

CHAPTER 16

EXPORT AND IMPORT

Balance of Payment

India's balance of payments (BOP) improved significantly during 2002-03, with an overall surplus in each quarter. A surge in exports of merchandise and invisibles has pushed the current accounts into a surplus, in contrast to the previous year when a small current account surplus appeared due to lack of import demand. Growing openness in terms of the share of tradables in the economy is increasingly being driven by exports. The healthy rise in current receipts has had salutary effects on debt servicing capabilities and import purchasing power. Banking capital movements supported by stable non-resident deposits brought in higher net capital flows, notwithstanding substantial prepayments of multilateral debt.

16.2 On the external front, high merchandise export growth was maintained during 2002, averaging on 18.0% increase over the corresponding period in 2001. Similarly, import growth was also buoyant at 13.6% during 2002. However, with export growth exceeding import growth, the trade deficit declined in 2002, albeit marginally.

16.3 The current account surplus increased to \$ 3.7 billion during 2002 compared to 0.8 billion in 2001, implying a significant increase of the surplus in invisibles. In India the current account surplus was associated with a 17.7 percent growth in current receipts during 2002-03. As a result the debt service ratio remained one of the lowest after China and Malaysia. India's earnings on the invisibles account, predominantly comprise of private transfers in the form of remittance and exports of software services. India's share in global flows of private transfers is placed at around 3 percent which amounted to US \$ 14.8 billion in 2002-03. Exports of software and IT enabled services, which accounted for 17% of total world export of software and IT enabled services in 2001, recorded a robust growth of 27.1% during 2002. On the capital account, net inflows increased by about 29% during 2002 which is due to a surge in 'other' capital and banking capital inflows. The current account surplus and net capital inflows have increased foreign exchange reserves to over \$ 100 billion as on 20th December 2003. The reserves were equivalent of around 14

months of imports or about five years of debt servicing, amply satisfying the so-called "Guidotti rule". On August 15th 2003 India held the sixth largest stock of International reserve assets among emerging market economics at US \$ 85.4 billion. In view of India's burgeoning foreign exchange reserves, IMF has selected India as a member of its financial transactions plan under which the country contributes to IMF's liquidity to help other countries to tide over balance of payments problems. That is IMF has designated India as a creditor country under its Financial Transaction Plan (FTP).

Capital account

16.4 Capital account developments dominated the balance of payments in 2002-03, a phenomenon that was interrupted only once in 1995-96 since the surges of capital inflows began in 1993-94. This is indicative of the sustained international confidence in the strength of the economy, impervious to the down gradings by external credit rating agencies. Net capital flows were higher in 2002-03 than in any year so far.

External debt.

16.5 India's total external debt increased by US \$ 5.5 billion over the year, from US \$ 98.8 billion at the end of March 2002 to US \$ 104.2 billion at the end of March 2003.

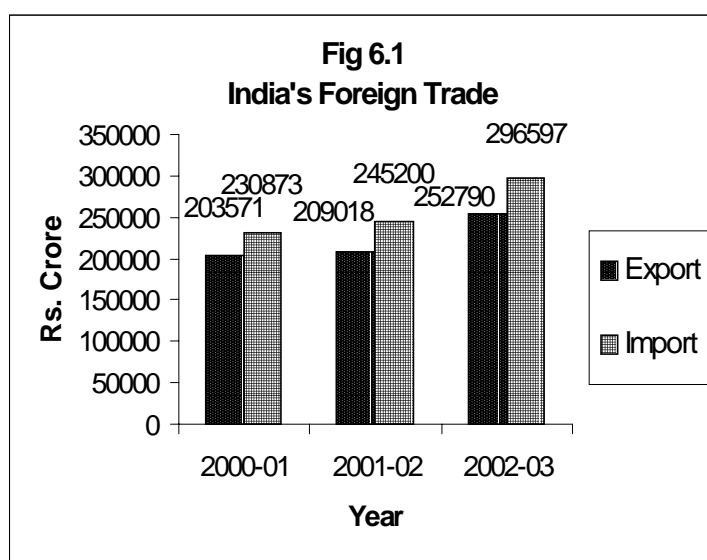
Foreign Investment

16.6 Foreign Direct Investment in India stood at US \$ 6.1 billion in 2001-02 and came down to US \$ 4.7 billion in 2002-03. Indian exports accounted for 0.5% of the world exports in the early 1990's. It reached 0.6% in 1996. Between 1996 & 2000 the share moved to around 0.65%.

