with sealer-cum-healer from IIHR, entomopathogenic fungi formulations and nano pheromones from NBAIL.
 - ✦ To curtail the incidence of coffee berry borer 53735 traps with lure were supplied to growers in Karnataka, and Kerala. To replenish the lure material in the traps already supplied during the previous years, 3180 litres of lure was supplied.
 - ✦ On-farm production of the entomopathogenic fungus, *Beauveria bassiana*, a natural control agent of coffee berry borer was encouraged at the estate level by providing training and supplying mother culture, periodical visits and quality assessment. 318 kg rice culture and 16.7 litres of liquid culture were supplied.
 - ✦ For the bio-control of coffee mealy bug, the parasitoid *Leptomastix dactylopii* was reared and 47,350 parasitoids were supplied to growers of Wayanad, Nelliampathy and Kodagu areas.
 - ✦ Fifteen coffee samples comprising of one instant, one R&G coffee and thirteen green / monsooned coffee samples were tested for the occurrence of Ochratoxin-A contamination. The level of contamination was in the range of BDL-3.78ppb in all the coffee samples tested. It was 0.92ppb in Instant coffee and 0.30 in Roast and Ground sample.



- ✦ Twenty-seven coffee samples comprising of two instant coffee, eighteen green coffee, eight roast and ground coffee and three roast and ground coffee chicory samples received from traders were analyzed for different PFA parameters. The results indicated that all the samples were within the limits prescribed by PFA.
- ✦ A total of 98 moisture meters consisting of 57 Digital, 37 Sinar and four Kappa moisture meters received from curers / traders / exporters / Research were calibrated for accurate measurement of moisture level in green coffee samples and the report was sent to the concerned end users.
- ✦ Thirty eight green coffee samples received from Coffee Research Sub-Station Chettalli under ICO/CFC project were analyzed for caffeine content. The data revealed that the caffeine content among the samples tested ranged from 1.18 to 2.07%.
- ✦ Four one day training programmes were conducted on cupping, retailing and brewing good cup of coffee, attended by 179 persons.
- ✦ Coffee samples from new breeding lines were evaluated for quality characters. A total number of 56 samples received from plant breeding division were cupped at various degrees of roast and profiles were documented.
- ✦ Two quality awareness programmes were conducted for the benefit of final year students of Hotel Management at M.S. Ramaiah College, Bangalore and to the members of Coffee Growers Association at Wayanad, Kerala.
- ✦ Under the Flavour of India – The Fine Cup Award – Cupping Competition - 2012, out of 219 samples received, 39 samples were selected for the final round of Cupping by the International Jury. The final cupping session was organized on 3rd May 2012 at Melbourne prior to the Melbourne International Coffee Expo(MICE), Australia and declare the winners.

QUALITY EVALUATION CENTRE, BANGALORE

- ✦ 438 coffee samples comprising of 293 commercial samples from exporters, growers and traders and 145 research samples from research stations were evaluated for physical and organoleptic quality parameters.
- ✦ Five students of the “Post Graduate Diploma in Coffee Quality Management course, 2011-2012 batch, successfully completed the course. Seven students of the 2012-13 batch are currently under going training.
- ✦ Under the Kaapi Shastra training programme to create awareness on the latest technologies in coffee roasting, grinding and packaging and techniques for brewing good quality coffee, 4 programmes were conducted in which fifty people participated.
- ✦ For the Flavour of India – The Fine Cup Award – Cupping Competition-2013, 221 coffee samples were received, of which 40 samples were selected for the final round of Cupping to be held in Nice, France prior to Annual Conference and Exhibition of SCAE.
- ✦ 14 Roasting units were inspected and released subsidy under the scheme - Support for Coffee Processing Machinery.



EXTENSION AND DEVELOPMENT:

A. Traditional Areas:

- ✦ During the year 2012-13, about 23,277 estate visits were made by the Extension Personnel. They also conducted 5,738 field demonstrations on various coffee technologies and issued 2,404 advisory letters to the growers apart from conducting over 207 village level group meetings / seminars / workshops / Media campaigns to educate farmers on different aspects of coffee cultivation.
- ✦ 20 mass communication / contact programmes were conducted to educate the growers about the different aspects of coffee cultivation, integrated management of the pests / diseases, preparation of quality coffee, etc. and also to give wide publicity of the schemes of the Coffee Board. 1477 growers were covered under these programmes during 2012-13.
- ✦ 376 coffee stake holders participated in different Short term executive training programme and reach-out programmes conducted *in association with Indian Institute of Plantation Management, Bangalore.*
- ✦ An area of 3120 ha. was brought under replantation during the year. Subsidy was extended to 4153 units under water augmentation and 2973 units under quality up-gradation programme of Development Support scheme.
- ✦ Support was also extended to 5920 machineries benefiting 3,714 growers under the scheme Mechanisation of Farm operations.

B. Non Traditional Areas (Andhra Pradesh & Odisha) :

- ✦ During the year, Extension personnel in Andhra Pradesh and Odisha visited 4296 holdings, conducted 1136 field

demonstrations, conducted 347 group gatherings for the benefit of coffee growers of these states.

- ✦ A total of 1000 growers were trained under “One day On-Farm training” programmes at village level.
- ✦ A total of 795 growers benefitted from quality awareness campaigns which were conducted to educate the growers about on-farm processing, need for construction of pucca drying yard, preparation of washed coffee using pulpers, proper storage of coffee, etc., for preparation of quality coffee. 36 growers were taken on a study tour to traditional coffee growing areas.
- ✦ 50 tribal coffee growers of different zones of NTA Region participated in the reach-out programme on “Business model for Non Traditional Growers” conducted *in association with Indian Institute of Plantation Management, Bangalore.*
- ✦ An extent of 3403 Ha was brought under coffee cultivation with the support of ITDA. 519 pucca drying yards were constructed under support to quality up-gradation scheme.
- ✦ Under the Labour Welfare Scheme, assistance of Rs. 17.67 Lakhs was extended to 1037 students.

North Eastern Region:

- ✦ The Boards' Extension Personnel in North Eastern Region have visited 2,410 coffee holdings. 1211 field demonstrations, 326 group gatherings and 95 on-farm training programmes benefitting 2239 growers were conducted apart from issuing 660 advisory letters to educate the coffee growers on different aspects of coffee cultivation. 58 quality awareness campaigns were conducted benefitting 1204 growers.



- ✦ 25 tribal coffee growers of different zones of NE Region participated in the reach-out programme on “Business model for NER region Growers” conducted in association with Indian Institute of Plantation Management, Bangalore. 35 internal Study Tour programs and 2 external programs were organized benefitting 358 growers.
- ✦ Coffee expansion has been taken up in about 191 Ha and consolidation in about 129 Ha. Support was extended for 407 drying trays to the growers under Quality up gradation scheme.
- ✦ About 175 MT of coffee was processed at the Mini Coffee Curing Works at Bualpui, in Mizoram and at Coffee Processing Factory, Lokhra in Guwahati. The Board continued to extend financial support for collection, processing, transportation and disposal of coffee produced in this Region.
- ✦ Financial assistance of Rs.95,000.00 under Labour Welfare Scheme was extended to 54 students.

PROMOTION:

- ✦ As a part of external coffee promotion activities, Board participated in 17 Overseas Exhibitions / Buyer Seller Meets / special events with the active involvement of Indian Coffee Exporters Viz. USA, Australia, China, Austria, Japan, Germany, Moscow, Turkey, Ukraine, Italy, Korea, Dubai, Russia and Switzerland.
- ✦ The Board participated in 52 Internal Exhibitions in different locations of the Country which includes Chandigarh, Kolkata, Coimbatore, Mumbai, Trivandrum, Jaipur, Chennai, New Delhi, Bangalore, Cochin, Goa and Hyderabad .

MARKET RESEARCH & INTELLIGENCE:

- ✦ The daily market information on price, supply, demand and other fundamental / technical factors required for market analysis were collected, compiled and disseminated to the various segments of the industry and also to the Government by the Market Research & Intelligence Unit.
- ✦ Four issues of 'Data Base on Coffee' were published for the months of July 2012, November 2012, January 2013 & March 2013.
- ✦ Crop forecasting was carried out with final estimation of 2011-12 and the post blossom and post monsoon estimation of 2012-13.
- ✦ Rendered economic and analytical support on WTO and trade policy matters on coffee.
- ✦ The Unit co-coordinated the implementation of (1) Rainfall Insurance Scheme for Coffee growers (RISC), (2) Price Stabilization Fund Scheme of Government of India and (3) Personal Accident Insurance Scheme.
- ✦ Under RISC, during 2012-13, a total of 1163 coffee growers subscribed the Post monsoon policy with an area coverage of 1078 ha. During February 2013, a total of 949 coffee growers took the policy with an area coverage of 810 ha.
- ✦ The unit coordinated the Market study on “Transaction Costs of Indian Coffee Exports” carried out by IIPM, Bangalore and study on “Coffee Consumption Trends & Business opportunities” carried out by M/s. Datamation Consultants Pvt Ltd, New Delhi.
- ✦ The unit coordinated Export activities, Maintenance of Board’s Website and Support for Domestic coffee promotion – Media plans.



ADMINISTRATION:

- ✦ In the year 2012-13, Two Board Meetings, one meeting each of the Executive Committee, Propaganda Committees, Marketing Committee, Research Committee, Development Committees and Quality Committee were convened. Among the non-statutory committees, two meetings of Audit Committee were also convened.
- ✦ The staff strength of the Board as on 31.03.2013 was 946 employees comprising of 88 Group 'A' officers, 207 Group 'B' Officers and 651 Group 'C' officials.
- ✦ A sum of Rs.1,84,12,000.00 was sanctioned under Labour Welfare Measures during 2012-13 towards Educational Stipends; Incentive Awards and Financial Assistance for the benefit of the children of labourers employed in coffee plantations and coffee curing establishments situated in the coffee growing areas. The total number of beneficiaries was 8,972.
- ✦ A sum of Rs. 90,000.00 was granted to the employees towards Personal Computer Advance during the year. The Board also granted Conveyance Purchase Advance to the tune of Rs. 30,000.00 during the period.
- ✦ The Engineering Division of the Board has taken up various infrastructure development and maintenance works with an expenditure of Rs. 2.55 crores.

VIGILANCE & LEGAL:

- ✦ Vigilance Division concluded two cases by awarding penalty and fourteen cases are pending for disposal at the end of the year.
- ✦ Vigilance Awareness week was observed in the Board's offices across the Country from 29th October to 3rd November, 2012.

- ✦ 46 court cases were pending at the beginning of the year and 8 new cases were added. These 54 cases pertain to Marketing matters, Service Matters and other matters. 13 cases were disposed of during the year.

OTHER IMPORTANT EVENTS / ACTIVITIES :

- ✦ The Department Related Parliamentary Standing Committee on Commerce under the Chairmanship of Sri Shanta Kumar, Hon'ble MP of Rajya Sabha & former Chief Minister of Himachal Pradesh visited plantation areas of Karnataka and Kerala states during 6 - 12 June 2012 to study the performance of Tea and Coffee industries.
- ✦ Coffee Board recruited 73 officials under direct recruitment during the year.

OFFICIAL LANGUAGE IMPLEMENTATION:

- ✦ The Official Language Wing discharged its duties in accordance with the Official Language Act, rules and as per the directions issued by the Department of Official Language, Ministry of Home Affairs, Government of India.
- ✦ The Compliance of Section 3(3) of the Official Language Act 1963 was ensured and all the reports sent to the Government were prepared in bilingual form. The Annual Report and Annual Accounts pertaining to Coffee Board were published and submitted in Hindi & English.
- ✦ The special incentive scheme in vogue in the Board was continued, wherein an employee is eligible to get an amount of Rs.2,000.00 per year for writing 5000 words in Hindi in routine office files. Ten officials were awarded for doing original work in Hindi.
- ✦ Regular Hindi workshops were conducted and 45 officials enhanced their knowledge by attending the same.
- ✦ 5 Multi Task staff from Head Office were



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- nominated for various courses of Hindi Teaching Scheme.
- ✦ Unicode software package was installed in 116 computers at CCRI and Head Office and activated in computers to enable the officials to work in Hindi.
 - ✦ Periodic inspections were conducted in various sections in Head Office and Sub-Offices of the Board to check the usage and progress of Hindi in regular office matters and reports were sent to the respective section / office to enable them to correct themselves in areas where they are lagging.
 - ✦ To commemorate the 50th year of Indian Independence, a Rolling shield was instituted. A Hindi Speech competition is organized every year for all the Central Government Offices under the auspices of Town Official Language Implementation Committee, Bangalore. This year also, the competition was organized on 10th August 2012. Air Force Station, Jalahalli bagged the Rolling Shield.3
- ✦ Hindi Day was celebrated on 14.9.2012 and various competitions were held during the Hindi fortnight preceding the Hindi Day and the successful participants were awarded prizes on Hindi Day.
 - ✦ Hindi workshop and Hindi Day was organized in Central Coffee Research Institute, Chikmagalur.
 - ✦ Regular participation was ensured in the meetings of Hindi Salahkar Samiti of the Department of Commerce and Town Official Language Implementation Committee, Bangalore.

RIGHT TO INFORMATION

- ✦ Under the Right to Information Act-2005, the Board received 91 applications from the Citizens of India seeking information / documents during the year 2012-13 Including the carryforward of 10 applications from the previous year, there were 101 applications for disposal. 93 applications have been disposed-off during the year leaving behind 8 applications pending. 12 appeals were received during the year, of which 10 appeals were disposed leaving behind 02 applications.

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CHAPTER – II

CONSTITUTION AND FUNCTIONS OF THE BOARD

Coffee Board is a statutory organization under the control of Ministry of Commerce & Industry,, Govt. of India constituted under the Coffee Act 1942, an Act enacted by the Parliament.

The Board comprises of 33 members, including Chairman who is the Chief Executive and 32 Members including Members of the Parliament, Members representing various interests of Coffee Industry appointed by the Government of India.

The present Board is reconstituted for a period of three years from 05-11-2009 to 04-11-2012.

MEMBERS OF COFFEE BOARD DURING THE YEAR 2012-13 [01.04.2012 TO 04.11.2012]

Shri Jawaid Akhtar, IAS is the Chairman of the Board and also Ex-officio Chairman of the various Committees of the Board during the period under report.

The details of members representing various interests in the Board during the period from 1.4.2012 to 04.11.2012 are given below :

List of Members of the Board from 01.04.2012 to 04.11.2012

Sl. No.	Category	Appointed under Coffee Rules, 1955	No. of Members	Name
1	Members of Parliament (Lok Sabha)	Rule 3 (1)	2	Shri. Nalin Kumar Kateel (from 28th September 2012)
	Members of Parliament (Rajya Sabha)	Rule 3 (1)	1	Shri P. T. Thomas Shri Oscar Fernandes
2	Representing Governments of principal coffee growing States	Rule 3 (2) (a)	4	Dr. A. Vidyasagar, IAS, Principal Secretary (Tribal Welfare), Social Welfare Department, Govt.of Andhra Pradesh, Hyderabad. Smt. Vandita Sharma IAS., (upto 27.08.2012) Shri M.K. Shankarlinge Gowda, IAS., (From 28.08.2012) Secretary to the Govt. of Karnataka, Department of Horticulture Govt. of Karnataka, Bangalore.



Sl. No.	Category	Appointed under Coffee Rules, 1955	No. of Members	Name S/s.
				<p>Shri V. Somasundaran, IAS., Additional Chief Secretary, Industries & Commerce Dept. Govt. of Kerala Thiruvananthapuram.</p> <p>Shri Sandeep Saxena, IAS., Agricultural Production Commissioner & Secretary to Govt., Tamil Nadu, Chennai.</p>
3	Representing Large Coffee Growers	Rule 3 (2) (b)	3	<p>Shri Anil Kumar Bhandari Shri Ajoy Thipaiah, Shri A. Nanda Belliappa</p>
4	Representing Small Coffee Growers	Rule 3 (2) (b)	7	<p>Shri D. M. Vijay, Smt. A. Thara Aiyamma Smt. Chandramathy Ganesh Shri H.N. Devaraj Shri J. Ganesh Shri Jabir Asghar (One vacancy from 26.12.2011 due to the demise of a Member)</p>
5	Representing Coffee Trade Interests	Rule 3 (2) (c)	3	<p>Shri H.B. Balraj Smt. Asha Shashidhar Dr. Pradeep Kenjige</p>
6	Representing Coffee Curing Establishments	Rule 3 (2) (c)	2	<p>Shri P.F. Saldanha Shri Faiz Moosakutty</p>
7	Representing Labour Interests	Rule 3 (2) (c)	4	<p>Shri V.R. Jaganathan Prof. K.P. Thomas Shri N.M. Adyanthaya (One vacancy from 18.11.2010 due to the demise of a Member)</p>



Sl. No.	Category	Appointed under Coffee Rules, 1955	No. of Members	Name S/s.
8	Representing Coffee growing states other than principal coffee growing states	Rule 3 (2) (c)	2	Shri T. Ramachandru, IAS., Commissioner Cum-Secretary, Industries Department, Govt., of Orissa, Bhubaneswar Ms. L.H. Thangi Mannen, (from 21.09.2011) Commissioner Cum- Secretary, Industries & Commerce Department, Govt. of Nagaland, Kohima.
9	Representing Consumer Interests	Rule 3 (2) (c)	2	Smt. Radhika Yathiraj Shri Alpha Rajan
10	Representing Instant Coffee Manufacturers	Rule 3 (2) (c)	1	Shri C. Rajendra Prasad
11	Eminent personality in the field of Research/ Marketing / Management/ Promotion.	Rule 3 (2) (c)	1	Dr. H.P. Singh, DDG, ICAR, New Delhi.