16.7 The medium term export strategy of the government of India had set the target of raising India's export share in the world market to 1% by 2007. India's share in world export could have risen to 0.81% in 2002 from 0.71% in 2001. Exports grew by an impressive

16% during September 2003, the same growth recorded a year ago. During April-September 2003, however exports growth was lower at 9.9% as compared with 18.2% growth registered in the corresponding period of 2002. Imports went up by 21% as against 9.4% increase during the corresponding period of 2002. Trade deficit during April-September 2003 stood higher at \$ 7.15 billion as compared with \$ 3.5 billion deficit recorded in the corresponding period of 2002.

16.8 According to the International Monetary Fund projections, global GDP and trade volume growth may show some acceleration in 2003 to 3.2% and 4.3% respectively. The prospect for 2004 is brighter. India's foreign trade during the last three years is shown in the figure 16.1.



Cargo handled by Kochi Port

16.9 Total export of cargo through Kochi Port started declining since 1998-99. Total export (both coastal and foreign) from Kochi port was 24.3 lakh MT during 1998-99. It came down to 19.68 lakh M.T during 2001-02 but slightly increased to 21.25 lakh M.T during 2002-03. At the same time foreign export from Kochi port shows an increasing trend. The foreign export from Kochi port during 1998-99 was 9.52 lakh tonnes. It increased to 12.17 lakh tonnes during 2001-02 and slightly decreased to 11.09 lakh tonnes in 2002-03. On the contrary the total coastal export from Kochi port has declining since 1998-99. The total coastal export from Kochi port was 14.78 lakh tonnes during 1998-99. It decreased to 7.51 lakh tonnes in 2001-02. But in 2002-03 it increased to 10.16 lakh tonnes.

16.10 The trend of total import (both coastal and foreign) through Kochi port was just the opposite of export. Total import during 1998-99 was 102.51 lakh tonnes. It increased to 108.99 lakh tonnes in 2002-03 while coastal import through Kochi port declined from 71.46 lakh tonnes during 1999-2000 to 42.79 lakh tonnes during 2001-02 and to 36.70 lakh tonnes in 2002-03, foreign import through Kochi port during 1998-99 was 61.69 lakh tonnes. It came down to 58.12 lakh tonnes during 2001-02 but again increased to 72.29 lakh tonnes in 2002-03 (see Table)

Commodity Composition of Kerala's Exports.

16.11 Commodity Composition of exports from Kerala is presented in Appendix.16.1. Out of

the total exports, miscellaneous items represent the major portion of export through Kochi port. The percentage of miscellaneous items to total export shows declining trend. It was 83.4 % during 1997-98. It decreased to 73.9 % during 2001-02. But one percent increase was recorded in 2002-03 against 2001-02. Export of tea, cashew Kernals, Coir products and spices through Kochi

Table - 16.1

Cargo handled at Kochi Port during 1997-98 to 2002-03 (In lakh M.T.)

TRAFFIC	EXPORT						IMPORT					
	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03
Coastal	15.04	14.78	13.12	10.11	7.51	10.16	43.34	40.82	71.46	47.83	42.79	36.70
Foreign	10.39	9.52	8.93	10.72	12.17	11.09	54.48	61.69	34.9	62.78	58.12	72.29
Total	25.43	24.3	22.05	20.83	19.68	21.25	97.82	102.51	106.36	110.61	100.91	108.99

Source: Kochi Port Trust

port witnessed a steady growth in 2002-03 compared to 2001-02. Export of coffee steeply declined from 146166 tonnes in 2001-02 to 115156 tonnes in 2002-03 representing a decrease of 21.2 percent. So also the export of seafoods declined from 111070 tonnes in 2001-02 to 84216 tonnes in 2002-03 representing a decline of 24.2 percent.

16.12 Out of the total export through Kochi port coffee accounted for 5.4% followed by tea 4.9%, coir products (4.7%), cashew Kernels and seafoods (4%) and spices (2.2%).