FUNCTIONS OF THE BOARD :

The main functions assigned to the Board are:-

- ◆ Promotion of Agricultural and Technological Research in the interest of the Coffee Industry.
- ◆ Assistance to Coffee Estates for their development.
- ◆ Promotion of the sale and consumption in India and elsewhere of the coffee produced in India.
- ◆ Securing better working conditions and the provision and improvement of amenities and incentives for workers.
- ◆ Management of the other operations as per the provisions of the Coffee Act.

Apart from that, the Board is also gathering statistical and other relevant data concerning the Industry and disseminating the information to various segments of the industry; acts as the recognized spokesperson on behalf of the coffee industry to the Government, media, trade and general public and providing guidance for the overall growth and development of the coffee industry in the country.

The Coffee Board also represents the Indian coffee industry in the International forum viz. International Coffee Organization, International Science Organizations, Specialty Coffee Associations and work with them for the benefit of coffee industry.



STATUTORY COMMITTEES:

The Board functions through Six Statutory Committees which are appointed for one year term each and the functions of each Committee as per the Coffee Act are:

Sl. No.	Name of the Committee	Functions
1.	Executive Committee	Deals with functions specifically assigned to it under the Coffee Rules. In addition to that deals with matters not specifically assigned to the Propaganda, Marketing, Research, or any other committees constituted by the Board.
2.	Propaganda Committee	Deals with matters relating to promotion of sale and increasing the consumption in India and elsewhere of coffee produced in India.
3.	Marketing Committee	Deals with coffee marketing scheme as set forth in the Act and Rules.
4.	Research Committee	Deals with promotion of agricultural and technological research in the interest of the coffee industry in India.
5.	Development Committee	Deals with the measures that may be undertaken for the development of coffee estates.
6.	Quality Committee	Deals with all issues relating to the improvement in the quality of coffee produced in India.

NON-STATUTORY COMMITTEE:

The Board also had one non-statutory committee viz., Audit Committee as detailed below:-

Sl. No.	Name of the Committee	Functions
1.	Audit Committee	Deals with the matters relating to Annual Accounts and also study the status of Audit Report on the accounts

Details of the Meetings of the Board, Statutory Committees and Non-Statutory Committee held during the period from 01-04-2012 to 31-03-2013

Sl. No.	Name of the Committee	Date of Meetings
1	Board Meetings	196th meeting on 16.07.2012; 197th meeting on 17.10.2012
2	Executive Committee	178th meeting on 16.07.2012
3	Propaganda Committee	162nd meeting on 16.07.2012
4	Marketing Committee	305th meeting on 16.07.2012
5	Research Committee	156th meeting on 04.06.2012
6	Development Committee	91st meeting on 16.07.2012
7	Quality Committee	95th meeting on 16.07.2012
8	Audit Committee	22nd meeting on 25.06.2012; 23rd meeting on 17.10.2012



CHAPTER – III

ADMINISTRATION AND ESTABLISHMENT

The Coffee Board is a statutory body constituted under the Coffee Act, 1942 (Act of 1942) having perpetual succession and common seal, with powers to acquire and hold property and to contract and to sue and to be sued.

CHAIRMAN

1. Sri Jawaid Akhtar, IAS, Chairman of the Board

HEAD OF THE DEPARTMENTS

During the period under report, the following Heads of Departments continued to hold the posts shown against their names.

1. Sri M Chandrasekar, ITS - Secretary
2. Smt Roop Rashi, IA & AS – Director of Finance (up to 02.09.2012)
Dr. Aarti Dewan Gupta, IDAS - Director of Finance (from 22.10.2012)
3. Dr. Jayarama – Director of Research

The responsibilities assigned to different departments and the wings are as under.

1. SECRETARIAT DEPARTMENT :

The Secretariat Department is responsible for handling all administrative (staff and office establishment) and vigilance matters, allocation of work among various Divisions / Units of the Board and for monitoring compliance for furnishing information under the Right to Information Act, 2005. The department also deals with convening of meetings of the Board and Statutory Committees apart from monitoring the scheme on Labour Welfare Measures.

The 6 units attached to the Secretariat Department are:

- i) Administration Unit
- ii) Official Language Unit
- iii) Vigilance Unit
- iv) Legal Unit
- v) Engineering Unit and
- vi) RTI Unit.

2. RESEARCH DEPARTMENT :

The Research Department is responsible to carry out research activities on various aspects viz., plant breeding, crop management, plant protection comprising of disease and pest management, post harvest practices of on-farm processing, pollution abatement etc. The Research Department also renders various advisory services to the planting community besides conducting various training programmes for the benefits of different stakeholders. Analytical Laboratory and Quality Division are the other units of Research Department providing quality evaluation support to the industry.

3. EXTENSION & DEVELOPMENT DEPARTMENT:

The Extension Department of the Board is responsible for establishing linkage between the Research fraternity and the coffee growers for continued transfer of technology with the objective of achieving higher productivity and quality levels of coffee. The department also extends development support to coffee growers



on various activities related to coffee cultivation, production and quality improvement.

4. MARKET & PROMOTION DEPARTMENT:

The Export Unit of the department is responsible for registration of exporters, renewal of registration, issue of export permits, ICO certificate of origin for export of coffee from India, furnishing of periodical reports to the Ministry and ICO on coffee exported from India besides extending incentive support for export of high value coffee to far off markets and to enhance export of value added coffee as Indian Brand and export awards in recognition of the best performance in coffee exports. The external promotion was through participation in International Conferences, Events, participation in deliberations of the International Coffee Organization and Brand Promotion activities.

The promotional activity under domestic promotion was carried out through participation in domestic events, media campaign and providing training to prospective entrepreneurs on setting up of Coffee Roasting, Grinding and Packaging Units. This training complimented the scheme for setting up of processing unit.

The Market Research & Intelligence unit continued its market information and intelligence activities as a part of Board's role as facilitator to the industry in respect of coffee exports. It provides inputs on crop condition, crop estimates and market data / information, monitoring of the exports and useful trade related data pertaining to the industry on a daily basis.

5. ACCOUNTS & FINANCE DEPARTMENT:

The Accounts and Finance Department of the Board is responsible for allocation / administration of funds of the Board, maintenance of Accounts and all matters relating to managing finances of the Board. The Internal Audit Party (IAP) of the Board is a part of the Department for internal check of finance and accounts of the Head Office and sub offices to ensure better efficiency in functioning of the office

and maintenance of records. In this regard, Consultants are appointed at Head Office.

SECRETARIAT DEPARTMENT

ADMINISTRATION UNIT :

(a) Direct Recruitment :

During the year, 73 Officers were recruited under direct recruitment as mentioned below :

◆ Subject Matter Specialists	5
◆ Asst. Specialist	1
◆ Research Asst. Grade-I	13
◆ Extension Inspectors.	54

(b) Promotions:

During the year, 60 Officers / Official were promoted in the cadre of

◆ Joint Director (Extension)	1
◆ Dy. Director (Extension)	5
◆ Sr. Liaison Officer.	4
◆ Subject Matter Specialist	2
◆ Asst. Specialist.	5
◆ Jr. Liaison Officer.	32
◆ Driver Grade I	30
◆ Driver Grade II	7
◆ Driver Ordinary Grade.	3



(c) Modified Assured Career Progression Scheme (MACPS):

- ♦ 83 personnel were granted financial upgradation under the Modified Assured Career Progression Scheme [MACPS] during the year.

(d) Modified Flexible Complementing Scheme (MFCS):

- ♦ Two Scientists were granted In-situ promotion under the Modified Flexible Complementing Scheme (MFCS) during the year.

- (e) Transfers:** 108 Officers / Officials were transferred during the general transfer which were effected based on guidelines on this subject and the same is detailed below:

Group	No. of Officers / officials transferred
'A'	16
'B'	25
'C'	67

(f) Employees Welfare Measures

(i) Conveyance Purchase Advance:

One employee was sanctioned a sum of Rs. 30,000.00 towards Conveyance Purchase Advance.

(ii) Personal Computer Advance:

Three employees were sanctioned a sum of Rs.90,000.00 towards Personal Computer Advance.

(iii) Group Savings Linked Insurance Scheme:

The Board has a tie up with the Life Insurance Corporation of India for operating the scheme called 'Group Savings Linked Insurance'. The scheme had 935 members on the roll comprising of different categories and an amount of Rs.15,08,168.00 was settled to 44 members during the year.

(g) Labour Welfare Measures :

- (i) Educational Stipends:** The stipends at the rate of Rs.1500.00 per student were granted to those students who have passed SSLC examination in the academic year 2011-12 and who have taken up higher studies after SSLC, viz. 1st year PUC, Polytechnic / Vocational Training during the academic year 2012-13.

- (ii) Incentive Award:** An Incentive Award of Rs.1,500.00 were granted to one girl student and Rs.1,000.00 to one boy student in each division who have scored highest marks in the SSLC examination in the academic year 2011-12 and continuing further studies.

- (iii) Financial Assistance:** In order to extend Financial Assistance to Graduate students other than Professional courses, the scheme was modified from 2009-10. The details of Financial Assistance are as detailed below:-

Sl. No.	Description of courses	Amount per student, per annum for entire duration of the courses
1.	Professional courses such as Medicine, Engineering, Agriculture, Pharmacy, B.Sc & M.Sc Nursing and ANM course	Rs. 5,000/-
2.	Graduation	Rs. 2,500/-

The Board granted Rs. 1,84,12,000.00 during the year 2012-13 under Labour Welfare Measures to 8,972 beneficiaries.



(h) Staff Strength of Coffee Board as on 31.03.2013

The details of Group-wise Staff Strength, number of Scheduled Caste & Scheduled Tribe employees and Female staff strength of the Board as on 31.03.2013 is summarized below:

Sl. No.	Total		SC/ST				FEMALE	
	Group	No. of Employees	SC (No.)	ST (No.)	% to Total No.		Female No.	% to Total No.
					SC	ST		
1	A	88	16	6	18.18	6.82	11	12.50
2	B	207	38	8	18.36	3.86	29	14.01
3	C	651	120	39	18.43	5.99	136	20.89
	TOTAL	946	174	53	18.39	5.60	176	18.60

OFFICIAL LANGUAGE WING

The Official Language Wing continued to discharge its duties as per the norms laid down in the Official Languages Act 1963 and Official Languages Rules 1976 and adhered to the targets of the Annual programme 2012-2013 issued by the Department of Official Languages, Ministry of Home Affairs, Government of India.

- ♦ As stipulated all letters written to the Ministry and offices situated in 'A' and 'B' regions were in the bilingual form viz, Hindi and English. Further, all letters received in Hindi were replied in Hindi.
- ♦ The Compliance of Section 3(3) of the Official Language Act 1963 was ensured and all the reports sent to the Government were prepared in bilingual form. The Annual Report and Annual Accounts pertaining to Coffee Board were published and submitted in Hindi & English.
- ♦ The special incentive scheme is in vogue in the Board wherein an individual employee is eligible to get an amount of Rs. 2,000.00 per year for writing 5000 words in Hindi in routine office files etc. Ten officials participated and were awarded for doing original work in Hindi.
- ♦ Regular Hindi workshops were conducted and 45 officials enhanced their knowledge by attending the same.
- ♦ Five Multi Task staff from Head office were nominated for various courses of Hindi Teaching Scheme.
- ♦ Software packages were installed in the Sub offices and Unicode was activated in computers to enable the officials to work in Hindi.
- ♦ Periodic inspections were conducted in various sections in Head Office and sub offices of the Board to check the usage and progress of Hindi in regular office matter and reports were sent to the respective section/office to enable them to correct themselves in areas where they are lagging.
- ♦ To commemorate the 50th year of Indian Independence, a Rolling shield was instituted. A Hindi Speech competition is organized every year for all the Central Government Offices under the auspice of Town Official Language Implementation Committee, Bangalore. This year also the competition was organised on 10th August 2012. 28 participants from 15 offices participated in this and Air Force Station, Jalahalli bagged the Rolling Shield.



- ◆ Hindi Day was celebrated on 14th September 2012 and various competitions were held during the Hindi fortnight preceding the Hindi Day and the successful participants were awarded prizes on Hindi Day.
- ◆ Coffee Board was awarded 1st Prize for the year 2011-12 amongst the offices of the Department of Commerce situated in "C" region for excellent work in implementing the orders regarding official language Hindi. The trophy was awarded by the Honorable Minister of State for Commerce on the occasion of the meeting of Hindi Salahakar Samiti held during August 2012.
- ◆ Hindi workshop and Hindi Day was organized in Central Coffee Research Institute, Chikmagalur.
- ◆ Regular participation was ensured in the meetings of Hindi Salahakar Samiti of the Department of Commerce and Town Official Language Implementation Committee, Bangalore.
- ◆ Hindi Books worth Rs. 39,473.00 were purchased during the period under report.
- ◆ An amount of Rs. 39,15,990.00 was spent on advertisement on Coffee in Hindi which appeared in popular Hindi magazines and Journals.

VIGILANCE UNIT:

Vigilance unit is responsible for carrying out following functions:

- ◆ Receiving complaints and taking action thereof
- ◆ Verification of character and antecedents of persons recruited to the Board's service
- ◆ Preparation and submission of periodical returns to the Ministry of Commerce & Industry, Government of India and Central Vigilance Commission
- ◆ Issuance of Vigilance Clearance in respect

of officers/officials of Coffee Board for various purposes

- ◆ Issue of Vigilance Clearance to Exporters for registration as an Exporter of Coffee
- ◆ Processing of applications seeking permission for acquiring movable and immovable property of Officers / officials of the Board and scrutinizing of immovable property returns filed by the Group 'A' & 'B' officers
- ◆ Surprise vigilance check of sub offices /various Sections at Head Office,
- ◆ Processing of files relating to disciplinary proceedings

Sl. No.	Particulars	No.
(i)	Pending cases at the time of commencement of year i.e., as on 01.04.2012	10
(ii)	New cases added during the year	04
(iii)	Cases referred to Government	02
(iv)	No. of cases concluded during the year	02
(v)	No. of cases pending for disposal as on 31.03.2013	14

Constant vigil was exercised on the working of different offices/sections, surprise inspections were conducted at various sections in Head Office and Sub Offices during the year. As an outcome, disciplinary proceedings were initiated in 2 cases. Further enquiry based on complaints received is in progress in respect of 11 cases.

The Vigilance Awareness week was observed in the Board's offices across the country from 29th October 2012 to 3rd November 2012.



LEGAL UNIT:

The Legal Cell is responsible for carrying out the following functions:

- ◆ Attending to all the Board's Legal matters pertaining to Marketing / Staff/Sales/Purchase/Service Tax and Labour etc.,
- ◆ Attending litigations pending before various courts viz., Supreme Court and Lower Courts, High Courts Labour Courts, Sales Tax Appellate Forum etc of respective states.
- ◆ Co-coordinating and assisting the Board's advocates with relevant records to enable the advocates in preparing the complaints/counter and for arguments.
- ◆ Attending to correspondences connected with Tax(both Sales Tax and Service Tax),service matters, Amendments to Coffee Act and correspondences with the Ministry of Commerce on legal issues.
- ◆ Attending to the work connected with filing of periodical returns under VAT, Service Tax, Profession tax, etc., and pay the tax due wherever payable.
- ◆ Furnishing of opinion referring to various rules, on matters referred by the various sections, viz., Export, Pension, Engineering, Service Records, etc.

Status of Court Cases:

46 court cases were pending at the beginning of the year and 8 new cases were added. These 54 cases pertain to Marketing related matters - 16, Service Matters - 20, CDRP - 4, SLP - 9 (service matters - 6 & other matters - 3), Other matters - 5. 13 cases were disposed-off during the year.

Special Achievements

The recovery suit OS No. 6087/90 filed by the Board against M/S Kothari Oil Products was decreed vide order dated 4.6.2011 in favour of

the Board. The Exporter challenged the order by filing RFA before the High Court of Karnataka. When the matter was pending, on the advice of the Hon'ble High Court, the Board and the Exporter filed a Joint Memo. In accordance with the Joint Memo, the Board received Rs.28,14,404.00 on 11.12.2012 from the Exporter towards full and final settlement.

Status of Purchase Tax/Sales Tax Disputes:

Government of Tamil Nadu: The Board availed the Samadhan Scheme for settlement of arrears of tax/ penalty / interest and paid Rs.6.80 crores in full and final settlement against the demand of 12 crores and interest / penalty. The Board has taken up the matter with the concerned authorities of the Government of Tamil Nadu to obtain confirmation certificate on the waiver of remaining tax and interest dues after settling the reduced tax dues during the previous year by availing the Samadhan Scheme for the assessment years 1983/84, 1987/88 to 1996/97.

Government of Kerala: The High court of Kerala vide its order dated 29/8/2008 set aside the orders passed by the STAT confirming the levy of CST for the years 1984-85 to 1990-1991, 1994-95 to 1996-1997 and remanded the matter to the assessing officer to re-examine the issue in accordance with the law. Similarly, in respect of the Appeals for the year 1991-1992 to 1993-1994 and 2000-2001 under CST and for the year 1991/92 to 1993/94, 1996-97 and 1997/98 under KGST, the STAT vide its order dated 26/9/2012 remanded the matter to the assessing officer. The Assessing Officer issued notice dated 11/3/2013 for the year 1984-85 to 1990-91, 1994-95 to 1996-97 proposing to confirm the levy of CST. A detailed reply to the Notice is filed.



ENGINEERING UNIT :

Coffee Board owns Office / Residential buildings at various places spread across the country viz., Bangalore, New Delhi, Mysore, Chennai, Guwahati & Silchar (Assam), Chinthapalli, Arakuvalley (A.P) and also owns Residential flats at Bangalore, New Delhi & Hassan. Besides this, there are Research Stations and Residential quarters at Central Coffee Research Institute in Chikmagalur District; Coffee Research Sub Station at Chettalli (Near Madikeri) in Karnataka; Regional Coffee Research Station at Chundale in Kerala; Thandigudi in Tamil Nadu; R.V.Nagar in Andhra Pradesh and Diphu in Assam and Technology Evaluation Centres maintained by the Extension Department in the States of Karnataka, Tamil Nadu, Kerala, Andhra Pradesh, Odisha and North Eastern Region of India viz., Assam, Arunachal Pradesh, Tripura, Mizoram & Nagaland. India Coffee House at Bangalore and India Coffee Centre at Bhopal are also owned and maintained by the Coffee Board.

The Engineering Unit has taken up the maintenance works as well as construction of buildings under infrastructure development directly and some of the works through deposit contribution by liaisoning with the concerned Authorities.

During the year the Administrative/Exhibition centre building at Hasan with an estimated cost of Rs. 1,83,77,000.00 has been initiated and the same is nearing completion. The tenders for construction of training centre and guest building at CCRI have been floated and the same is under final stage of finalization. The work on construction of Four numbers of staff quarters at RCRS Thandigudi is awarded at a cost of Rs.54,76,695.00 and the work is under progress. Estimates for construction of centralized roasting and grinding unit at Dobbaspeth, Bangalore were approved and action was initiated to float tenders.

The expenditure details of the works carried out during the year 2012 - 13 are as under :

Sl. No.	Works carried out	Amount (in Rs,)
1	Total expenditure incurred towards the Capital and Outlay on Civil works / Electrical works, Deposit Contribution works taken up under Plan in the Financial year.	- 1,50,85,118.00
2	Total expenditure incurred for the minor Civil / Electrical/ Computers works and maintenance of buildings / assests	- 1,03,74,234.00
	Total	2,54,59,352.00

RIGHT TO INFORMATION

Under the Right to Information Act-2005, the Board received 91 applications from the Citizens of India seeking information / documents during the year 2012-13 Including the carryforward of 10 applications from the previous year, there were 101 applications for disposal. 93 applications

have been disposed-off during the year leaving behind 8 applications pending. 12 appeals were received during the year, of which 10 appeals were disposed leaving behind 02 applications.

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CHAPTER – III (A)

DETAILS OF STAFF WITH DISABILITY

Two persons with disability were recruited during the period under report. A total of 9 physically challenged officials are working in the Board and their details (cadre – wise) are as under :

Sl. No.	Cadre	Existing	Group	No. of Staff with Disability		Category-wise staff with disability		
				No.	% to Total	UR	SC	ST
1.	Divisional Head (Research Projects)	6	A	1	16.67	1	-	-
2.	Subject Matter Specialist	33	A	1	3.03	1	-	-
3.	Jr. Hindi Translator	4	B	1	25.00	1	-	-
4.	Extension Inspector	125	C	2	1.60	2	-	-
5.	Senior Clerk	103	C	3	2.91	3	-	-
6.	Multi Tasking Staff (MTS)	277	C	1	0.36	1	-	-
	TOTAL	548		9	1.64	9	-	-

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CHAPTER – IV

COFFEE RESEARCH

The Coffee Board Research Department has implemented a number of research studies under the scheme viz., “Research & Development for Sustainable Coffee Production, Productivity, and Quality” during the current year 2012-13.

The research projects were implemented through a network of research stations of the Central Coffee Research Institute (CCRI) located at Chettalli (Kodagu, Karnataka), Chundale (Wayanad, Kerala), Thandigudi (Pulneys, Tamil Nadu), R.V Nagar (Vizag Dist., Andhra Pradesh) and Diphu (Karbi Anglong Dist., Assam). Besides these, the research programmes were also implemented in two research divisions viz., Biotechnology Centre, Mysore and Quality Division, Bangalore.

Apart from the above, various research projects sponsored by external funding agencies like Department of Bio-Technology (DBT), New Delhi; the Ministry of Chemicals & Fertilizers (MoC&F), Govt. of India; the Common Fund for Commodities (CFC), Amsterdam were also implemented.

The salient research findings during the year 2012-13 under different research projects are as follows:

SCHEME: RESEARCH & DEVELOPMENT FOR SUSTAINABLE COFFEE PRODUCTION, PRODUCTIVITY AND QUALITY

Component 1: Development of technologies for sustainable coffee production, productivity and quality

Sub-component 1.1:

Evolving improved coffee varieties with resistance to major pests and diseases and drought

PLANT BREEDING AND GENETICS

Crosses were effected on Chandragiri using Kawisari and Cavimor as donor parents for enhancing the durability of resistance to leaf rust in Chandragiri variety.

Reciprocal crossing was done between selected plants of Cavimor and S.3827 (Sln.10) for introgression of rust resistance genes of diploid origin into semi dwarf phenotype.

The F1 hybrid progenies, developed by crosses between select plants of S.3827 (Sln.10), S. 3822 (Sarchimor), Colombian Catimor and S.4808 (Catuai x HDT), were planted in the field at CCRI.

F1 hybrid seed of inter-varietal crosses between (Sln.7.3 x Sln.6 x S.3822) x Sln.10, made with an objective of pyramiding of various rust resistance genes, was recovered and progenies were raised for field planting.

F1 hybrids between HDT x Catuai, HDT X Sln.10 established in the field were evaluated for juvenile vigour. The progeny, S.5055 (Sln.10 1/6 x HDT 1/1) was found superior.

Monitoring of F3, F4 and F5 progenies of Chandragiri revealed that the variety continued to manifest high field tolerance to leaf rust coupled with consistent yields and superior bean quality traits. However, mild rust incidence was noticed in base populations of F4 and F5, indicating that the rust pathogen was trying to adapt on this variety by mutating into new virulent gene combinations.

Seven F1 hybrid progenies of the crosses involving a Catimor collection from Blue Mountain estate, Chikmagalur and tall genotypes like S.1934, Sln.5B and Sln.9 were monitored for durability of resistance. The progeny S.4817



(Columbian Catimor x S.1934) recorded promising performance followed by S.4814 (Columbian Catimor x Sln.5B) with respect to rust resistance and bean quality traits. Elite plants were marked and selfed for raising F2 progenies for further selection.

The F1 Hybrid progenies developed from inter-varietal crosses of certain tall arabicas like HDT, S.2464, Sln.5A, Cioccie and Agaro were studied for vegetative and yield component characters. The progeny, S. 4897 (S.2464 x HDT) was found superior in terms of high fertility status, clean coffee yield (1817 kg/ha) and field tolerance to rust.

Among the hybrid progenies of Sln.5A and other tall arabicas like HDT and Sln.9, S.4936 (Sln.5A x Sln.8) recorded superior performance with respect to growth parameters, clean coffee yield (1671 kg/ha) and field tolerance to leaf rust. Twelve superior plants among different hybrid progenies possessing desired characteristics were selfed during the current season.

Among the F1 hybrid progenies between the semi-dwarf Catimor, Sarchimor and S.4180 lines under evaluation, the progeny S.4932 (BBTC Catimor x Sarchimor) recorded superior growth parameters and maximum projected yield of 1378 kg/ha. The reciprocal progeny, S.4933 (Sarchimor x BBTC Catimor) manifested maximum field tolerance to rust with 8.98% of population showing mild rust incidence.

Selfed progenies of fifteen different semi-dwarf genotypes were monitored for field tolerance to leaf rust. Among them the Sarchimor line (S.4940) showed high field tolerance to rust with 17.34% of the population showing very low incidence of leaf rust and maximum clean coffee yield of 1643 kg/ha.

Under the germplasm characterization and evaluation programme, the world collections of Arabica established at CRSS, Chettalli were evaluated for field incidence of leaf rust and white stem borer, yield, fruit and bean parameters. A

monograph on character profiles and important agronomic traits was prepared.

Twelve inter varietal F1 hybrid progenies of Arabica established at CRSS, Chettalli were evaluated for fruit yield, grade percentages and bean characteristics. Elite plants showing superior performance, with projected yields of 1540 to 2178 kg/ha, were marked in two promising progenies, S.4877 (S.795 x Sln.9), S.4861 (Sln.6 x S.795) and selfed for further selection and exploitation.

Field performance of F2 progeny of the cross, S.4422 x HDT was evaluated at CRSS, Chettalli and elite plants with high yield level (more than 5 kg fruits/ plant) and high % of 'A' grade beans (<80%) were selfed for raising F3 progenies.

The cup quality of clean coffee samples from the hybrid progenies viz., Cauvery x Sln.7.3, Sln.5B x Sln.9, Sln.5B x Sln.7.3 and Cavimor at RCRS, Thandigudi were analysed. Majority of the lines scored above average to good cup with a cup rating of 66 and above.

The performance of the elite plants in Sln.5B x Sln.9 progeny was monitored at RCRS, Thandigudi. The progeny recorded consistent yield with three year's average of 1385.7 kg/ha and exhibited good leaf rust tolerance.

The selfed progeny of Cavimor 'A' type plants recorded an average yield of 1281.7kg/ha (seven years) at RCRS, Thandigudi.

Field evaluation of F1 hybrid progenies of the crosses between Sln.5A and other tall Arabicas like Sln.4A and Sln.3.4 was continued at RCRS, R.V.Nagar. Elite plants were marked and selfed for raising the F2 progenies for further evaluation.

Bulk trial plots of the promising line, S.4595 established at RCRS, R.V.Nagar and TEC, Minumuluru were monitored. The progenies were found uniform and exhibited vigorous growth and were free from coffee leaf rust.



Towards development and evaluation of heterotic hybrids for yield and quality in Robusta, F1 progenies of the reciprocal crosses effected between elite Robustas with S.274 and C x R were established at RCRS, Chundale.

As part of the programme of breeding for drought tolerance in Robusta, hybrids were generated between the drought tolerant root types viz., S.1932 and S.3399 and station bred selections S.274 and CxR and F1 progenies were established at RCRS, Chundale.

A trial was laid out with clonal progenies of S.880, S.1932, S.3399, DR-5 and two station bred Robusta selections viz., S.274 and CxR (collected from Perikkallur area of Pulpally liaison zone) to evaluate their tolerance to drought conditions.

To evaluate dwarf Robusta types for various parameters of drought tolerance, single node cuttings from three types of segregants of CxR dwarf mutant viz., dwarf, intermediate and normal type were planted for screening root characteristics and water use efficiency.

Preliminary screening was done on S. 274 Robusta population to identify plants tolerant to Ambrosia fungus as a strategy for breeding for shot hole borer resistance.

For developing genetic indicators, the data on cross species amplification with 111 SSR primers was consolidated. Among the 111 primers tested, 73% primers were found working across coffee species of which 37% was polymorphic, 20% monomorphic and 16% worked only in some species. 27% of primers did not amplify.

Screening of Sequence Related Amplified Polymorphism (SRAP) primers was continued and out of 375 primer combinations tested, 22 were found to be polymorphic. Further, 350 SRAP primer combinations were tested for their efficacy in detecting polymorphism in two robusta coffee samples. 25 new SRAPs were screened on two arabica genotypes for polymorphism.

SCAR (Sequence Characterized Amplified Region) assays with BA 12412K and SAT 244 markers linked to SH3 gene for rust resistance were used for marker assisted selection of plants homozygous to SH3 and used in breeding and also for tracking plants homozygous to SH3 in F1 and F2 hybrid progenies.

Under seed production and distribution programme, 8990 kg seeds comprising of 6978.5 kg arabica and 2011.5 kg robusta were supplied to the coffee growers in traditional areas. In non-traditional areas, 4411.25 kg of seed, consisting of 4410.75 kg arabica and 0.5 kg robusta produced at RCRS, R.V.Nagar and TEC, Minumalur was supplied to ITDA and Individual growers.

4908 kg of Chandragiri seed was prepared and distributed from seed plots established at Research Farms and Technology Evaluation Centres to the coffee growers through Extension offices.

A total of 25,430 rooted clones of C x R were supplied to growers from CCRI, CRSS, Chettalli and RCRS, Chundale. Further, 22,000 rooted clones were in the hardening stage for supply to the growers.

Three wood gardens, with identified elite clones of CxR were planted at RCRS, Chundale; CRSS, Chettalli and TEC, Mananthavady for collecting orthotropic suckers for clonal propagation.

The ICO-CFC sponsored multi-country project on coffee leaf rust was concluded on 31st March 2013. The closing and dissemination workshop of the project was organized at Yercaud, Tamil Nadu on 19th & 20th March 2013.

DIVISION OF BIOTECHNOLOGY

Under the validation of SCAR markers for SH3 genes, rust races I and VIII were inoculated for maintenance breeding on S.795. Homozygous plants of S.795 with SH3 genes were established at CRSS, Chettalli farm by grafting and growth parameters and leaf rust incidence recorded.



Embryogenic cultures and somatic embryos were induced and multiplied from leaf tissues of SIn.9 and S.795 genotypes.

Morphological and yield data were collected from tissue culture trial plots with S.2800, S.2794 and C x R genotypes established in the different agro-climatic locations.

Insecticidal crystal protein (ICP) produced by the bacterium *Bacillus thuringiensis* (*Bt*) was applied on twenty-three arabica plants on an estate in Kodagu to test the bio-efficacy.

Sub-component 1.2:

Technologies for crop production through improved soil health and management practices

CROP MANAGEMENT

DIVISION OF AGRICULTURAL CHEMISTRY

The data on nutrient status of soils from multi-location field trials on integrated nutrition management revealed that the status did not vary much among the treatments indicating the adequacy of nutrients supplied either through inorganic sources alone or through reduced doses of inorganic fertilizers integrated with organic manures and bio-fertilizers. All the treatments like 100% recommended dose of fertilizer, 70% chemical fertilizer plus organics and 70% chemical fertilizer plus bio-fertilizer recorded higher yields but remained on par with each other. The microbial population was higher in treatments with bio-fertilizer and organic manure indicating improvement in soil biological properties.

Data from the field trial to study the “influence of different organic nutrient sources on soil physico-chemical properties, yield and quality of arabica coffee” indicated that status of major and micronutrients did not vary significantly between treatments. Reduction in chemical fertilizers by 50% and substitution with different forms of organics like farm yard manure, vermi-compost or coffee pulp compost did not affect the nutrient

availability to the plants. Application of various forms of organics was found to result in higher colony forming units of *Pseudomonas fluorescens*, Phosphorous solubilizing bacteria and *Azospirillum* compared to control which did not involve application of organics. The yield data for the year also clearly indicated a statistically significant yield improvement over control in treatment involving 50% of chemical fertilizer supplemented with 50% of vermi-compost.

A total of 8118 soil, 64 leaf and 844 agrochemical samples received from growers of different regions were analysed and advisory rendered.

Field trials to study the impact of different organic manures on carbon sequestration in soils cropped to coffee were initiated in research farms of CCRI, CRSS Chettalli and RCRS Thandigudi.

Generation of data base on secondary and micronutrient status of coffee growing soils of Tamil Nadu to develop region specific nutrient management package was initiated. Magnesium and zinc were found to be the most limiting nutrients in the 169 soil samples collected from selected coffee growing zones of Tamil Nadu

DIVISION OF AGRONOMY

Field experiments on planting designs and pruning methods revealed that among the different pruning treatments, Hedge row system on multiple stem without topping {(spacing - 6' x 3' for tall arabica and 5' x 3' for semi-dwarf arabica) + cyclic pruning after each harvest} recorded significantly higher clean coffee yield.

Three types of harvesting machines involving two types of battery operated coffee harvesters (imported and indigenous) and one petrol engine operated multipurpose harvester were evaluated for their efficiency in harvesting robusta coffee fruits in comparison with manual harvesting (stripping). The total number of plants harvested and total fruits harvested per day were higher with multipurpose harvester followed by indigenous battery operated harvester.



A study on collar pruning of grown up coffee plants indicated that the commercially available tree pruner could be used for collar pruning of the plants much more efficiently than by manual method.

Mechanical weeding using brush cutter was found to be highly efficient than manual slash weeding with respect to man days and total cost per unit area. The total man days utilized per acre in mechanical weeding was 2.97 while it was 7.01 in manual weeding.

The telescopic pole pruner was found to be 70% more efficient than manual method for shade lifting. The cost incurred per tree to lift the shade using pole pruner was Rs. 2.69 per tree as against Rs.3.89 by manual method.

To study the crop behavior with regard to weather parameters, yields were recorded in selected Arabica and Robusta varieties at three research stations. The incidence of pest and diseases were also recorded.

New trials were initiated to standardize suitable methods of composting locally available wastes under the agro-climatic conditions of traditional and non traditional areas.

DIVISION OF PLANT PHYSIOLOGY

Assessment of enzymatic activity to detoxify hydrogen peroxide, an important function to protect plant cells from oxidative damage, revealed that whenever, peroxidase activity was high the catalase activity was low and vice-versa. The total hydrogen peroxide detoxification was high in the Arabica variety Chandragiri.