16.13 Total value of foreign export through Kochi port increased from Rs. 6251.20 crore in 2001-02 to 6532.76 crore in 2002-03. Out of the total value of export in 2002-03 cashew Kernels accounted for Rs. 1585.47 crore followed by pepper (Rs.633.69 crore), seafoods (Rs.623.76 crore), Coir products (Rs.428.92 crores), coffee (Rs.387.37 crore), tea (Rs.325.23 crore), cardamom (Rs.25.21 crore), and ginger (Rs.14.86 crore).

Commodity composition of Kerala's Imports.

16.14 Commodity wise imports through Kochi port are given in Appendix 16.2. The category "miscellaneous" mostly consisting of petroleum products accounted for 89.34% of the total imports through Kochi port during 2002-03. Growth rate of import of raw cashew nuts grew by 19.56% in 2002-03 compared to the previous year. But during the previous year the increase was 242%. Import of cashew nuts through Kochi port was only 217249 tonnes in 2001-02, but rose to 259736 tonnes during 2002-03. Import of Iron, steel and machinery was 231033 tonnes in 2002-03 as against 144787 tonnes during 2001-02 registering an annual growth rate of 59.57% in 2002-03.

16.15 A peculiar feature of Import is that import of food grains recorded a 100% negative growth rate in 2002-03 as against 40.93% during 2001-02. So also the import of fertilizers and raw materials recorded a negative growth rate of 2.28% compared to the growth rate of 6.4% during 2001-02. Newsprint recorded a growth rate of 11.55% during 2002-03.

Marine Products

16.16 Export of marine products which started at a modest level in the early fifties with a turnover of Rs.2.46 crore has grown significantly during the last five decades and reached the level of Rs.6881.31 crore during 2002-03. The export of marine products has been increasing since 1998-99 to 2002-03 except in 2001-02. The growth in 2000-01 was 28.41% in quantity and 25.94% in value (19.11% in dollar terms). It

declined during 2001-02 by -3.63% in quantity by -7.56% in value. But during 2002-03 the export increased by 10.09% in quantity and 15.52% in value compared to the previous year.

16.17 India with a fishery production of 5.36 million M.T from both capture and culture sources, though ranked 4th among the fish producing countries, occupies only the 17th position among the fish exporting countries of the world. Frozen shrimp is the major item, contributing 66.97% in value and 28.85% in volume of the total export of marine products from India during 2002-03. Eventhough the share of shrimp export has come down from 30.09% of the previous year to 28.85% in quantity and from 69.50% of the previous year to 66.97% in terms of value it recorded a growth of 5.56%, 11.31% and 9.46% in terms of volume, rupee realization and in US dollar terms, respectively during 2002-03.

16.18 The share of frozen fish during 2002-03 was 42.01%, in volume compared to 41.22% in 2001-02 and 12.23% in value compared to 11.97% in 2001-02. There has been an increase in the export of frozen fish by 12.20% in quantity and 18.03% in rupee value respectively over the previous year. This year, export of cephalopods especially cuttlefish showed a growth, which was the tune of 35.37% in quantity and 48.92% in value. The export of Frozen squid also registered a growth of 16.59% in value terms over the previous year. However there was a shortfall of 4.91% in volume Live items like live whelk (Baigai) live fish and live crab showed an increase in exports while the export of live lobster live aquarium fish and live snail recorded a shortfall during the year. Export of chilled items recorded a decline both in quantity and value during this year. Details of item wise export of marine products from India during the last two years are furnished in Appendix.16.6.

16.19 Indian marine products are exported to about 60 countries across the globe. USA emerged as the single largest market for Indian marine products during 2002-03 relegating Japan to the second position. The share of USA reached 13.21% in quantity and 29.81% in value by registering a growth of 25.82% and 44.3% in volume and value respectively. The share of Japan was 11.75% in volume and 22.30% in value.

16.20 In spite of some issues the export to EU countries registered a growth of 14.5% and 21.21% in volume and value compared to the year 2001-02. The member countries of EU together accounted for 20.23% and 20.18% in the total quantity and value of Indian

marine products exported. In terms of quantity, China occupied the first position contributing 36.55% of the total exports from India. However China's share in value was only 11.08%. The export to South East Asia also increased by 19.24 % in value with a decline of 15.88% in volume compared to the last year. The export to Middle East market increased by 2.66% in quantity and 13.08% in value.

Kerala Scenario

16.21 Kerala is the second largest player in the export of marine products from India. The share of Kerala has come down since 2001 due to the poor landings and the increased production in culture sources in Andhra Pradesh.