The double cross hybrids S.4932 (BBTC X Sarchimor) and S.4933 (Sarchimor X BBTC) and their parents S.4202 (Sarchimor) and S.4754 (BBTC) were assessed for physiological and biochemical parameters during pre-monsoon period. The hybrid S. 4933 was found to be physiologically more efficient.

Spray of Lantana camera leaf extract + DMS), a formulation developed at CCRI increased the number of leaves (70.59 %), total nodes (102.49

%) and bearing nodes (25.97 %), four months after treatment compared to water spray. Whereas foliar spray of 'Grow Best' a proprietary formulation could increase leaves, total nodes and bearing nodes by 16.34 %, 11.94 % and 4.24 % respectively.

Studies on fruit set in arabica at CRSS, Chettalli indicated that it was the highest in arabica variety Chandragiri followed by S.795 and Sln.9. In robusta coffee the fruit set ranged from 53.57% in S.274 to 54.26% in CxR.

Observation on berry growth and development in arabica and robusta coffee at CRSS, Chettalli indicated lesser fresh weight up to first fortnight of August compared to last year due to low rainfall.

Trials on identification of physiologically efficient genotypes at CRSS, Chettalli among Sln.9, S.795, S. 4864 (a cross between tetraploid genotype of C x R and Sln.12) and one robusta C x R cultivar at different soil moisture regimes indicated increase in chlorophyll fractions and total chlorophyll content in all the cultivars during water stress condition.

Assessment of premature fruit drop in different genotypes at CRSS, Chettalli indicated that the drop varied from 19.72% to 36.78% during monsoon period. The maximum pre-mature fruit drop of 36.78% was in S. 4857 followed by 36.45% in S.4864 and 35.63% in S.4862. A lowest of 19.72% was in S.795 followed by 22.51% in S.4860 and 22.62% in S.4859. The highest fruit drop was during June even though the rainfall was low during this period.

The foliar application of Mepiquat chloride (Chamatkar) at the dosage of 4 liters in 200 litres of water during August and September, at monthly intervals, improved cropping nodes by 6.88%, number of flower buds per tertiary by 12.59% and number of berries per cropping node by 2.25% compared to control. ,



Sub-component 1.3:

Development of eco-friendly measures for management of pests and diseases of coffee

DIVISION OF PLANT PATHOLOGY

The study to monitor rust race flora of different coffee regions of Karnataka and Tamil Nadu was continued. Thirty five rust differentials and 24 'A' type plants in eight locations were periodically observed for rust initiation. In Kodagu region, three rare clones of rust differentials viz., 681/7, 829/1, and 1621/13 remained free at all the three locations even after eleven years, while all other differentials were found susceptible.

Of the twenty six rust samples differentiated during the period, common rust races viz., I, VIII, XII, XXIII, XXXVII, XLI and new rust races with virulent genes were isolated.

Fourteen designated rust races and fifteen new races differentiated earlier were maintained on Bourbon coffee seedlings.

Seven new hybrid F2 progenies of twelve years age and eleven F1 hybrids of seven years age were assessed for field incidence of leaf rust. Among the F2 hybrids, rust incidence was low in two hybrids. Among the different hybrids of F1 progeny, least disease incidence was recorded on S.4933 (1.93%) while the highest disease incidence was recorded in S.4901 (16.38%).

At CRSS Chettalli, among the ten new hybrids were monitored for rust incidence. S.4864 was found to be free from rust incidence. In the remaining hybrids, it varied from 0.33% in S.4862 to 16.96% in S.4864 (Sln.4 x S.4179).

Leaf rust incidence was recorded on seventy-six world collections in the coffee gene bank at CRSS Chettalli to identify the rust resistant and tolerant cultivars. Rust incidence on different collections was in the range of 1% to 64% and none of the collections were totally resistant to leaf rust.

The study to develop spray schedules with contact and systemic fungicides against coffee leaf rust was continued on arabica cultivar S.795.

The average rust incidence was least on plants receiving two rounds of Bordeaux mixture spray during pre and post monsoon followed by spot spray of Contaf (hexaconazole) during mid-monsoon.

Comparison of efficacy of bio-control agents and botanicals for the management of coffee leaf rust indicated that leaf rust was least on Bordeaux mixture sprayed plants, followed by plants receiving *Bacillus brevis*, *Pseudomonas fluorescens*, *Enterobacter intermedius*, Neem kernel aqueous extract, and soap nut powder solution spray.

A preliminary study on the compatibility of Contaf (hexaconazole) with foliar nutrients like Borax and Zinc sulphate under in vitro and field conditions revealed that the pH of Contaf solution decreased considerably when mixed with ZnSO₄, while it increased after mixing with Borax. Mixing of zinc sulphate and Borax with Contaf led to formation of precipitate, indicating incompatibility.

Combination spray of hexaconazole with foliar nutrients caused crinkling of the tender foliage and appearance of chlorotic spots, even on the older leaves, indicating phyto-toxicity.

DIVISION OF ENTOMOLOGY

To encourage the use of cross vane pheromone traps for the management of coffee white stem borer, 43473 traps with bait were supplied to coffee growers at reduced cost.

The third phase of the Mission Mode Action Programme to educate the growers on the effective management of coffee white stem borer in the arabica coffee growing tracts of South India was launched during September. Six teams were formed to work in the field for a period of one year. Five teams were located in the hot-spots of borer activity in Karnataka and one was placed in Tamil Nadu. A total of 162 educational programmes were conducted benefiting 3900 growers.

A DVD film in Kannada depicting live demonstration of the method for using all the



available interventions to manage the coffee white stem borer effectively was prepared and distributed to the major Coffee Growers Associations, Research Stations and Extension Department. The film was translated in to Tamil language and released for use in Tamil Nadu.

Under the DBT project on 'Development of arabica coffee plants resistant to coffee white stem borer' a total of 616 Bt strains/isolates were screened for virulence against the borer larvae by incorporating in the artificial diet. 11 isolates and 80 strains with activity against the borer larvae were identified.

Under the project "Identification of female sex pheromone and its role in mating success and identification of kairomone responsible for host plant selection by the coffee white stem borer" carried out in collaboration with M/s. Pest Control (India) Ltd. Bangalore bioassays like electro antennogram and wind tunnel olfactometer were carried out using leaf extracts. In wind tunnel olfactometer experiments, female response to male pheromone was about 60%, whereas it showed 80% response to combination of leaf volatile with male pheromone.

A multi-institute collaborative research programme titled "Eco-friendly approaches for the management of coffee white stem borer" involving ICAR institutions viz., Indian Institute of Horticultural Research, National Bureau of Agriculturally Important Insects and National Research Centre for Banana and the Bio-control Research Laboratories of Pest Control India was initiated. Under the project trials were laid out with sealer-cum-healer from IIHR, entomopathogenic fungi formulations and nano pheromones from NBAII.

To curtail the incidence of coffee berry borer 53735 traps with lure were supplied to growers in Karnataka, and Kerala. To replenish the lure material in the traps already supplied during the previous years, 3180 litres of lure was supplied.

On-farm production of the entomopathogenic

fungus *Beauveria bassiana*, a natural control of coffee berry borer was encouraged at the estate level by providing training and supplying mother cultures, periodical visits and quality assessment. 318 kg rice culture and 16.7 litres of liquid culture were supplied.

For the bio-control of coffee mealy bug, the parasitoid *Leptomastix dactylopii* was reared and 47,350 parasitoids were supplied to growers of Wayanad, Nelliampathy and Kodagu areas.

Sub-component 1.4:

Technology for enhancement of Quality of coffee and Coffee Effluent Pollution abatement

DIVISION OF QUALITY

ANALYTICAL LABORATORY, BANGALORE

Fifteen coffee samples comprising of one instant, one R&G coffee and thirteen green /monsooned coffee samples were tested for the occurrence of Ochratoxin-A (OTA) contamination. The level of contamination was in the range of BDL to 3.78ppb in all the coffee samples tested. It was 0.92ppb in Instant coffee and 0.30 in Roast and Ground sample.

Twenty-seven coffee samples comprising of two instant coffee, eighteen green coffee, eight roast and ground coffee and three roast and ground coffee chicory samples received from traders were analyzed for different PFA parameters. The results indicated that all the samples were within the limits prescribed by PFA.

A total of 98 moisture meters consisting of 57 Digital, 37 Sinar and four Kappa moisture meters received from curers / traders / exporters / Research were calibrated for accurate measurement of moisture level in green coffee samples and report was sent to the concerned end users.

Thirty eight green coffee samples received from Coffee Research Sub-Station Chettalli under ICO/CFC project were analyzed for caffeine content. The data revealed that the caffeine



content among the samples tested ranged from 1.18 to 2.07%.

QUALITY EVALUATION CENTRE, BANGALORE

438 coffee samples comprising of 293 commercial samples from exporters, growers and traders and 145 research samples from research stations were evaluated for physical and organoleptic quality parameters.

Five students of the "Post Graduate Diploma in Coffee Quality Management course, 2011-2012 batch successfully completed the course. Seven students have taken admission for the 2012-13 batch.

Under the Kaapi Shastra training programme to create awareness on the latest technologies in coffee roasting, grinding and packaging and techniques for brewing good quality coffee, 4 programmes were conducted in which fifty people participated.

Four one day training programmes were conducted on cupping, retailing and brewing good cup of coffee attended by 179 persons

Coffee samples from new breeding lines were evaluated for quality characters. A total number of 56 samples received from plant breeding division were cupped at various degrees of roast and profiles were documented.

Two quality awareness programmes were conducted for the benefit of final year students of Hotel Management at M.S. Ramaiah College, Bangalore and to the members of Coffee Growers Association at Wayanad, Kerala.

Under the Flavour of India – The Fine Cup Award – Cupping Competition - 2012, out of 219 samples, 39 samples were selected for the final round of Cupping by the International Jury. The final cupping session was organized on 3rd May

2012 at Melbourne prior to the Melbourne International Coffee Expo, Australia.

For the Flavour of India – The Fine Cup Award – Cupping Competition-2013, 221 coffee samples were received out of which 40 samples were selected for the final round of Cupping to be held in Nice, France prior to Annual Conference and Exhibition of SCAE.

14 roasting units were inspected and released subsidy under the scheme - Support for Coffee Processing Machinery.

One curing works of M/s. Louis Dreyfus Commodities, Bangalore, situated at Kushalnagar was inspected for grant/renewal of curing license.

Exportable grades of coffee as well as Roasted seeds for display were provided for Board's participation in nine domestic coffee promotion programmes.

Personnel from the Quality Division participated in three domestic trade fairs/exhibitions at Jodhpur in Rajasthan, Coonoor in Tamil Nadu and Surajkund in Haryana.

Roast and Ground coffee samples, gift boxes and exportable grades of coffee powder and seeds were sent to GIDA World Food Istanbul 2012, Turkey, India Show in Japan, Summer Olympics, London, Trieste Coffee Fair at Italy, World Food at Ukraine, Gulfood Dubai at Dubai, National Coffee Association Meeting, San Francisco, Café Show 2012 at Seoul, Korea, International Tea & Coffee Expo at Taipei, and to India Adda/ World Economic Forum in Davos, Switzerland.

Personnel from the Quality Division participated in seven international trade fairs/exhibitions held at Oregon, Melbourne, Vienna, London, Tokyo, Seoul, and Davos.





CHAPTER – V

EXTENSION AND DEVELOPMENT

A. TRADITIONAL AREA :

The traditional coffee growing areas consist of three southern states namely, Karnataka, Kerala and Tamil Nadu. The total area under coffee in the traditional areas is 3,47,236 Ha., which accounts for 84% of the total area of 4,15,341 Ha. in the country. The number of holdings in traditional Areas are 1,64,479 which accounts for around

57% of the total number of 2,90,918 holdings in the country.

Area under coffee in Traditional Area :

The details of planted area, bearing area under coffee and number holding for 2012-13 in 3 traditional coffee growing states are as follows :

State	Planted Area (Ha)			Bearing Area (Ha)			No. of Holdings		
	Arab.	Rob.	Total	Arab.	Rob.	Total	<10 Ha	>10Ha	Total
KARNATAKA	109003	121330	230333	100323	113063	213386	69367	2005	71372
KERALA	4175	81184	85359	3865	80548	84413	77110	275	77385
TAMILNADU	25939	5605	31544	24461	5535	29996	15379	343	15722
TOTAL FOR TRADITIONAL AREA	139117	20819	347236	128649	199146	327795	161856	2623	164479

Weather Conditions and Crop Production for 2012-13 :

Blossom and crop setting for 2012-13 season was good as a result of timely and adequate blossom and backing rains received in most parts of the coffee growing tracts during March-April 2012. The weather conditions and the rainfall during the South-west and North-East

monsoon periods were favourable for crop development.

Considering the overall situation and the crop realization, the final crop estimates for 2012-13 season for traditional area was placed at 3,11,795 MT comprising of 92,300 MT of Arabica and 2,19,495 MT of Robusta. The State-wise details are as follows :

(In Metric Tonnes)

State	Production Estimates		
	Arabica	Robusta	Total
KARNATAKA	77,425	1,52,800	2,30,225
KERALA	2,075	62,125	64,200
TAMILNADU	12,800	4,570	17,370
Total for Traditional Area	92,300	2,19,495	3,11,795



Pests and Diseases :

The incidence of white stem borer, which is a major pest on Arabica, was generally low except in low rainfall zones and endemic areas. The incidence of coffee berry borer was also low in most of the coffee growing regions. The incidence of other pests like shot hole borer on Robusta and sucking pests was at low level in general.

Among the diseases, the incidence of coffee leaf rust, a major disease on Arabica was at low to medium level. The black rot disease incidence which is generally noticed in coffee plantations located in high altitudes and heavy rainfall areas was low. The incidence of die back and root diseases on coffee was also at low level.

Monitoring & Review of Extension and Development Activities :

- ◆ The entire Extension Department is under the administrative control of the Director of Research, CCRI.
- ◆ The Secretary, Coffee Board supervises the implementation of Development Support Scheme.
- ◆ The Joint Director (Extension) at Hassan supervises the extension / development activities of the four Deputy Directors of Extension, seven Sr. Liaison Officers and all the Jr. Liaison Officers in Karnataka.
- ◆ The Joint Director (Extension), Kalpetta supervises the extension activities of two Deputy Directors of Extension, eight Sr. Liaison Officers and all the Jr. Liaison Officers in Kerala and Tamil Nadu.

Extension Activities :

The Extension Personnel of the Board continued to build close rapport with the coffee growers for transfer of technology to improve the knowledge and skills on scientific method of coffee cultivation. Various individual and group extension approaches and tools were employed for transfer of technology to the growers in general and small growers in particular besides providing development support for improving the production, productivity and quality of coffee.

The focused approaches employed and activities carried out during the period in this regard include individual contacts, visits to coffee holdings, issue of advisory letters to confirm the observations and suggestions, conducting method demonstrations / on-farm demonstrations to improve the skills of carrying out operations effectively, village level / group meetings and seminars, mass communication / contact programmes, media campaigns and other training programmes in order to improve the knowledge and skill levels of coffee growers and workers.

The Extension Personnel also carried out activities viz., periodical assessment of crops, monitoring & management of pests and diseases incidence, procurement and distribution of seed coffee. The details of various extension activities carried out during the year are as follows:

Sl. No.	Activities	Achievement (No.s)
1.	Estate Visits	23277
2.	Field Demonstration	5738
3.	Advisory letters	2404
4.	Group Meetings / Seminars / Village level meetings	138
5.	Mass Communication / Contact programmes	20
7.	Media Campaigns	69
8.	Training Programmes on coffee cultivation at TECs	1477
9.	Vocational training programme for women workers/growers	804



Mass Communication Programmes :

In order to educate the small coffee growers about the integrated management of the major pests and diseases, 14 mass communication programmes were conducted covering 917 small growers in different zones of traditional area.

Mass Contact Programmes :

Six mass contact programmes were conducted in different coffee growing regions of traditional area in order to educate the cluster of small coffee growers on improved methods of coffee cultivation. These programmes encompassed different activities viz., collection of soil samples from individual estates, analysis of these samples and chalking out soil amelioration measures and the manurial dosages to be applied based on the soil analysis report. In addition, visits to the estates by teams comprising of Scientists and Extensionists for assessment and rendering advisory for overall improvement of the coffee holdings were made. Interactive meetings with the growers of such areas were also conducted as part of the programmes and 777 growers were covered under 6 mass contact programmes.

Technology Evaluation Centres (TECs) :

Ten Technology Evaluation Centers (TECs) of the Board located in different agro climatic zones of traditional areas continued to function carrying out timely cultural operations as per the annual action plan drawn for each TEC for improving production and productivity. These TECs continued to serve as centers for evaluating the performance of various plant materials by adopting region / location specific agronomic package of practices, as training centres and as seed production centers.

Field Day at TECs :

A Field Day programme was conducted at TEC, Arasinaguppe, Chikmagalur, Karnataka on 10.01.2013 in which around 900 growers participated. During this programme, field visits, technical workshop and exhibition cum

demonstration of machineries which are useful for estate operations were organized.

Development Support Scheme :

The Extension Personnel of the Board carried out the works of registration, investigation, processing of subsidy applications / claims and disbursement of subsidy for effective implementation of the development support scheme. Subsidy was extended to the coffee growers in traditional area for carrying out the activities of re-plantation, water augmentation, quality up-gradation and pollution abatement activities for improving production, productivity and quality of coffee.

The Govt. of India conveyed approval for continuation of XI plan schemes as per the existing cost norms, pattern of expenditure during first year of the XII plan period i.e., 2012-13, The details and scale of subsidy for different components extended during 2012-13 are as follows.

1. Replantation :

Subsidy was extended to eligible individual coffee growers irrespective of the size of the holdings except the Corporate and Co-operative holdings. The unit cost considered for the purpose of the scheme is Rs. 1,00,000.00 per ha in case of Arabica and Rs. 70,000.00 per ha in case of Robusta. The scale of subsidy varied with the size of holdings; (i) 40% of the unit cost for the growers with up to 2 Ha. holding size; (ii) 30% of the unit cost for the growers holding above 2 Ha. up to 10 Ha. and (iii) 25% of the unit cost for the growers holding above 10 Ha. coffee area.

2. Water Augmentation :

Subsidy at the rate of 25% of the unit cost was extended for different activities under water augmentation scheme to eligible individual coffee growers up to 20 Ha. holding size. The unit cost fixed for different activities varies with the size of the holdings and ranges from Rs. 27,000.00 to Rs. 5 lakhs per holding.



3. Quality Up-gradation :

Subsidy at the rate of 20% of the unit cost was extended for different activities under quality up-gradation scheme to eligible individual coffee growers up to 20 Ha. holding size. The unit cost fixed for different activities varies with the size of the holdings and ranges from Rs. 25,000.00 to Rs. 4.5 lakhs per holding.

4. Pollution Abatement :

Extended subsidy at the rate of 20% of the unit cost for the growers up to 20 Ha. holding size for taking up pollution abatement activity. The unit cost fixed for different activities varies with the size of the holdings and ranges from Rs. 4,000.00 to Rs. 4 lakhs per holding.

The physical achievements under different activities during the year are as follows:

Sl. No.	Component	No. of Beneficiaries/Units	Area benefitted in Ha.
1.	Replantation	1567	3120
2.	Water Augmentation	4153	12366
3.	Quality Up-gradation	2973	10712
	Total	8693	26198

Support for Mechanization of Coffee Estate Operations :

This scheme aims to provide support to coffee growers to encourage the use of farm machineries to improve productivity and efficiency in carrying out crucial farm operations in time particularly in the context of shortage of farm labour.

The following scale of subsidy applicable for different sized holdings and SHGs / Grower Collectives.

Category of Holdings	Scale of Subsidy
Growers Upto 20 Ha.	50% subject to a ceiling of Rs. 2.00 lakhs
Growers above 20 Ha.	25% subject to a ceiling of Rs. 4.50 lakhs
SHGs / Grower Collectives	50% subject to a ceiling of Rs. 5.00 lakhs

During 2012-13, under the scheme, support was extended to 5920 machineries benefiting 3714 growers.

B. NON – TRADITIONAL AREA (NTA) – [ANDHRA PRADESH & ODISHA]

Coffee Board conducted a Techno-Feasibility Survey in the early 1950's to identify areas suitable for coffee cultivation in the states of Andhra Pradesh (AP) and Odisha. Based on the recommendations in the survey report, the Forest Department of AP first started commercial coffee cultivation in the Agency areas of Visakapatnam in 1961. These plantations were later handed

over to Andhra Pradesh Forest Development Corporation Ltd. (APFDC) for maintenance. In 1976, the Integrated Tribal Development Agency (ITDA) introduced coffee as a development. Initiative for tribal groups to stop the practice of 'Podu' or shifting cultivation. Realizing the potential of coffee farming in non-traditional area, Coffee Board Executed its support for coffee development in Andhra Pradesh and Odisha from IX five year plan onwards.



Distribution of Area in NTA :

The details of area under coffee and number of holdings in Andhra Pradesh and Odisha are as under:

State	Planted Area (Ha)			Bearing Area (Ha)			No. of Holdings		
	Arab.	Rob.	Total	Arab.	Rob.	Total	<10 Ha	>10 Ha	Total
ANDRA PRADESH									
Minumuluru	25582	1	25583	17860	1	17861	61281	1	61282
Chintapalli (E)	9467	181	9648	6687	181	6868	16244	2	16246
Chintapalli (W)	13436	86	13522	10779	86	10865	18014	2	18016
Arakuvalley	9378	0	9378	7072	0	7072	20338	1	20339
Total	57863	268	58131	42398	268	42666	115877	6	115883
ODISHA									
Koraput	3935	0	3935	3049	0	3049	2525	20	2545
Total	3935	0	3935	3049	0	3049	2525	20	2545
Grand Total	61798	268	62066	45447	268	45715	118402	26	118428

Weather Conditions and Crop Production :

In Andhra Pradesh, the weather was satisfactory and congenial for development of coffee during 2012-13 season. Blossom showers were received during the first fortnight of April 2012 followed by backing showers during the second fortnight of April 2012. This resulted in satisfactory blossom and fruit set. The monsoon was set during June 2012 and was fairly active. The distribution of rainfall was satisfactory throughout the season.

In Odisha, the weather was satisfactory and congenial for development of coffee during 2012-13 season. Blossom showers were received during second fortnight of March 2012 and subsequent showers were received during April 2012. The monsoon was set during June 2012 and the distribution of rainfall was satisfactory throughout the season.

Considering the overall situation and the crop realisation, the final estimates for 2012-13 for NTA was placed at 6,230 MT comprising of 6,200 MT of Arabica and 30 MT of Robusta.

Pest and Diseases :

No major out-break of pests and diseases was reported during the year 2012-13. The incidence of green scale was noticed in some less shaded

areas of Arakuvalley and Minumuluru. In Odisha, medium level of incidence of leaf rust was found in susceptible varieties like Cauvery.

Extension Activities :

The extension activities undertaken by the Extension Personnel of Andhra Pradesh and Odisha focussed on transfer of technology through contact and follow-up visits to coffee holdings, conducting field demonstrations, group discussions, issue of advisory letters etc., for improvement in production, productivity and quality of coffee in the tribal sector.

The details of various extension activities carried out in Non-traditional area during the year 2012-13 are as follows:

Activities	Achievement (Nos.)
Estate visits	4296
Method demonstrations	1136
Group gatherings addressed	347
Study Tour to traditional coffee growing areas	36
Quality awareness campaigns	795



Technology Evaluation Centres (TECs) :

There are two Technology Evaluation Centres (TECs) functioning in NTA, one at Minumuluru (Andhra Pradesh) and another at Koraput (Odisha) and these farms continued to serve as Demonstration cum Training Centres apart from production centres for seed coffee.

Mini Coffee Curing Works :

The Mini Coffee Curing Works established at Chintapalli in Andhra Pradesh during 2004-05 continued to process the raw coffee pooled by the tribal growers of Andhra Pradesh.

Coffee Development programme in Non-Traditional Area :

The physical achievement under different schemes implemented in NTA for the year 2012-13 is furnished below:

Activities	Area / Units
Coffee Expansion (Area in Ha.)	3,403
Quality up-gradation	
a) Drying yard (No. of units)	519

C. NORTH EASTERN REGION (NER) :

Coffee was introduced in Cachar district of Assam in the year 1953. The Coffee expansion programme was initially taken up by the Corporations / Departments of the various states of North Eastern Region. As cultivation was encouraging, Coffee Board undertook a comprehensive survey during 1982-1990 and identified suitable areas for coffee cultivation in different states of NER. Thereafter, the Board involved directly in the implementation of coffee development programmes from IX Plan period (1997-2002) onwards.

Distribution area in NER :

The details of area under coffee and number of holdings in North Eastern States are as under:

Liasion zone/ state	Planted Area (Ha)			Bearing Area (Ha)			No. of Holdings		
	Arab.	Rob.	Total	Arab.	Rob.	Total	<10 Ha	>10 Ha	Total
Arunachal Pradesh	0	203	203	0	154	154	166	2	168
Assam	595	358	953	385	305	690	895	3	898
Manipur	197	0	197	20	0	20	174	0	174
Meghalaya	299	369	668	216	199	415	980	0	980
Mizoram	1877	4	1881	614	3	617	3564	3	3567
Nagaland	1563	196	1759	600	50	650	1467	1	1468
Tripura	329	49	378	200	49	249	756	0	756
Total	4860	1179	6039	2035	760	2795	8002	9	8011

Weather conditions and Crop Production :

The general climate in North Eastern states is mostly tropical and subtropical with distinct features experiencing long days, high rainfall, change in diurnal temperature etc. However, the rainfall in NER was not a limiting factor for coffee cultivation.

Pest and Diseases :

In general, no major incidence of pest and disease were observed in the coffee estates of North East Region except low incidence of white stem borer and Leaf rust in some pockets.



Extension Activities :

Activities	Achievement (Nos.)
Estate visits	2410
Method demonstrations	1211
Group gatherings addressed	326
Training programmes at TECs	61
Study Tour to traditional coffee growing areas	18
Quality awareness campaigns	58

Technology Evaluation Centres(TECs) :

Four Technology Evaluation Centers continued to function in North Eastern Region i.e. at Deomali (Arunachal Pradesh), Halflong (NC Hills, Assam), Bualpui (Mizoram), Tulakona (Agartala, Tripura). The TEC, Bualpui in Mizoram continued to serve as demonstration-cum-training centre apart from production centre for seed coffee.

Support under Coffee Development Programme in North Eastern Region :

During the year the Board extended financial support for different activities viz., Expansion, Consolidation and Quality Up-gradation under Coffee Development Programme in North Eastern Region with an overall objective of improving the production and quality of coffee. The physical achievement with regard to support extended for different activities in NER during the year are furnished below:

Activities	Area / Units
Coffee Expansion (Ha.)	191
Consolidation of Coffee (Ha.)	129
Quality Upgradation	
a. Drying Yard (No. of Units)	6
b. Drying Trays (No. of Units)	401

In addition to financial support extended for activities as indicated above, the Board also supported for raising and supply of coffee seedlings and shade tree saplings through group nurseries to facilitate the coffee expansion and consolidation activities.

The Board continued to extend necessary financial support to meet the cost of collection of raw coffee from the tribal growers, processing, transportation and disposal of coffee produced in North Eastern Region.

Mini Coffee Curing Works :

The Mini Coffee Curing Works established by the Board at Bualpui continued to process the raw coffee pooled by Mizoram and Tripura growers.

D. Capacity Building for Stakeholders:

During the period under report, various training programmes were organized as part of capacity building for stakeholders of coffee industry as detailed below :-

- ◆ Conducted 12 reach-out training programmes for 316 coffee growers of different coffee growing regions of the country in association with Indian Institute of Plantation Management, Bangalore. The key topics covered under the reach out programme included, (i) Formation of Collectives, Current and Future Trends in Trade and Marketing of coffee; (ii) Financial and Cost Management for sustainable coffee Business for coffee grower; (iii) Regulatory Frame work to ensure Cost Competitiveness in Coffee Sector; and (iv) Business Model for Coffee Growers in Non-Traditional areas.
- ◆ Six Short Term Executive Programmes were conducted for 135 personnel of the Board by the Indian Institute of Plantation Management, Bangalore on (i) Positive Thinking, Motivation & High Performance and (ii) IT Enabled Office Administration System



- ♦ Training and skill building programmes on various aspects of coffee cultivation for the benefit of 4935 coffee growers, estate workers and supervisory staff were conducted at the Technology Evaluation Centres of Coffee Board.
- ♦ Vocational training programmes for women were conducted for the benefit of 804 women growers / workers in association with Krishi Vigyan Kendras of Agricultural Universities / ICAR.
- ♦ Four training programme of Kaapi Shastra and 4 training programmes on coffee roasting, grinding and retailing were conducted benefiting 50 and 179 beneficiaries respectively.

E. Interest Subsidy to Coffee growers on working capital loans

As part of the development support scheme for coffee, the Board extended interest subsidy at the uniform rate not exceeding 5% to growers on working capital loans subject to the conditions:

- i) the interest subsidy will be limited to a ceiling of Rs, 50,000.00 per Arabica coffee grower and Rs. 40,000.00 per Robusta coffee grower and;
- ii) the interest rate, after allowing interest subsidy should not be lower than 7%.

During the year, 1905 growers got the benefit of interest subsidy to an extent of Rs. 118.58 lakhs.

COFFEE DEBT RELIEF PACKAGE 2010

The Coffee Industry had undergone prolonged crisis during 2000 to 2004. Due to long accumulated debt burden several coffee growers continued to face difficulties in servicing their loans.

Further, the adverse weather conditions especially in the years 2007-08 and 2008-09 resulted in considerable crop loss and badly affected the serviceability of coffee loans. This led to the situation in which the standard coffee loan accounts of the growers became Non-paid Accounts (NPAs) during the course of time.

Considering the high debt burden of the coffee growers, the Government of India sanctioned Coffee Debt relief Package 2010 vide order No 4/3/2008-Plant (B) dated 14th June, 2010. It is an exclusive package to mitigate the hardship of the debt ridden small coffee growers (up to 10 hectares of individual holding size) in the country which is applicable to all coffee loans with outstanding amounts as on 30th June 2009.

In the 1st Phase of implementation of CDRP-2010, 53 claims received from the Banks were processed and the Govt. share of Rs.241 crores was reimbursed to the Banks benefiting 1,20,025 growers covering Karnataka, Kerala, Tamil Nadu and Odisha states fully utilizing the funds released by the Government of India.

In the 2nd Phase, the Govt. of India sanctioned and released an additional fund of Rs.58.00 Crores under CDRP-2010 for settling the pending / supplementary claims received from the Banks. Out of this, an amount of Rs.52.45 Crores of Govt. share of liability was reimbursed to the banks benefiting 15,258 additional small coffee growers till the end of March, 2013. Thus, the total amount reimbursed so far is Rs.293.45 Crores benefiting 1,35,283 small coffee growers.





CHAPTER – VI

MARKET DEVELOPMENT AND SUPPORT FOR PROCESSING

In order to enhance domestic coffee consumption in a strong and sustainable domestic market and with a view to offer better returns to the growers, especially the small growers in the periods of low international prices and providing scope for value addition, the following two schemes which were implemented during XI plan period, were continued during the year 2012-13 as per the approval of the Govt. of India.

A. Scheme for Market Development

B. Support for Coffee Processing

A) MARKET DEVELOPMENT

The scheme has two sub-components viz., (i) Domestic Promotion and (ii) Market Research & Intelligence.

i) Domestic Promotion:

It is evident that for achieving long term sustainability of the coffee sector in India, growth of a robust domestic market is important. Besides creating value in the sector, a robust demand helps to create a buffer for the producers against international price fluctuations. In this context, growth in domestic demand is facilitated through promoting awareness of coffee / consumption of pure coffee through generic promotion campaigns using mass media (TV, Radio, Magazines), participation in festivals besides developing Entrepreneurial Skill by holding trainings on Coffee Roasting, Brewing etc.

The Domestic promotion strategy draws inputs from market analysis carried out by the Market Intelligence unit.

ii) Market Research and Intelligence:

The component is focussed at providing analysis of market trends to growers through web and dissemination of the same through the Extension network of the Board to enable the growers to achieve better price realisation in the market. The work carried out by the Market Intelligence Unit mainly covers the supply estimation by carrying annual crop estimation, analysis of market, maintenance of Data Base on Coffee, Domestic indicator price reports, Domestic consumption and attitude surveys, and also carrying out periodical research reports. As a specific input to Market Development in the domestic segment, periodic surveys on domestic consumption are carried out. The sixth field survey on Coffee Consumption in India is under progress.

Domestic Promotional Activities:

The consumption study has given important insights to develop the orientation of the domestic promotion initiatives / programmes. The occasional drinkers in the Northern, Eastern and Western parts of India are the potential growth segments. Hence, the Domestic promotion is focused on participation in the Domestic Fairs, creating awareness through Media and developing entrepreneurial capacities through Kaapi Shastra and other training programmes.

Further the consumption study has brought out that the main barrier to Coffee drinking is the negative health perception. Thus, the promotional campaign on positive health aspects of coffee consumption carried out in media seem to be useful interventions. Since, the fairs are the most visible tools of domestic promotion, the Coffee Board utilized the available opportunities and participated in as many 52 internal fairs in the



country. The participation in the Internal Trade Fairs covered all the growth regions of the Country viz., 24 in South, 13 in North, 11 in East and 4 in West. The Boards' Stalls attracted large number of visitors and won appreciation and many Awards for the Best display. The promotion of coffee in these exhibitions focused on the health and lifestyle aspects. Support for processing scheme was promoted to facilitate development of enterprise in the domestic market.