16.22 During 2002-03 the share of Kerala in the overall export of marine products from the country was 17.42% in quantity and 15.20% in value. The share in the previous year was 17.14% and 15.97% respectively. In the year 2002-03 the total exports from Kerala was 81393 M.T and the value realized was Rs.1045.82 crore. This was 11.87% and 10.02% respectively more than the previous year 2001-02. The export details can be seen in Appendix 16.3.

16.23 European Union continued to be the major market for the seafood items exported from Kerala for the last three years. The share of EU was 46.5% in quantity and 48.35% in value followed by USA (13.07% and 18.37%) china (13.33% and 7.14%) Japan (7.6% & 13.10%) south East Asia (9.68% and 5.31%) Middle East (3.7% & 3.22%). Exports to European Union in 2002-03 was 37853 M.T valued at Rs. 505.62 crore Japan has imported 5831 M.T of seafood items and the value realised was Rs.136.99 crore, while that of China was 10848 M.T valued at Rs.74.67 crore during 2002-03. At the same time the marine export to USA was 10641 M.T valued at Rs.192.08 crore during 2002-03. The details are given in Appendix 16.5.

Spices Export performance of Indian spice industry

16.24 The growth rate of export of various spices during the past two decades shows that, during eighties, except black pepper all other commodities registered a negative growth rate in volume exported. Among the value added spice products, oils and oleoresins achieved the maximum growth rate of 42.93% in volume and 25.91% in value terms. Overall, there was a negative growth rate of 3.6 recorded for all spices during the period 1978-79 to 1987-88.

16.25 However, during the period from 1988-89 to 1997-98, except in cardamom (small) exports of all other commodities achieved a positive growth rate both in volume and value terms. Chilli and ginger have performed well. Unit price rise was more for pepper than for all other commodities exported. During this decade almost all the crops have recorded a positive growth rate in terms of value because of the continuous rising trend in prices.

16.26 The cumulative export of spices from India during 2002-03 is estimated as 250,950 tonnes valued at Rs.1790.00 crore (\$ 370.10million) as against 245,000 tonnes valued at Rs. 1625.35crore (\$341.60 million) during 2001-02 which shows an increase of 2% in terms of quantity and 10% in terms of Re..value (in dollar terms, there is an increase of 8%) Spice oil and oleoresins including mint oil contributed 40% of the total export earning followed by chilli (17%) and pepper (9%).

16.27 During 2002-03 the export of Chilly, ginger, Coriander, fennel and other seed spices like mustard seed, ajwanseed, dill seed, other spices like tamarind, nutmeg, vanilla, asafotida, curry powder, spice oils and oleoresins is higher in terms of quantity and value as compared to those of the previous year.

Pepper

16.28 Indian pepper is likely to lose its place to Vietnam whose export will match its production of 85000 tonnes. Indian pepper production is expected to fall to 62000 tonnes from 65000 tonnes. But India was able to export less than half of Vietnam at 20000 tonnes. Even Indonesia with a production of 56000 tonnes will outstrip India exporting 42000 tonnes.

16.29 Total export of pepper and pepper products from 1989-90 to 1998-99 increased annually by 14.07 per cent in terms of quantity and 19.44 per cent in terms of value. There is also a marked change in share of value added products especially pepper oil and oleoresins (9.25% and 9.24% respectively) leading to the conclusion, that the composition of export basket is changing rapidly.

16.30 The export of pepper came down in terms of volume, from 24000 tonnes in 2001-02 to 20000 tonnes in 2002-03. In value terms, it declined from Rs.211.93 crore to Rs.166.10 crore which is attributed to the lower unit value realization of Rs.83.05 per kg. as against Rs.169.52 per kg of the previous year 2000-01.

16.31 Export of pepper from Kerala came down from 21448 M.T during 2001-02 to 15094 M.T in 2002-03. But its value decreased from Rs.187.21 crore in 2001-02 to Rs 139.90 crore during 2002-03. However the export of pepper from Kerala had been 41332 M.T valued at Rs.856.99 crore during 1999-2000.

Cardamom (small)

16.32 Export of cardamom (small) from India sharply decreased during 2002-03 both in terms of quantity and value. The export during 2002-03 was 550 M.T valued at Rs.37.60 crore compared to 700 M.T valued at Rs.55.86 crore during the previous year. Export from Kerala during 2001-02 had been 630. M.T valued at Rs.40.32 crore as against 384 M.T valued at Rs.25.35 crore during 2002-03.

Cardamom (large)

16.33 During 2002-03 India exported 1300 M.T cardamom (large) valued at Rs.18.48 crore against 1250 M.T valued at Rs.20.38 crore during 2001-02.

Chilli

16.34 Export of Chilli during 2002-03 was 83000 tonnes valued at Rs.301.54 crore against 75000 tonnes valued at Rs.255.84 crore in 2001-02. Export of chilli increased by 11% in quantity and 18% in value during 2002-03.

Ginger

16.35 The export of ginger from India increased during 2002-03 from 8000 M.T. in quantity and Rs.25.04 crore in value in 2001-02 to 8500 M.T valued at Rs.24.09 crore. However the export of ginger from Kerala declined from 2560 M.T valued at Rs.14.14 crore in 2001-02 to 2415 M.T valued at Rs.13.71 crore during 2002-03.

Turmeric

16.36 Export of turmeric from India during 2002-03 was 32000 M.T and the value realized was Rs.99.38 crore, whereas it was 35000 M.T and the value realized was Rs.84.63 crore during the previous year. Export of turmeric from Kerala showed an increase. During 2000-01 Kerala's export was 2682 tonnes valued at Rs.11.90 crore. It increased to 4800 M.T and the export value was Rs.17.87 crore during 2001-02. But during 2002-03 export of turmeric recorded a slight decrease in quantity. The quantity exported was 4770 M.T and value realised was Rs.24.09 crore.

Coriander

16.37 During 2002-03 India exported 15500 M.T of Coriander valued at Rs.47.85 crore against 15000 M.T valued at Rs.45.05 crore of the previous year.

Curry Powder

16.38 Export of curry powder from India during 2001-02 was 6250 M.T. valued at Rs.40.48 crore which grew to 6750 M.T valued at Rs.46.40 crore during 2002-03. Export of curry powder from Kerala also increased. During 2001-02 Kerala's export was 1100 tonnes and the export value realised was to Rs.10.71 crore. It became 1695 M.T and Rs.16.99 crore respectively during 2002-03.

Spice oils and oleoresins

16.39 The export of spice oils and oleoresins from India during 2002-03 was 4250 M.T valued at Rs. 362.29 crore as against 4400 tonnes valued at Rs.386.48 crore of the previous year. Export of spice oils and oleoresins as value added products has been steadily growing over the past years.

16.40 Export of spice oils and oleoresins from Kerala also has increased in quantity and value. The export during 2002-03 was 3496 tonnes valued at Rs.309.96 crore as against 3150 tonnes valued at Rs.291.62 crore during 2001-02. But the unit value realised during 2001-02 was Rs.925.77 per kg, which came down to Rs.883.92 per kg during 2002-03. For details of spices see the Appendix 16.8.

Vanilla

16.41 The estimated area of vanilla cultivation in India is about 1600 hectares and production about 60 tonnes. Karnataka State is leading in area and production.

16.42 Total export of vanilla from India during April-October 2003 was 12.2 tonnes in quantity and the export value realised was Rs.1193.63 lakh and the unit value was Rs.9808. At the same time the export of vanilla from India during April-October 2002 was 8.7 tonnes in quantity and the export value realised was Rs.721.21 lakh and the unit value was Rs.8280.

Production of Raw Cashewnuts.

16.43 India is the largest producer of raw cashewnuts in the world followed by Brazil and Vietnam. The record production of raw cashewnuts in India during the last six years was during 1999-2000 which was 520000 M.T. It decreased to 470000 M.T in 2001-02

and again increased to 506000 M.T during 2002-03. Kerala's highest production of raw cashewnut was in 1998-99 which was 1,30000 M.T. It came down to 76000 M.T during 2000-01. But the production of raw cashewnut slowly picked upto 90000 M.T in 2002-03.

16.44 Among the agricultural products exported from India during the year 2001-02 cashew ranked number two in position as a foreign exchange earner and contributed 0.86% of the total foreign exchange earnings of the country through exports.