During the domestic participation, a short film titled "How to Brew Coffee" was screened for the benefit of the visitors besides screening of the film on *Coffees of India*. Workshops and Kaapi Shastra programmes were held simultaneously during the important exhibitions held in New Delhi, Chandigarh, Kolkata etc., to impart training in Coffee Brewing. The list of the events in which the Coffee Board participated is as follows:

Sl. No.	Name of the Event	Month & Date.
1	Food and Beverage show 2012, Mumbai	25th to 27th April 2012.
2	National Integrity Festival Nandi Mela Gandhi Mela 12, Kolkata	7th to 13th April 2012
3	Kodagu Hockey Festival 2012 at Ammathi, Coorg	20th April to 13th May 2012
4	Agri Hospitality Expo 2012, Chennai	10th to 12th May 2012
5	4th Swedeshi Prem Jagaran Horti Expo, Bhubaneswar	28th to 31st May 2012
6	Annual Flower Show, Udhagamandal	18th to 20th May 2012
7	Agri Intex 2012, Coimbatore	30th May to 3rd June 12
8	Indian Express Hospitality, Bangalore	21st to 23rd June 2012
9	GIM Global Investors Meet, Bangalore	6th to 8th June 2012
10	2nd Intl Agri, Horti Expo 2012, Coimbatore	5th to 8th July 2012
11	7th Agro Tech India -0- Shilpa Mela, Kolkata	7th to 11th July 2012
12	3rd Agri Expo 2012, Vellore, Tamil Nadu	27th to 30th July 2012



Sl. No.	Name of the Event	Month & Date.
13	Aahar 2012, Chennai	23rd to 25th August 2012
14	4th Foodex 2012, Bangalore	25th to 27th August 2012
15	9th F&B Hospitality Expo 2012. Goa	6th to 9th September 2012
16	11th Food Tech 2012, Kolkata	7th to 9th September 2012
17	Upasi 2012, Coonoor, Tamilnadu	28th & 29th September 12
18	Rajasthan Trade Fair, Rajasthan & Kappi Gyan Workshop at Jodpur, Rajasthan	16th & 17th Sept. 2012 22nd to 30th Sept 2012
19	Annapoorna World Food, Mumbai	26th to 28th Sept. 2012
20	Fine Food Tech 2012, New Delhi	7th to 19th September 2012
21	Arogya 2012 Exhibition, Hyderabad	12th to 15th October 2012
22	CII Chandigarh Fair 2012, Chandigarh	7th to 11th Nov. 2012
23	7th Merry Dilli Utsav 2012, New Delhi	3rd to 5th November 2012
24	IITF 2012, New Delhi	14th to 27th Nov. 2012
25	Bio Fach India 2012, Bangalore	29th Nov. 2012 to 1st Dec.2012
26	PITEX, Punjab National Trade expo 2012, Amritsar	6th to 10th December 2012
27	9th Jatiya Sankati Festival, Kolkata	8th to 15th December 2012
28	Kodagu Business Submit, Madikeri	18th December 2012
29	CRC Golden Jubilee Farmers meet, Appangala, Madikeri	20th to 22nd Dec. 2012
30	Bio Diversity Expo 2012, Bangalore	8th to 11th December 2012
31	Silver Jubilee RCRS, Thandigudi, Tamilnadu	8th December 2012
32	Coffee Service at Nandi Hills, Bangalore	12th December 2012
33	8th International Trade Festival, Guwahati	28th December to 2012 10th January 2013



Sl. No.	Name of the Event	Month & Date.
34	2nd India Asean Business, New Delhi	18 -20th December 2012
35	Sunderban Krishi Mela 2012, Kolkata	20th to 29th Dec. 2012
36	National Bio diversity expo 2012, Trivandrum	21st to 30th Dec. 2012
37	100 Indian Science Congress, Kolkata	3rd to 7th January 2013
38	Eleventh Pravasi Bharatiya Divas 2013, Cochin	7th to 8th January 2013
39	Food and Hospitality World 2013, Mumbai	10th to 12th January 2013
40	Vintage Car Rally, 2013, Kolkata	13th January 2013
41	PIB Campaign Bharath Nirman, Mela 2013, Mannarkka, Palakkad	29th to 31st January 2013
42	Liquid Coffee Service TEC, Chikmagalur	10th January 2013
43	International Food and Safety Mela, Bangalore	28th and 29th January 2013
44	Acharya Satyendranath Smarak Bijan Prakruti Mela 2013, Hedua, Kolkata	30th January to 3rd February 2013
45	Horti Expo 2013 at BHEL Dussehra, Bhopal	1st to 3rd February 2013
46	India International Trade Fair Uttharancal Fair 2013, Dehradun	3rd to 10th February 2013
47	International Handicraft Mela 2013 Surajkund, Haryana	1st to 15th February 2013
48	4th Vision Rajasthan Agri-Horti Expo 2013, Jaipur, Rajasthan	4th to 6th February 2013
49	International Congress on Insect Science, GKVK, Bangalore	14th to 17th February 2013
50	Guinness Records Attukal Festival 2013, Trivandrum	18th to 27th February 2013
51	Agro Tech India –0- Gramin Shilpa Mela 13 for Development of Science. Nadia, Kolkata	9th to 12th March 2013
52	Aahar 2013, New Delhi	14th to 18th March 2013



The participation also provided opportunities to the roasters and SHGs to showcase their value added products in major events like India International Trade Fair, Aahar etc.

To increase awareness about coffee, the Coffee Board has also undertaken activities like TV campaigns, Radio campaigns, Promotion campaign through print media, booklets, journals, Web based campaigns especially on Coffee Gyan through Coffee Swami-Coffee Board's Mascot. Advertorial insertions were done in various business and lifestyle magazines etc. The advertorials were targeted to promote the drivers of consumption while simultaneously reducing the impact of barriers by giving information on health aspects of coffee. The support for Processing Scheme was also promoted. The institutional souvenirs etc., were utilized to give visibility to Development Support Scheme.

The Board continued its efforts of providing pure coffee experience to the consumers through the 13 India Coffee Depots / India Coffee Houses functioning in key locations in Delhi, Kolkata, Mumbai, Bangalore, Bhopal, Tirumala and Guruvayaur.

SUPPORT FOR COFFEE PROCESSING : A step in the direction of value addition.

The scheme was in operation during the 11th Five Year Plan and Govt. of India has conveyed its approval for the continuation of the scheme during the current year.

In the world coffee chain, 40% of the coffee economy is in the producing countries while the remaining 60% is captured by consuming countries. Over the years, various countries have improved the capabilities of processing, manufacturing and marketing coffee as an end product. Adoption of latest technologies in roasting, grinding and packaging is critical for the sustained development of coffee value chain and the market. Setting up of processing, packaging and marketing ventures for coffee in the domestic market also provides ample opportunities for employment generation especially through small and medium enterprises. As modern technologies in the areas of coffee roasting, grinding and packaging are capital intensive, it

inhibits the Small and Medium enterprises (SMES) to venture into and take up coffee value addition activities. Therefore, it is found necessary to extend appropriate support to the entrepreneurs to acquire the suitable technology to manufacture and package good quality coffee powder.

The main objective of the scheme is to enhance quality of coffee product and achieve value addition through introduction of improved technologies in coffee roasting, grinding and packaging.

Individuals, Self-Help Groups and Growers' Collectives, marketing co-operatives, firms, partnerships who are interested in establishing coffee roasting and grinding units and also in modernising the existing units with new automated and energy savings machinery are eligible for the benefits under the scheme.

The rate of subsidy is limited to 25% of the total cost for individuals / firms and 40% for Self-Help Groups and other Growers' collectives. The total cost includes besides the basic cost of the machinery items, admissible taxes, freight, insurance and cost of commissioning. Maximum subsidy is limited to Rs. 25.00 lakhs per unit.

The roasting, grinding and packaging machinery in any of the following combination is eligible for subsidy:

1. Roasting machine, grinding machine and packaging machine
2. Roasting machine and packaging machine
3. Grinding machine and packaging machine.

However, in respect of the existing units, subsidy is eligible for any one type of machines viz. roasting and grinding or packaging machines. Subsidy for grinding machine or roasting machine is considered only if a functional packaging machine is already existing or vice-versa.

During the year, 14 roasting units were inspected and subsidy was released under the scheme.

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CHAPTER – VII

EXPORT PROMOTION

A. COFFEE EXPORTS

Exporter Registration and Renewal:

The total number of exporters registered with Coffee Board as on 31st March 2013 stood at 457 as against 395 as on 31st March 2012. This includes 62 new registrations for the year 2012-13.

Export Permits and ICO Certificate of Origin:

Coffee Board is issuing Export Permit under Section 20 of Coffee Act for export of Coffee. As per the norms of the International Coffee Organization, London, Coffee Board also issues Certificate of Origin for export of coffee to the registered exporters of coffee against the requests made in the prescribed application.

Filing Export Permit Application through website:

Export permits and Certificates of Origin are issued against the applications filed both in person as well as online. The facility of online filing of export permit has been extended by providing User-id and Password to all the registered exporters of Indian Coffee.

A total number of 9993 export permits and ICO Certificates of Origin have been issued to 139 registered exporters of coffee during the year as against 10,389 export permits issued during 2011-12. Out of 9993 permits, 8749 permits were issued for export of Indian origin coffee and the remaining 1244 permits were issued for re-export of coffee.

Interactions with Exporters:

Meetings with Coffee Exporters and Exporters Association/ Specialty Coffee Association were held during the year. The meetings deliberated on the various stakeholders' issues relating to the

Export Promotion Scheme, Participation in the International Events, Trade Fairs, Quality issues, Financial Assistance etc. All the relevant issues were taken up with the Ministry for appropriate intervention and support.

An interactive Meeting was held on 23/08/2012 to discuss the issues related to clearance of coffee shipments at Mangalore Port with Port authorities, customs, Central Ware Housing Corporation and Coffee Exporters and their Agents.

Reports and Returns

Periodical reports and returns on coffee exports were generated and furnished to the Ministry and to the International Coffee Organization apart from dissemination of information to the exporting community to help in their activities. The main reports and returns that were generated and sent during the period are as under:

- ✦ Daily report on export performance for Board's website, Notice Board, and Board's Officers.
- ✦ Monthly reports to Ministry on destination-wise exports.
- ✦ Monthly reports to International Coffee Organization (ICO) on volume and value by destinations on preliminary exports of coffee.
- ✦ Statistical data to International Coffee Organization on monthly basis regarding the ICO Certificates of Origin issued for coffee exported from India.

Apart from the above, reports on Exporter wise, Country wise, type & Grade wise exports of coffee were generated.



Exportable Types & Grades of Coffee:

The details of exportable Types & Grades of Coffee identified by the Board according to the Coffee Quality improvement programme of International Coffee Organization (ICO) vide the

Resolution No.420 and subsequent modification in the existing standards of Monsooned Coffee as circulated vide MAR/EXP/33.B/2010-11/790 dated 18/08/2010, are as under:

EXPORTABLE TYPES AND GRADES OF COFFEE

Type	Premium Grades	Commercial Grades	Specialty Coffee
GREEN COFFEE Arabica Parchment (Plantation) (Washed Arabica)	PB Bold AA	PB, A,B, C*1 Bulk.	Mysore Nuggets EB
Arabica Cherry (Unwashed Arabica)	PB Bold, AA, A.	PB, AB., C*2 Bulk*3	Monsooned Malabar AAA Monsooned Malabar AA Monsooned Malabar A Monsooned Malabar Arabica Triage*4
Robusta Parchment (Washed Robusta)	PB Bold, A	PB, AB, C Bulk	Robusta Kaapi Royale
Robusta Cherry (Unwashed Robusta)	PB Bold AA. A	PB, AB, C, Bulk, Clean Bulk	Monsooned Malabar Robusta AA Monsooned Malabar Robusta Triage*4
Miscellaneous grades Liberia Excelsia		Bulk*5 Bulk*5	
INSTANT COFFEE			
ROASTED COFFEE SEEDS			
ROASTED & GROUND COFFEE			

*1 Exception is available for Plantation-C as indicated in the description equivalent given in the footnote of the ICO Resolution 407/420.

*2 Arabica Cherry Bulk should contain less than 10% Blacks, Browns and Bits.

*3 Monsooned Arabica Triage and Monsooned Robusta Triage should be free from Blacks, Browns and Bits.

*4 On same defect count as of Robusta.

*5 Moisture level 13.0 – 14.5% for Monsooned Coffees



Coffee Exports:

During 2012-13, export permits for a quantity of 3,04,666 MT were issued (including 50,160 MT of re-exports) valued at Rs.4,644 crores equivalent to US \$ 883.62 Million with a unit value of Rs. 1,52,442 per MT. As against the total permits issued, confirmation of exports has been received provisionally for 2,98,040 MT (including 49,904 MT of re-exports) valued at Rs.4,532.51 crores equivalent to US \$ 851.73 Million with a unit value of Rs. 1,52,077 per MT. The unit value

of export earnings was highest and surpassed all the previous years records. During the previous year 2011-12, exports of coffee was 3,33,180 MT valued at US\$ 997.98 Million equivalent in Rs.4662.78 crores with a unit value of Rs. 1,39,947 per MT.

During 2012-13 coffee from India was exported to 104 countries as against 109 countries in the previous year, out of which Italy, Germany, Russian Federation, Belgium and Spain were the top 5 importing countries.

TYPES OF COFFEE	QTY. IN MT	PERCENTAGE TO TOTAL EXPORTS
ARABICA PARCHMENT	45,719	15.34
ARABICA CHERRY	12,678	4.25
ROBUSTA PARCHMENT	21,940	7.36
ROBUSTA CHERRY	1,29,068	43.31
ROASTED COFFEE BEANS AND GROUND COFFEE IN GBE*	149	0.05
INSTANT/SOLUBLE COFFEE IN GBE*	88,486	29.69
TOTAL:	2,98,040	100.00

*Green Bean Equivalent.

GRADE WISE DETAILS OF QUANTITY EXPORTED, FOREIGN EXCHANGE EARNED, INDIAN RUPEES EQUIVALENT AND UNIT VALUE REPORT DURING 2012-13 [BOTH INDIAN & RE-EXPORTED COFFEE-PROVISIONAL]

SL. NO.	GRADE NAME	QUANTITY	INDIAN RS (LAKHS)	US DOLLAR (LAKHS)	UNIT VALUE Rs./TONNE	VALUE USD/TONNE
1	PLANTATION-A	8,635.4	40009.77	749.61	214697.67	4022.51
2	PLANTATION-PB	2,130.2	4010.69	74.47	188277.63	3495.92
3	PLANTATION-B	9,036.0	17895.36	331.11	198045.15	3664.34
4	PLANTATION-C	5,009.8	8955.99	169.92	178769.41	3391.75
5	PLANTATION-BULK	1,013.0	2067.41	38.33	204087.86	3783.81
6	MYSORE NUGGETS-EB	1,601.1	3461.92	64.84	216221.35	4049.72
7	PLANTATION-AA	8,274.4	18065.84	337.57	218334.14	4079.69
8	PLANTATION-PB BOLD	19.1	52.91	1.01	277015.71	5287.96
9	ARABICA CHERRY-AB	6,331.4	11118.00	207.18	175600.97	3272.26



SL. NO.	GRADE NAME	QUANTITY	INDIAN RS (LAKHS)	US DOLLAR (LAKHS)	UNIT VALUE Rs./TONNE	VALUE USD/TONNE
10	ARABICA CHERRY-PB	195.9	406.24	7.70	207371.11	3930.58
11	ARABICA CHERRY-C	1,196.4	1623.90	29.95	135732.20	2503.34
12	ARABICA CHERRY-BULK	257.7	533.90	9.94	207178.89	3857.20
13	MONSOONED MALABAR-AA	3,579.6	8383.62	160.58	234205.50	4485.98
14	MONSOONED BASANALLY	386.6	859.41	16.35	222299.53	4229.18
15	MON. ARABICA TRIAGE	232.5	355.04	6.84	152705.38	2941.94
16	ARABICA CHERRY-AA	259.8	493.36	9.23	189899.92	3552.73
17	ARABICA CHERRY-A	238.3	397.54	7.38	166823.33	3096.94
18	ROBUSTA PARCHMENT-AB	8,841.7	14316.41	268.70	161919.20	3039.01
19	ROBUSTA PARCHMENT-PB	1,791.0	2796.73	52.62	156154.66	2938.02
20	ROBUSTA PARCHMENT-C	1,673.3	2508.10	47.44	149889.44	2835.12
21	ROBUSTA PMT.-BULK	3,146.9	4925.83	91.67	156529.60	2913.03
22	ROBUSTA KAAPi ROYALE	5,639.5	8870.36	167.88	157289.83	2976.86
23	ROBUSTA PARCHMENT-A	809.5	1428.40	26.96	176454.60	3330.45
24	ROBUSTA PMT.PB-BOLD	38.4	61.27	1.13	159557.29	2942.71
25	ROBUSTA CHERRY-AB	54,459.1	65577.85	1244.96	120416.70	2286.05
26	ROBUSTA CHERRY-PB	3,564.6	4104.55	85.56	115147.56	2400.27
27	ROBUSTA CHERRY-C	71.2	93.00	1.71	130617.98	2401.69
28	ROBUSTA CHERRY-BULK	3,708.8	4667.84	84.31	125858.50	2273.24
29	ROBUSTA CHY CLEAN BK.	16,313.1	19791.54	371.67	121322.99	2278.35
30	MONSOONED ROBUSTA-AA	1,151.0	1869.96	35.38	162463.94	3073.85
31	MONSOONED ROB-TRIAGE	37.1	50.31	0.96	135606.47	2587.60
32	LIBERIA BULK	203.3	265.15	5.01	130423.02	2464.34
33	EXCELSIA BULK	19.8	81.56	1.50	411919.19	7575.76
34	ROBUSTA CHERRY-AA	20,278.8	25531.47	485.10	125902.27	2392.15
35	ROBUSTA CHERRY-A	29,261.5	37981.01	693.54	129798.57	2370.15
36	INSTANT COFFEE	88,485.9	139222.82	2620.66	157338.99	2961.67
37	ROASTED & GROUND COFFEE	132.7	363.43	7.58	273873.40	5712.13
38	ROASTED COFFEE SEEDS	16.3	52.05	0.98	319325.15	6012.27
	TOTAL:	2,98,040.7	453250.54	8517.33	152076.73	2857.77