Export of Cashew Kernels

16.45 The export of cashew Kernels from India is in an increasing trend since 1996-97. The value realised

kernels from India about 56% in quantity and 55% in value was from Kerala during the last five years. The export of cashew Kernels from Kerala during 2001-02 was 54717 M.T valued at Rs.971.11 crore which went up to 76119. M.T in quantity and the value realised was Rs.1188.6 crore during 2002-03. The average unit export price of cashew kernels came down from Rs.229.89 per kg during 2000-01 to Rs.182.13 per kg in 2001-02. Major markets of India's cashew kernels are USA, Netherlands, UK, Japan, UAE, France, Canada, Saudi Arabia, Spain, Israel, Singapore, Italy and Germany.

16.46 The export of cashew nut shell liquid from India during 2002-03 was 6023 M.T valued at Rs.8.36 crore which is an all time record. During

2001-02 it was 4178 M.T valued at Rs.5.93 crore. Kerala's share was 3365 M.T valued at Rs.4.56 crore during 2001-02 which grew to 5170 M.T valued at Rs.5.95 crore. The major markets are USA, Korea, Japan etc.

Table-16.2
Export of Cashew Kernels: Kerala and India (1996-97 to 2002-03)
(Quantity in MT and Value in Rs. Crores)

YEAR	KERALA*		INDIA		SHARE OF KERALA (%)	
	Quantity	Value	Quantity	Value	Quantity	Value
1	2	3	4	5	6	7
1996-97	38546	731.79	68663	1285.50	56	57
1997-98	39441	746.88	76593	1396.10	52	54
1998-99	43665	940.47	77076	1630.10	57	58
1999-2000	50022	1342.1	96805	2569.50	50	52
2000-01	49874	1152.36	89155	2049.60	56	56
2001-02	54717	971.11	98203	1788.70	56	54
2002-03 (P)	76119	1188.6	127227	2006.40	60	59

*Export through Cochin Port, P-Provisional

Source: The Cashew Export Promotion Council of India

through the export increased up to 1999-00. Afterwards it started decreasing. Total export of cashew kernels from India during 1996-97 was 68663. M.,T valued at Rs.1285.50 crore. It increased to 96805 M.T and valued at Rs.2569.50 crore during 1999-00. During 2002-03 the total quantity of cashew kernels exported was 127227 M.T. valued at Rs.2006.40 crore. During 2001-02 the exported quantity was 98203 M.T valued at Rs.1788.70 crore. Eventhough the quantity of export increased the value realised came down. On an average out of the total export of cashew

Table -16.3

Export of Cashew nut Shell Liquid - Kerala & India
(1996-97 to 2002-03)
(Quantity in MT and Value in Rs. Crores)

YEAR	KERALA*		INDIA	
	Quantity	Value	Quantity	Value
1	2	3	4	5
1996-97	814	0.78	1735	2.77
1997-98	2932	3.59	4181	6.74
1998-99	1185	1.81	1912	4.21
1999-2000	1040	1.54	1930	3.74
2000-01	907	1.31	2246	3.89
2001-02 **	3365	4.56	4178	5.93
2002-03 (P)	5170	5.95	6023	8.36

(P): Provisional

*Export through Cochin Port

** Various Custom Houses

Source: The Cashew Export Promotion Council of India

16.47 The total raw cashew nuts imported into India during the period 2001-02 was 3,55,556 M.T valued at Rs.950.01 crore. This was 42.57% more in quantity and 1.21% less in value as against 2,49,318 M.T raw cashew nuts valued at Rs.960.84 crore imported during 2000-01. During 2002-03 the total import of raw cashew nut increased to 401199 tonnes in quantity valued at Rs.1230.64 crore which is an all time record. Apart from African countries Indonesia was the major supplier of raw cashew nuts to India.

Table- 16.4

Import of Raw Cashewnuts: Kerala and India (1996-97 to 2002-03)
(Quantity in M.T. value in Rs. Crores)

YEAR	*KERALA		INDIA	
	Quantity	Value	Quantity	Value
1	2	3	4	5
1996-97	49169	159.76	212866	687.60
1997-98	70527	237.46	247181	769.60
1998-99	109660	448.82	241161	958.00
1999-00	156488	736.63	255227	1198.26
2000-01	152516	552.74	249318	960.85
2001-02 **	191579	502.46	355556	950.01
2002-03 (P)	252605	774.45	401199	1230.64

*Import through Cochin Port

** Various Custom Houses, P-Provisional

Source: The Cashew Export Promotion Council of India

Coffee

16.48 In India coffee plantation has been growing year after year. Total planted area was 92523 hectares in 1950-51. It increased to 346716 hectares in 2000-01 and to 346995 hectares in 2001-02. A peculiar feature of coffee plantation is that area of cultivation of Robusta is increasing and Arabica is decreasing since 1950-51. It reached a stage of fifty fifty in 1993-94. Since 1993-94 on an average the percentage of area of cultivation of Arabica is about 48 of the total planted area and the remaining 52 is cultivated with Robusta.

16.49 In Kerala during 2000-01 coffee plantations covered 84735 hectares which is 24% of the total cultivated area of India. It slightly increased to 87795 hectares during 2001-02. Kerala ranks second among Indian States on the total area and production of coffee while Karnataka ranks first.

16.50 Total coffee production in India shows a fluctu-

ating trend since 1950-51. The peak coffee production was 301200 M.T during 2000-01. It reduced to 275275 M.T during 2002-03 and post blossom forecast predicts a production of 275225 M.T coffee in India in 2003-04. Total production of coffee in Kerala was 66690 tonnes in 2001-02 which came down to 64425 tonnes in 2002-03 which is 23.4% of the total production in India.

16.51 Export of Coffee from India in quantity and value has shown an increasing trend since 1996-97 to 1999-00. After 2000-01 the all India export of coffee has

been decreasing in quantity and value. During 1996-97 India exported 181224 M.T Coffee valued at Rs.1466.33 crore. It went up to 244941 M.T in 1999-2000 in quantity and value realized was Rs.1901.21 crore. During 2001-02 India exported 213,586 tonnes of coffee and realised an amount of Rs.1050.36 crore as value. It came down to 207,265 tonnes coffee and value realised was slightly increased to Rs.1051.31

crore.

16.52 Export of coffee from Kerala has been decreasing both in quantity and value since 1998-99. Total coffee export from Kerala was 10087 tonnes valued

Table-16.5

Export of Coffee from India & Kerala (1996-97 to 2002-03)

YEAR	KERALA		INDIA	
	Quantity in MT.	Value (Rs. Lakhs)	Quantity in MT.	Value (Rs. Lakhs)
1996-97	593	440.7	1,81,224	1,46,633.3
1997-98	2,163	1,755.0	1,79,055	1,70,759.2
1998-99	10,087	7,059.2	2,11,731	1,75,158.9
1999-00	10,010	5,551.8	2,44,941	1,90,120.9
2000-01	5,374	2,431.5	2,46,908	1,37,425.1
2001-02	3,685	1,623.2	2,13,586	1,05,036.1
2002-03	3,103	1,162.8	2,07,265	1,05,131.0

Source: Coffee Board

at Rs.70.59 crore in 1998-99. It decreased to 3685 tonnes valued Rs.16.23 crore in 2001-02. The export again declined to 3103 tonnes and export value received was only Rs.11.63 crore in 2002-03.

Tea

16.53 Tea production in the world remained more or less static in 2002 at 3021.6 Million kgs. compared to

3021.4 M.kgs in 2001. India maintained its leading producer status in tea with a share of 27.3% followed by China (23.7%), Sri Lanka (10.3%) and Kenya (9.5%). India's total tea production was 826.2 Million .kgs in 2002 compared to 853.7 Million kgs in 2001, registering a decline of 3.2 percent. The total production in South India fell to 194.4 million kgs. in 2002 from 202.9 million kgs in 2001, a short fall of 4.2%. The latest available information indicates that the production for the year 2003 would be significantly lower than that of 2002.

16.54 After the bleak tea export performance in 2001, the year 2002 provided some respite at least with regard to quantum of exports. Quantity of exports on All India basis increased by 8.5 percent i.e. from 182.6 million kgs. in 2001 to 198.1 million kgs in 2002. Export from South India was 97.2 million kgs in 2001 which increased to 106.4M.Kgs in 2002 accounting 54% of India's export. However, a decline in the unit value realization was noted irrespective of region.

16.55 After the removal of quantitative restrictions in April 2001, one of the major threats faced by the tea industry is the increase in import of low priced tea into India. Import of tea into India increased by 31.5 percent from 16.6 million kgs in 2001 to 21.9 million kgs in 2002.