**COUNTRY WISE DETAILS OF COFFEE EXPORTS DURING 2012-13
[BOTH INDIAN & RE-EXPORTED COFFEE] [PROVISIONAL]**

SL. NO.	NAME OF THE COUNTRY	QUANTITY IN MT.	VALUE RS LAKHS
1	ITALY	75,553.9	1,09,104.3
2	GERMANY	24,855.1	38,738.6
3	RUSSIAN FEDERATION	24,769.7	40,825.6
4	BELGIUM	19,906.6	33,506.4
5	SLOVENIA	13,388.3	15,932.7
6	MALAYSIA	8,278.4	10,617.8
7	TURKEY	7,998.5	12,535.8
8	JORDAN	7,388.9	13,239.4
9	SPAIN	6,649.7	9,089.0
10	GREECE	6,468.4	8,200.7
11	UKRAINE	6,188.1	11,005.6
12	U.S.A.	6,078.4	10,494.1
13	AUSTRALIA	6,002.6	11,137.9
14	FINLAND	5,332.3	8,371.8
15	KUWAIT	4,223.0	8,138.9
16	LIBYA	4,113.2	4,987.7
17	TAIWAN	3,893.2	4,380.8
18	SYRIA	3,699.1	4,509.9
19	ISRAEL	3,574.4	5,117.5
20	SWITZERLAND	3,499.4	7,055.6
21	POLAND	3,484.5	3,751.5
22	FRANCE	3,120.4	5,081.1
23	SAUDI ARABIA	3,112.8	5,364.4
24	EGYPT	3,030.9	3,769.2
25	PORTUGAL	2,942.4	3,709.2
26	JAPAN	2,750.8	4,675.6
27	LATVIA	2,393.9	2,977.5
28	SINGAPORE	2,105.9	3,182.7
29	CROATIA	1,902.0	2,300.5
30	UNITED KINGDOM	1,825.5	3,352.6
31	INDONESIA	1,666.4	2,481.7
32	ALGERIA	1,664.2	1,992.6
33	UNITED ARAB EMIRATES	1,637.5	3,285.7
34	BELARUS	1,624.1	2,801.0
35	MYNMAR	1,473.0	2,000.1
36	AUSTRIA	1,345.4	1,579.6
37	VIETNAM	1,217.1	1,651.5



**COUNTRY WISE DETAILS OF COFFEE EXPORTS DURING 2012-13
[BOTH INDIAN & RE-EXPORTED COFFEE] [PROVISIONAL]**

SL. NO.	NAME OF THE COUNTRY	QUANTITY IN MT.	VALUE RS LAKHS
38	NETHERLANDS	1,179.1	2,156.0
39	CANADA	1,139.6	1,611.2
40	MALI	1,132.0	2,510.6
41	ALBANIA	862.3	1,073.4
42	SULTANATE OF OMAN	774.3	1,167.7
43	DENMARK	661.7	806.3
44	LITHUANIA	648.6	1,169.6
45	SENEGAL	610.5	1,279.6
46	ROMANIA	587.4	773.0
47	NORWAY	557.5	1,054.7
48	NIGER	554.9	1,151.7
49	KOREA,REPUBLIC OF-S	523.7	938.9
50	LEBANON	520.8	616.1
51	YUGOSLAVIA	506.4	643.7
52	ESTONIA	467.5	695.8
53	MOROCCO	435.0	554.5
54	NIGERIA	432.7	867.2
55	UZBEKISTAN	425.6	657.2
56	TUNISIA	425.4	508.2
57	LIBYAN ARAB JAMAHIRI	422.4	498.6
58	NEW ZEALAND	376.5	608.9
59	GHANA	374.2	880.9
60	HUNGARY	374.0	420.5
61	GEORGIA	360.8	588.7
62	TOGO	335.0	697.4
63	BURKINA FASO	312.5	731.7
64	SWEDEN	284.4	576.9
65	MAURITANIA	255.5	609.4
66	CONGO	238.1	488.5
67	CHINA,PEOPLE'S R/O	237.6	342.1
68	BENIN	230.0	503.1
69	NEPAL	221.8	938.9
70	SOUTH AFRICA	220.3	267.3
71	KAZAKHSTAN	197.1	309.8
72	KENYA	196.6	209.0
73	TURKMENISTAN	179.2	354.4
74	IRAN,ISLAMIC R/O	178.3	261.5



**COUNTRY WISE DETAILS OF COFFEE EXPORTS DURING 2012-13
[BOTH INDIAN & RE-EXPORTED COFFEE] [PROVISIONAL]**

SL. NO.	NAME OF THE COUNTRY	QUANTITY IN MT.	VALUE RS LAKHS
75	QATAR	163.4	331.9
76	KOREA,PEOPLE'S R/O-N	148.6	273.1
77	BANGLADESH	145.6	236.4
78	IVORY COAST	127.0	301.5
79	BULGARIA	76.8	97.3
80	CZECH REPUBLIC	70.1	122.2
81	TAHITI	58.7	129.8
82	IRAQ	57.2	133.6
83	GAMBIA	56.4	98.0
84	ANGOLA	55.8	65.7
85	SRI LANKA	53.8	118.9
86	ABU DHABI	53.3	121.9
87	DUBAI	48.4	112.4
88	MOLDOVA	47.4	95.2
89	GUINEA	40.8	64.8
90	ARMENIA	38.4	87.6
91	AZERBAIJAN	36.6	68.3
92	BOSNIA AND HERZEGOVI	32.2	48.6
93	GABON	22.5	63.3
94	IRELAND	19.5	59.5
95	CHILE	19.2	23.8
96	CAMEROON	19.1	43.3
97	THAILAND	18.2	27.7
98	CYPRUS	18.0	23.0
99	CHAD	9.6	20.8
100	BAHRAIN	4.4	8.1
101	PHILIPPINES	0.9	1.0
102	MAURITIUS	0.8	2.6
103	HONG KONG	0.1	0.4
104	BRUNEI DARUSSALAM	0.0	0.1
	GRAND TOTAL	2,98,040.1	4,53,250.4



**COUNTRY WISE DETAILS OF COFFEE EXPORTS DURING 2012-13
[RE-EXPORTED COFFEE]**

SL. NO.	NAME OF THE COUNTRY	QUANTITY IN MT.	VALUE RS LAKHS
1	RUSSIAN FEDERATION	16,720.2	27,258.5
2	TURKEY	6,748.1	10,689.4
3	UKRAINE	2,952.8	5,275.9
4	U.S.A.	2,592.2	4,414.9
5	FINLAND	2,312.9	3,474.7
6	MALAYSIA	2,260.5	2,896.2
7	POLAND	1,608.7	1,548.6
8	LATVIA	1,595.9	1,891.3
9	GERMANY	1,579.2	2,450.2
10	BELARUS	1,304.2	2,227.2
11	SINGAPORE	1,086.2	1,523.7
12	JAPAN	1,046.8	1,745.2
13	EGYPT	1,046.1	1,249.2
14	MALI	649.2	1,458.9
15	FRANCE	626.2	1,259.5
16	INDONESIA	482.8	720.2
17	TAIWAN	461.7	699.2
18	UZBEKISTAN	377.1	576.4
19	UNITED KINGDOM	357.3	686.5
20	SYRIA	350.5	534.6
21	SENEGAL	316.8	659.4
22	MYNMAR	237.6	305.0
23	BELGIUM	236.2	416.2
24	NIGER	222.1	480.5
25	BURKINA FASO	220.5	534.2
26	KENYA	192.6	198.8
27	KOREA,REPUBLIC OF-S	148.6	277.1
28	ITALY	146.4	222.3
29	CHINA,PEOPLE'S R/O	142.5	205.5
30	MAURITANIA	135.4	294.5
31	CONGO	127.1	254.6



**COUNTRY WISE DETAILS OF COFFEE EXPORTS DURING 2012-13
[RE-EXPORTED COFFEE]**

SL. NO.	NAME OF THE COUNTRY	QUANTITY IN MT.	VALUE RS LAKHS
32	SOUTH AFRICA	123.1	84.7
33	KAZAKHSTAN	121.4	200.1
34	ESTONIA	111.0	136.5
35	JORDAN	106.7	169.4
36	TOGO	91.4	187.9
37	VIETNAM	90.5	134.0
38	TURKMENISTAN	88.6	176.9
39	LITHUANIA	78.1	128.4
40	GEORGIA	72.7	92.2
41	BENIN	64.8	139.1
42	NIGERIA	57.5	80.6
43	IRAQ	57.2	133.6
44	ANGOLA	55.8	65.7
45	IRAN, ISLAMIC R/O	45.8	38.6
46	GHANA	42.4	89.1
47	TUNISIA	41.4	84.6
48	ISRAEL	40.3	59.6
49	IVORY COAST	39.6	94.8
50	TAHITI	39.5	107.6
51	SWITZERLAND	38.1	56.5
52	ALGERIA	30.9	63.9
53	NETHERLANDS	30.7	34.9
54	GUINEA	30.6	43.3
55	SAUDI ARABIA	30.6	50.3
56	GAMBIA	23.7	45.6
57	GABON	18.9	42.9
58	THAILAND	18.2	27.7
59	BOSNIA AND HERZEGOVINA	13.0	27.3
60	CAMEROON	9.5	21.3
61	AUSTRALIA	4.5	10.4
62	UNITED ARAB EMIRATES	3.1	5.9
	GRAND TOTAL	49,904.0	79,061.8



EXPORT OF VALUE ADDED COFFEE 2012-13 [BOTH INDIAN AND RE-EXPORTED COFFEE]

SL. NO.	TYPE OF COFFEE	QUANTITY IN MT.	VALUE RS LAKHS
1	Specialty Coffee	12,627	23,851
2	Soluble, Roasted & Ground Coffee	88,635	1,39,638
	TOTAL	1,01,262	1,63,489

EXPORT OF COFFEE BY TOP 10 EXPORTERS DURING 2012-13 [BOTH INDIAN & RE-EXPORTED COFFEE]

SL. NO.	NAME OF THE EXPORTER	QUANTITY IN MT.	VALUE RS LAKHS
1	ALLANASONS LIMITED,	28,488.2	46,697.8
2	CCL PRODUCTS (INDIA)LTD.,	25,746.5	43,843.6
3	NKG JAYANTI COFFEE PVT. LTD.	25,051.0	34,892.1
4	AMALGAMATED BEAN COFFEE TRADING CO. LTD.,	20,668.4	31,946.7
5	TATA COFFEE LTD.,	20,556.9	35,834.3
6	S.L.N. COFFEE PVT.LTD.	18,735.5	24,724.7
7	OLAM AGRO INDIA LIMITED	16,799.1	29,507.9
8	NESTLE INDIA LTD.,	15,585.9	23,257.4
9	ECOM GILL COFFEE TRADING PVT.LTD.	12,874.4	20,037.0
10	NED COMMODITIES INDIA PVT. LTD.,	12,504.4	15,161.3
	TOP 10 TOTAL:	1,97,010.3	3,05,902.8
11	OTHERS	1,01,030.2	1,47,347.7
	GRAND TOTAL	2,98,040.5	4,53,250.5



Export Incentives:

Coffee Board provided Export Incentives to the Coffee Exporters under the Scheme “Export Promotion of Coffee” during XI Plan Scheme. The Govt. of India conveyed its approval for the continuation of the scheme during the current year with existing modalities.

“In view of the above, the Export Incentives to the Coffee Exporters under “Export Promotion Scheme” was continued for export of Value Added Coffee as India brand at the existing rate of Rs.2/- per kilo and Re.1/-kilo for export of High Value Green Coffee to far off markets viz., U.S.A., Canada, Japan, Australia & New Zealand during 2012-13. The following are the objectives for providing Export Incentives.

- a) To enhance the export of Value Added coffees as India brand in retail consumer packets containing a maximum quantity of 1000 gms in the case of Roasted Coffee and 500 gms. for Instant Coffee
- b) To Export High Value Green Coffees to far off markets viz., USA, Canada, Japan, Australia & New Zealand

The physical and financial achievement under the two activities during the year 2012-13 including Spill over cases of 2011-12 is as follows :

SL. NO.	COMPONENTS	QUANTITY IN MT.	VALUE RS LAKHS
1.	High Value Green Coffee	8008	80.08
2.	Value Added Coffee	17077	341.70

Coffee Board of India continued to promote the export of value added coffees as India Brand and continued to strengthen the identity of Indian coffee through coffees of India Logo depicting Indian Coffee as shade grown, sustainable and scintillating. This Symbolically describes the fact

that Indian coffee is shade grown and coffee growing region is one of the 25 bio-diversity hotspots and also highlights the diversity of coffees grown in India.





Coffee Board Awards :

FLAVOUR OF INDIA – FINE CUP AWARDS

Scaling A New high in 11th year of the Awards

The Coffee Board of India is organizing “Flavour of India – The Fine Cup” Award Cupping Competition every year with an objective of promoting production of fine quality coffees. This has been successful in showcasing the fine coffee from India in the International market. The coffee samples are analyzed for physical / visual quality based on the colour, smell, size and defects found in the beans. The samples are also evaluated for cup quality by an experienced panel of Coffee Cup Tasters representing Coffee Board as well as Indian Coffee industry to select the best coffees which qualify for the final round of cupping. The outstanding coffees from among the selected coffees at National level are chosen for the **Fine Cup Award** by the International Jury consisting of eminent Cup Tasters from different countries.

Flavor of India-Fine Cup Award: 2012:

For the Flavour of India, total number of 219 coffee samples comprising of 118 Samples of Arabica and 101 Samples of Robusta were received on 12th March 2012. These underwent physical evaluation. After physical evaluation 215 samples comprising of 114 Arabica samples and 101 Robusta samples scoring 60% qualified for Pre-Jury Evaluation. After Pre-Jury Cupping 124 samples comprising of 62 Arabica samples and 62 Robusta samples scoring 60% qualified for National-Jury Cupping. After National Jury Cupping 39 samples comprising of 16 nos. of Arabica; 6 Nos. of Specialty Arabica; 11 Nos. of Robusta and 6 Nos. of Specialty Robusta were selected to the final round of Cupping by the International Jury.

International Jury Cupping:

The Coffee Board organized the final cupping session of Flavour of India-The Fine Cup Award-Cupping Competition 2012 on 3rd May 2012 at Melbourne prior to the Melbourne International Coffee Expo, Melbourne, Australia scheduled from 4th to 6th May 2012. The final cupping session was held on 3rd May 2012 in which 11 member international jury participated. The event was held at Coffee Academy, William Angliss Institute of Tafe at Australia. The logistic and technical

support was provided by H.A. Bennett & Sons. The cupping session was started with the welcome by Mrs. Rooprahi, Director of Finance, introduction to the event by Dr. K Basavaraj and an insight into the finer nuances of the Indian Coffees by Mrs. Sunalini Menon.

The scores of the cupping session were compiled and the sample codes were opened in the presence of Shri Jawaid Akthar, Chairman, Coffee Board.

The results of the competition were announced at Coffee Board stall on 4th May 2012 under category **Arabica, Specialty Arabica, Robusta and Specialty Robusta** by Shri Madhusudhan Prasad, Additional Secretary (plantations) and Dr. Subhakanta Behera, the Counsel General of India in Melbourne. The international jury were felicitated with a personalized memento, certification of participation, a coffees of India gift box and a Coffees of India stole by Shri Madhusudhan Prasad, Additional Secretary (plantations). On 5th May a tasting session of the Flavour of India winners and Specialty Coffees/Estate Branded Coffees of India.

The winners in the various categories were:

1. **Best Arabica:** Loyola Estate, P.R.K. Joseph Plantations, The Joseph Coffee Curing Works, Pattiveeranpatti-624211, Dindigul Dt, TamilNadu.
2. **Best Specialty Arabica:** Mylemoney Estate Tata Coffee Ltd, Pollibetta, South Kodagu - 571215,
3. **Best Robusta:** Kalerimalai Estate Dr. V Siddharthan, Kalerimalai Estate, Kottachedu Yercaud
4. **Best Specialty Arabica:** Cottabetta Estate Tata Coffee Ltd., Pollibetta South Kodagu - 571215

Flavor of India-Fine Cup Award: 2013:

The last date for receipt of coffee samples for Flavour of India – The Fine Cup Award – Cupping Competition-2013 was 1st March 2013 for both Arabica and Robusta. A total number of 221 coffee samples comprising 72 Samples of Arabica, 42 Samples of Robusta, 65 Samples of Specialty Arabica and 42 Samples of Specialty Robusta were received for the competition. Out of 221 samples, 40 samples comprising of 20



nos. of Arabica; 6 Nos. of Specialty Arabica; 8 Nos. of Robusta and 6 Nos. of specialty Robusta will be sent to the final round of Cupping to be held in Nice, France prior to Annual Conference & Exhibition of SCAE which is scheduled to be held from 26th to 28th June 2013 at Nice, France. The International Jury will select the Best Coffees under different categories out of 40 samples for the year 2013.

EXTERNAL PROMOTION:

Under export promotion, the main activities carried out were focused on the following:

- ♦ Regular participation in selected international food & beverages fairs, Coffee Conferences & Exhibitions etc both directly and through the India Trade Promotion Organization (ITPO). The selection of events is done after consultation with the stakeholders while finalising the annual calendar for these international participations. These participations give visibility to Indian Coffee in high value markets while reinforcing the presence in traditional strongholds. This complements the strategy to support exports and earn high returns in value.
- ♦ Giving visibility to Coffees of India in the events to support India Branding.
- ♦ Coffee Board and coffee industry also participated in India Shows organized with the support of Ministry of Commerce to strengthen the international trade presence.
- ♦ Promotion/visibility of Coffees of India in the premium market through conduct of Flavor of India Competition along with the Specialty Coffee Events.
- ♦ Release of advertisements in selected overseas coffee related trade journals
- ♦ Inviting overseas delegation of traders, roasters etc to India for interaction with members of the coffee industry and visit the plantation areas etc.
- ♦ Arranging coffee tasting sessions, buyer-seller meets etc abroad involving foreign buyers, Indian exporters, Embassy officials etc.
- ♦ Circulation of various publicity and promotional literatures, DVDs, Films etc on coffees of India in International events.

The Board participated in the following Overseas Fairs and organized 5 special events including the Finals of the Flavour of India 2012 cupping competition .



Board's participation in Overseas events during 2012-13

Sl. No.	Fair title	Date
1	SCAA World Coffee Conference, Oregon, USA along with Cupping of Specialty Coffees	April 20-22, 2012
2	Melbourne International Coffee Expo, Melbourne, Australia, along with Flavour of India 2012	May 4-6, 2012
3	SIAL, China	May 9-11, 2012
4	SCAE World Coffee Conference, Vienna, Austria, along with Special Event	June 13 -15, 2012
5	India Show, Tokyo, Japan	June 20-22, 2012
6	SCAJ World Coffee Conference, Tokyo, Japan with Special Event	September 26-28, 2012
7	COTECA, Germany	September 20-22, 2012
8	World Food Moscow, Moscow, Russia, with BSM	September 17-20, 2012
9	GIDA World Food Istanbul 2012, Turkey	September 06-09, 2012
10	World Food Ukraine 2012, Ukraine	October 30-Nov. 1, 2012
11	Triestespresso, Trieste, Italy	October 25-27, 2012
12	Cafeshow, Seoul, Korea alongwith Cupping sessions / Special Event	November 22-25, 2012
13	TAIPEI International Tea & Coffee Expo 2012	November 23-26, 2012
14	Gulf Food, Dubai	February 25-28, 2013
15	NCA, USA	March 14-16, 2013
Additional Events participated		
1	"Made in India" –Brand promotion – "Flavours of India", London, U.K	Aug 2-4 , 2012
2	World Economic Forum, Davos, Switzerland	Jan 23-26, 2013

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CHAPTER – VIII

MARKET RESEARCH & INTELLIGENCE

The Market Research & Intelligence Unit of the Board dealt with the following items of work during the period under report.

- ◆ The Unit continued to collect and compile daily market information (both global & Indian) on prices, supply, demand and other fundamental and technical factors that are important for market analysis. The same were disseminated to the industry as well as to the Government.
- ◆ Daily e-mail information service giving daily market analysis was continued during the Period. The facility was extended to the growers via extension department and posted on the website www.indiacoffee.org and messages were also sent through SMS.
- ◆ The Unit published four issues of Comprehensive 'Data Base on Coffee' for the months of July 2012, November 2012, January 2013 and March 2013. The Data Base on coffee is useful for policy makers and stake holders.
- ◆ Crop estimations were carried out using stratified random sampling techniques across different category of holdings and coffee zones/regions for the season 2011-12 and 2012-13
 - ◆ Final estimate for 2011-12 placed at 314,000 MT (Arabica: 101,500 MT and Robusta: 212,500 MT)
 - ◆ Post blossom estimate for 2012-13 placed at 325,300 MT (Arabica: 104,000 MT and Robusta: 221,300 MT) and
 - ◆ Post monsoon forecast for 2012-13 placed at 315,500 MT (Arabica: 100,225 MT and Robusta: 215,275 MT)
- ◆ Coordinated the market research study on "Transaction Costs of Indian Coffee Exports' carried out by IIPM, Bangalore and the study report is submitted.
- ◆ Coordinated the research study "India Coffee Market Study 2012 - Coffee Consumption Trends & Business Opportunities" which has been awarded to M/s. Datamation Consultants Pvt. Ltd., New Delhi and the study is in progress.
- ◆ The Unit coordinated the export section activities.
- ◆ Rendered economic and analytical support on WTO and trade policy matters of coffee.
- ◆ The Unit continued to be involved in the maintenance of the Board's website www.indiacoffee.org.
- ◆ The unit regularly contributed the monthly "Market Watch" column in Indian Coffee magazine.
- ◆ The unit provided weekly estimated indicator prices for all the grades of coffee to domestic auction center ICTA.
- ◆ Prepared pre-budget proposals for coffee for the year 2013-14 and submitted to the Govt. Based on the efforts of the Board, concessional customs duty of 5% is being extended for the specified machinery for coffee plantation sector.
- ◆ The unit also extended support for the activities of Domestic Coffee Promotion – Media Plans.
- ◆ The following schemes were continued during 2012-13.
 - a) Rainfall Insurance Scheme for Coffee



growers (RISC).

- b) Price Stabilization Fund Scheme of Government of India.
- c) Personal Accident Insurance Scheme (PAIS)

The salient activities and achievements of the above schemes are as follows.

Rainfall Insurance Scheme for Coffee (RISC)

- ◆ During 2012-13, Post-Monsoon showers Insurance in 2012 was marketed. 1163 growers having an area of 1078 ha purchased the insurance product.
- ◆ Government of India conveyed approval for implementation of Rainfall Insurance Scheme for Coffee (RISC) during the 12th Five Year Plan in all the coffee growing areas of the country with enhanced level of sum insured and subsidy on premium to be paid by the growers.
- ◆ During February 2013, 949 growers having an area of 810 ha purchased the insurance product.

Price Stabilization Fund Scheme

Coffee Board is the implementing agency of the Scheme for Coffee Growers. The Market Research and Intelligence Unit of the Board is coordinating the related activities.

As on 31.03.2013, 11,594 growers were registered as members under the scheme. The state wise breakup of membership is as follows: Andhra Pradesh had maximum number of 5451 (47.11%) registered growers followed by Kerala and Karnataka with 2,880 (24.86%) and 2267 (19.55%) growers respectively, while Tamil Nadu had 917 (7.90%) growers and Orissa 79 (0.68%) growers under the scheme.

In accordance with the Price Stabilization Fund Scheme, the Department of Commerce, Govt. of India has, on the basis of data relating to seven years' moving average of international prices of

coffee obtained from the Coffee Board, fixed the Price Spectrum Band for the year 2012 as Boom Year for Coffee Arabica and Robusta.

Personal Accident Insurance Scheme

Price Stabilization Fund Trust (PSFT) has selected M/s. Cholamandalam MS General Insurance Company Ltd. to implement the personal Accident Insurance Scheme during 2011-12 and 2012-13. The annual premium rate of Rs. 22.06 per annum will be shared between the beneficiary grower / worker and PSFT in the ratio of 50:50 basis i.e. grower/worker have to pay Rs.11.00/- while PSFT contributes Rs.11.03/-. As on 31.03.2013, a total of 10313 members (7362 growers and 2941 workers) enrolled under the personal Accident Insurance Scheme with a total premium amounting to Rs. 227,195/-.

Market Research Study on Transaction Costs of Indian Coffee Exports

Indian coffee sector is export oriented in view of the fact that nearly 75 percent of the production is being exported. The costs in the upstream part of the value chain starting from growing to processing and finally to exports, are dependent on a number of factors. In India, the relatively higher logistics and transaction costs result in lower value realization. Hence, the ASEAN, Indian FTA and the possibility of phasing out of some of the WTO incompatible incentives have profound implications on cost competitiveness of the coffee sector. Therefore, it would be worthwhile, to evolve a facilitating structure to aid the inbound logistics and documentation system to ease the procedural obstacles. Any mitigation in export transaction costs would be a permanent benefit accruing to the coffee sector.

In this backdrop, Coffee Board has taken up the study on 'Transaction Costs of Indian Coffee Exports' through IIPM, Bangalore.

Objectives of the study

1. To examine the coffee value chain from farm gate to port through various channels and understand the crucial



links where costs are added up

2. To undertake a comparative analysis of cost across the three major ports, viz.; Chennai, Kochi and Mangalore.
3. To examine interstate and value added taxes and associated intangible costs.
4. To understand the possible network externalities
5. To identify the relevant international benchmarks related to coffee trade transaction costs and thereby draw inferences suitable for India.

The study was based on extensive desk research and field visits, interviews and related observations. Primary information are obtained from Growers/traders, Exporters (green, instant, specialty), Customs House Agents (CHAs), Officers in Ports. Secondary information through Ports, published reports, Doing Business Reports etc.

Key Findings

The study identifies ways of reducing transaction costs at the sectoral level, which may yield higher value realization from exports for the overall development of the coffee sector. The report furnishes detailed cost break-up of exports through 3 major ports (Chennai, Kochi and Mangalore). Some of the pertinent benchmarking

parameters among the major coffee exporting countries, especially Vietnam have also been discussed. In the short term, the Indian coffee sector has to develop a paperless trading system which would include electronic integration of some of the documents / certificates / permits and related departments and agencies. This would also ensure better traceability, which helps in the maintenance of coffee quality and development of the specialty markets. In the long term, shipments through Mangalore port have to be facilitated as this is the port closest to the main coffee growing and processing regions. This could be in the form of refurbishing warehouses, provision of interim incentives for exporters to bridge the gap (as more coffee is scheduled through Mangalore port, the usable vessel frequency may go up) thereby implying substantial savings in logistics in the long term.





CHAPTER – IX

ACCOUNTS & FINANCE

The Accounts & Finance department of the Coffee Board has the following functions:

- ♦ Drawing up Budget Estimates and allocation of budget to various units of the Board.
- ♦ Liaison with the Finance Division of the Ministry of Commerce for release of funds etc.
- ♦ Compilation and maintenance of accounts of the various departments of the Board.
- ♦ Exercising effective control over cash and other financial transactions of the Board, so as to ensure cost efficient deployment of resources.
- ♦ Rendering advice on all matters having financial implications.
- ♦ Conducting Internal Audit of the offices of the Board.
- ♦ Dealing with pending issues of Pool Marketing like settling sales tax cases etc.

Grants-in-Aid received from Government of India during 2012-13

Plan: (Rs. In lakh)

Plan Grants	5600.00
NER Grants	550.00
Subsidy Grants	4350.00

Non-Plan: (Rs. In lakh)

Non-Plan Grants-General	3775.00
Non-Plan Grants-Salary	940.00

Pension:

The Pension Corpus of `62.40 crore was invested in Nationalized Banks for earning prevailing rates of interest. Total interest earned during the year was Rs. 6.38 crore, which partially funded pension liability of Rs. 33.97 crore towards the 2787 pensioners of various categories of pension.

At present 105 employees who joined services of the Coffee Board after 01.01.2004 are members in the New Pension Scheme.

Expenditure of Plan grants 2012-13

The plan grants and subsidy were utilised over 6 schemes covering 12 components as follows:

I. R & D for Sustainable Coffee Production (Rs. In lakh)

	Name of the Component	Expenditure
1	R & D Technologies	1309.07
2	Transfer of Technology	778.33
3	Infrastructure Development for R & D	149.62
	Total	2237.02

II. Development Support Scheme (Rs. In lakh)

	Name of the Component	Expenditure
1	Re-Plantation	896.41
2	Water Augmentation, Quality Up-gradation & PA	140.50
3	Coffee Development in NER	445.13
4	Coffee Development in NTA and Tribal Sector	401.14
5	Capacity Building for all stake holders	264.40
6	Welfare Support to labours / tiny growers	183.25
	Total	2330.83

III. Market Development (Rs. In lakh)

	Name of the Component	Expenditure
1	Domestic Coffee Promotion	497.27
2	Market Research	33.31
	Total	530.58



IV. Export Promotion (Rs. In Lakh)

1	Export Promotion	371.95
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Plan Subsidy:

II. Development Support (Rs. In Lakh)

	Name of the Component	Expenditure
1	Re-Plantation	471.37
2	Water Augmentation, Quality Up-gradation, Pollution Abatement	1528.13
3	Coffee Development in NER	181.18
4	Coffee Development in NTA and Tribal Sector	616.83
5	Interest Subsidy to growers on working capital Loans.	118.56
6	Mechanisation Programme	624.81
	Total	3540.88

(Rs. In Lakh)

	Name of the Scheme	Expenditure
III.	Risk Management to Growers	36.08
V.	Export Promotion	428.50
VI.	Support for Processing	58.23

Subsidy expenditure includes expenditure booked against provision made in previous years.

Price Stabilisation Fund:

The Price Stabilisation Fund Trust is functioning under the Ministry of Commerce & Industry as a Trust. The objective of the Trust is to safeguard the interest of growers by providing financial relief through Coffee Board when the prices of coffee fall below a specified level. The funds collected and expenditure incurred by the Board is as per the norms of Price Stabilisation Fund Trust.

Coffee Debt Relief Package (CDRP)

The Government of India released funds to the tune of Rs. 58.00 crore under Non Plan Grant for implementation of "Coffee Debt Relief Package" (CDRP) towards the end of the financial year 2011-12 and granted permission to utilise the

funds upto 31.03.2013. The Board honoured claims of various banks to the tune of Rs. 4.64 crore during the year. An amount of Rs. 4306129.00 was refunded by Banks as result of Test Audit of records of Banks in respect of CDRP claims. Advisory letters were issued to State Level Banker's Committees and participating Banks to scrutinise all settled claims once again and to refund the amount in respect of ineligible / incorrect claims.

Pool Fund:

1. Provision for Purchase Tax / Sales Tax:

- In case of Kerala, a claim amounting to Rs. 44.81 crore (Rs. 2.16 crore for Purchase Tax + Rs.42.65 crore for Central Sales Tax) stands remanded to assessing officer by Hon'ble High Court of Kerala to verify the Boards claim in accordance with the law and attempts are on to resolve the same. The Board and the Ministry of Commerce have initiated action for early settlement.
- As regards Tamilnadu, there are no demands pending for payment. However, formal confirmation orders from the Commercial Tax Department, Tamilnadu is awaited in respect of settlement of dues.
- A sum of Rs. 28,14,404/- was received as final settlement from the erstwhile pool agent M/s. Kothari Oil Products in respect of Court case which was decided in favour of Coffee Board.

The Board's accounts have been prepared in 3 sets viz., Receipts & payments, Income & Expenditure and Balance Sheet. These accounts have been audited by the Comptroller and Auditor General of India. Certified copies of the Financial Statements of Coffee Board General Fund and Pool Fund for the year 2012-13 along with Audit Report are placed separately as 'Audit Report with Annual Financial Statements of Coffee Board for the year 2012-13'.

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ABBREVIATIONS

AIC	Agriculture Insurance Company of India Ltd
BSM	Buyer Seller Meet
C/lb	Cents/pound
CBB	Coffee Berry Borer
CCRI	Central Coffee Research Institute
CDRP	Coffee Debt Relief Package
CFC	Common Fund for Commodities
CIFC	Centro de Investigacao das Ferrugineus do Cafeeiro (Coffee Rust Research Centre)
CFU	Colony Forming Unit
CIS	Career Improvement Scheme
CRSS	Coffee Research Sub Station
CxR	Congensis x Robusta
CST	Central Sales Tax
DBT	Department of Biotechnology
DGFT	Director General of Foreign Trade
DNA	De-oxy-ribo Nucleic Acid
EU	European Union
EC	Emulsifying Concentration
FFS	Farmers Field School
FPM	Farmers Participatory Method
FYM	Farm Yard Manure
GBE	Green Bean Equivalent
HDT	Hybrido-De-Timor
IA&AS	Indian Audit & Accounts Service
IAP	Internal Audit Party
IAS	Indian Administrative Service
IARI	Indian Agricultural Research Institute
ICAR	Indian Council of Agricultural Research
ICH	India Coffee House
ICO	International Coffee Organization
ICTA	Indian Coffee Trade Association
INM	Integrated Nutrition Management
IPM	Integrated Pest Management
IICF	India International Coffee Festival
IIHR	Indian Institute of Horticulture Research
IIPM	Indian Institute of Plantation Management
ITDA	Integrated Tribal Development Agency
ITPO	India Trade Promotion Organization



IT	Information Technology
ITS	Indian Telephone Service
Kg/ha	Kilogram/hectare
KGST	Kerala General Sales Tax
MACP	Modified Assured Career Progression
MFCS	Modified Flexible Complementary Scheme
MAS	Marker Assisted Selection
MT	Metric Tonne
MTS	Multi Tasking Staff
NER	North Eastern Region
NTA	Non Traditional Area
NPK	Nitrogen, Phosphorus, Potassium
PB	Pay Band
PFA	Prevention of Food Adulteration
PSFT	Price Stabilization Fund Trust
RCRS	Regional Coffee Research Station
RTI	Right to Information
SC	Scheduled Caste
SCAA	Speciality Coffee Association of America
SCAE	Speciality Coffee Association of Europe
SCAR	Sequence Characterised Amplified Region
SEC	Socio Economic Class
SHG	Self Help Group
SIn	Selection
SLP	Special Leave Petition
SSP	Single Super Phosphate
ST	Scheduled Tribe
SRAP	Sequence Related Amplified Polymer
STAT	Sale Tax Appellate Tribunal
RAPD	Randomly Amplified Polymer Polymorphic
R&D	Research & Development
RCMC	Registration Cum Membership Certificate
R&G	Roasted & Ground
RISC	Rainfall Insurance Scheme for Coffee
TEC	Technology Evaluation Centre
UAS	University of Agricultural Sciences
UNO	United Nations Organisation
WA	Writ Appeal
WP	Wettable Powder
WSB	White Stem Borer
WTO	World Trade Organisation