16.56 Tea was cultivated in an area of 36,800 ha. in Kerala during 1999-2000. The production of tea in Kerala decreased from 69.3 million kgs in 2000 to 66.1 million kgs in 2001-02. Again it has come down to 65.8 million kgs in 2002-03. Tea exported from South India was 111.1 million kgs

Box -16. 1

1. India has only 0.7 percent share in global trade, in a world where every sixth human is an Indian.
2. India's balance of payments in 1998-99 was 422 million U.S. dollars which increased to 11757 U.S. million dollars in 2001-02. In Rupee terms it was Rs. 18,245 crores in 1998-99 which went up to Rs. 56,592 crores in 2001-02.
3. India's external debt on March 2003 is US \$ 104.2 billion.
4. India's total export earnings was 18145 million U.S. dollars and in Rupee terms it was Rs. 32,558 crores during 1990-91. It jumped to 43827 million U.S. dollars during 2001-02. Then it decreased to U.S. \$ 38115 million in 2002-03.
5. India's Imports were only 24,073 million U.S. dollars and in Rupee terms it was 43,193 crores during 1990-91. It went up to 51413 U.S. million dollars during 2001-02. It came down to 43882 U.S. million dollars in 2002-03.
6. Foreign direct investment in India is US \$ 4.7 billion in 2002-03 while it was US \$ 6.1 billion in 2001-02.
7. International Monetary Fund designated India as a creditor country under its Financial Transaction Plan (FTP).
8. Total foreign exchange reserves of India during 1990-91 was 5,834 million U.S. dollars. It grew to 754288 million U.S. dollars during 2001-02. It again increased to US \$ 100 billion on 20th December 2003.
9. The growth rate of India's imports was declined from 16.5% during 1999-00 to 6.2 % during 2001-02.

and the value realised was 738.2 crore in 2000. It decreased to 97.2 million kgs and in value terms Rs.660.2 crore. The quantity of export from the South has slightly increased to 106.4 million kgs and the export value realised to Rs. 690.7 crore in 2002.

16.57 Tea exported through Kochi port during 2001-02 was 96155. M.T valued at Rs.205.48 crore. It increased to 103544 M.T valued at Rs.325.23 crore in

2002-03.

Table-16. 6
Export of Coir & Coir Products from India
(1995-96 to 2002-03)

YEAR	QUANTITY IN MT	VALUE (RS. CRORES)
1995-96	48277	206.84
1996-97	46369	212.58
1997-98	49850	238.93
1998-99	55490	292.19
1999-00	61031	303.05
2000-01	67493	313.66
2001-02	71335	320.58
2002-03	84183	352.71

Source: Coir Board

Coir & Coir Products

16.58 Export of Coir and Coir products from India during the period April 2002 to March 2003 was 84182.56 M.T valued at Rs. 352.71 crore as against export of 71334.81 M.T valued at Rs.320.58 crore achieved during the corresponding period of the previous year. The increase in quantity is 12847.75 M.T (18.01%) and the value increase is Rs. 32.12 crore (10.02%).

16.59 During 2002-03 export of coir pith, handloom mats, handloom mattings, coir other sorts, geo textiles, powerloom mats and rubberized coir have shown an increase compared to those of the previous year. A decrease in export was recorded in coir fibre, coir yarn, coir rugs & carpet, curled coir, powerloom mattings, tafted mats and coir rope both in quantity and value. Eventhough there was an increase in the export of coir fibre in quantity, a decrease in value was recorded.

16.60 Out of the total export of coir products from India during 2002-03, handloom mats constitute 39.27% in terms of quantity and 58.27% in terms of value followed by coir yarn (13.63% and 8.42%), coir pith (25.02% and 4.23%) in terms of quantity and value respectively.

16.61 Major markets of coir products are USA, Germany, U.K. France. About eighty countries import coir products from India and the major countries are USA, Germany, U.K, France, Netherlands. Italy, Belgium, Denmark, Spain, Ireland, Finland, Portugal, Sweden and Greece.

16.62 Export of coir products from Kochi Port during 2001-02 was 60861. M.T valued at Rs.394.74 crore, which increased to 99319 tonnes in quantity valued at Rs. 428.92 crore in 2002-03.