

**Required Report:** Required - Public Distribution

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**Report Name:** Coffee Annual

**Country:** India

**Post:** New Delhi

**Report Category:** Coffee

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**Report Highlights:**

FAS Mumbai forecasts marketing year (MY) 2025/26 coffee production (Oct/Sep) at six million 60-kilogram bags. A dry spell during January and February, followed by strong winds and excessive pre-monsoon rains in March and May, is expected to negatively impact yields. Farmgate prices of both Arabica and Robusta have risen by 64 percent and 24 percent since October, driven higher by global supply pressures, tight stocks, and lower projected output due to inclement weather. Domestic consumption is expected to increase to 1.4 million 60-kilogram bags on strong demand for soluble coffee. This rise in domestic consumption will help offset a decline in exports, which are projected to fall to six million 60-kilogram bags due to a lower exportable surplus.

## Production, Supply and Distribution

Coffee, Green Market Year Begins	2023/24		2024/25		2025/26	
	Oct 2023		Oct 2024		Oct 2025	
India	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	477	477	475	475	-	475
Area Harvested (1000 HA)	434	434	434	434	-	432
Bearing Trees (MILLION TREES)	550	550	549	549	-	550
Non-Bearing Trees (MILLION TREES)	95	95	96	96	-	95
Total Tree Population (MILLION TREES)	645	645	645	645	-	645
Beginning Stocks (1000 60 KG BAGS)	475	475	42	242	-	355
Arabica Production (1000 60 KG BAGS)	1,480	1,480	1,400	1,400	-	1,350
Robusta Production (1000 60 KG BAGS)	4,580	5,080	4,800	4,800	-	4,700
Other Production (1000 60 KG BAGS)	-	-	-	-	-	-
Total Production (1000 60 KG BAGS)	6,060	6,560	6,200	6,200	-	6,050
Bean Imports (1000 60 KG BAGS)	1,295	1,295	1,300	1,350	-	1,270
Roast & Ground Imports (1000 60 KG BAGS)	1	1	10	5	-	3
Soluble Imports (1000 60 KG BAGS)	67	67	50	65	-	60
Total Imports (1000 60 KG BAGS)	1,363	1,363	1,360	1,420	-	1,333
Total Supply (1000 60 KG BAGS)	<b>7,898</b>	<b>8,398</b>	<b>7,602</b>	<b>7,862</b>	-	<b>7,738</b>
Bean Exports (1000 60 KG BAGS)	4,360	4,360	4,400	3,700	-	3,560
Rst-Grnd Exp. (1000 60 KG BAGS)	11	11	10	7	-	6
Soluble Exports (1000 60 KG BAGS)	2,535	2,535	2,130	2,500	-	2,420
Total Exports (1000 60 KG BAGS)	6,906	6,906	6,540	6,207	-	5,986
Rst,Ground Dom. Consum (1000 60 KG BAGS)	250	370	275	400	-	410
Soluble Dom. Cons. (1000 60 KG BAGS)	700	880	750	900	-	950
Domestic Consumption (1000 60 KG BAGS)	950	1,250	1,025	1,300	-	1,360
Ending Stocks (1000 60 KG BAGS)	42	242	37	355	-	392
Total Distribution (1000 60 KG BAGS)	<b>7,898</b>	<b>8,398</b>	<b>7,602</b>	<b>7,862</b>	-	<b>7,738</b>

(1000 HA), (MILLION TREES), (1000 60 KG BAGS)

OFFICIAL DATA CAN BE ACCESSED AT: [PSD Online Advanced Query](#)

### Area

Post forecasts MY 2025/26 planted area at 475,000 hectares and harvested area at 432,000 hectares. Post forecasts a marginal 0.5 percent decrease in Robusta harvested area, with yields expected down two percent to 1,276 kilograms per hectare due to heavy pre-monsoon rains and high temperatures. The Arabica bearing area is also expected to decrease by 0.5 percent, with yields declining by three percent to 384 kilograms per hectare, as the crop enters its 'off-year' of the biennial production cycle.

The southern states of Karnataka, Kerala, and Tamil Nadu account for 77 percent of planted area. The non-traditional, lower-yielding areas of Andhra Pradesh, Orissa, and Northeastern India have seen a marginal increase in planted area. However, estates are located close to protected forest reserves, leaving

limited opportunity for expansion. Robusta accounts for over 70 percent of India’s crop, and due to its higher caffeine content and resilience, it is commonly used in commercial blends and instant coffee.

### Production

Post forecasts MY 2025/26 coffee production at six million 60-kilogram bags, with Arabica at 1.4 million 60-kilogram bags (81,000 metric tons, or MT) and Robusta at 4.7 million 60-kilogram bags (282,000 MT). Arabica harvest takes place from November to January, while the Robusta harvest occurs from December to February. February and March rains are crucial for determining the crop yield. Moisture stress induces flowering in these plants, so excessive rain and cool conditions during the dormant growth phase can inhibit flowering.

According to the Indian Meteorological Department (IMD), major coffee-growing regions in Karnataka and Kerala experienced an average of 84 percent and 89 percent deficit rains during the winter season, followed by excess rains during the pre-monsoon season. Excessive rains can dislodge flowers and fruits and negatively affect fruit setting and development, that can lead to a decrease in output and yields. The IMD has [forecast](#) an above-normal 2025 southwest monsoon from June through September, with seasonal rainfall over the country likely to be 105 percent of the fifty-year average.

### Yields

Post forecasts MY 2025/26 Arabica yields down three percent to 384 kilograms per hectare from last year, with Robusta yields down two percent at 1,276 kilograms per hectare. The decline in Arabica yields are due to their sensitivity to temperature increases and pest infestation issues. This has led to a shift towards planting Robusta, as Arabica is susceptible to white stem borer and leaf rust. Both Arabica and Robusta yields are forecast below the three-year and the five-year average.

### Stocks

Post forecasts MY 2025/26 opening/carryover stocks at 355,000 60-kilogram bags (21,300 metric tons), on firm domestic demand. All stocks are held privately by growers or traders. Trade sources indicate that the current high prices have led to limited stocks of unsold Robusta on the market.

**Table 1. Rainfall Statistics for Coffee Growing Regions in Karnataka and Kerala**

State/District	Winter (Jan-Feb) 2025			Pre-Monsoon* (Mar-May) 2025		
	Actual (in mm)	Normal (in mm)	Departure from Normal	Actual (in mm)	Normal (in mm)	Departure from Normal
<b>Karnataka</b>						
Chikamagalur	2	6	-58%	107	43	153%
Kodagu	0	10	-97%	133	65	104%
Hassan	0	6	-97%	62	40	55%
<b>State Total</b>	<b>1</b>	<b>5</b>	<b>-82%</b>	<b>49</b>	<b>25</b>	<b>96%</b>
<b>Kerala</b>						
Wayanad	-	11	-100%	117	59	100%
Travancore	8	27	-69%	130	120	8%
Nelliampathies	0	11	-97%	124	144	62%
<b>State Total</b>	<b>7</b>	<b>21</b>	<b>-66%</b>	<b>144</b>	<b>85</b>	<b>68%</b>

\*Rainfall data through April 16, 2025

Source: Indian Meteorological Department, Government of India

## Consumption

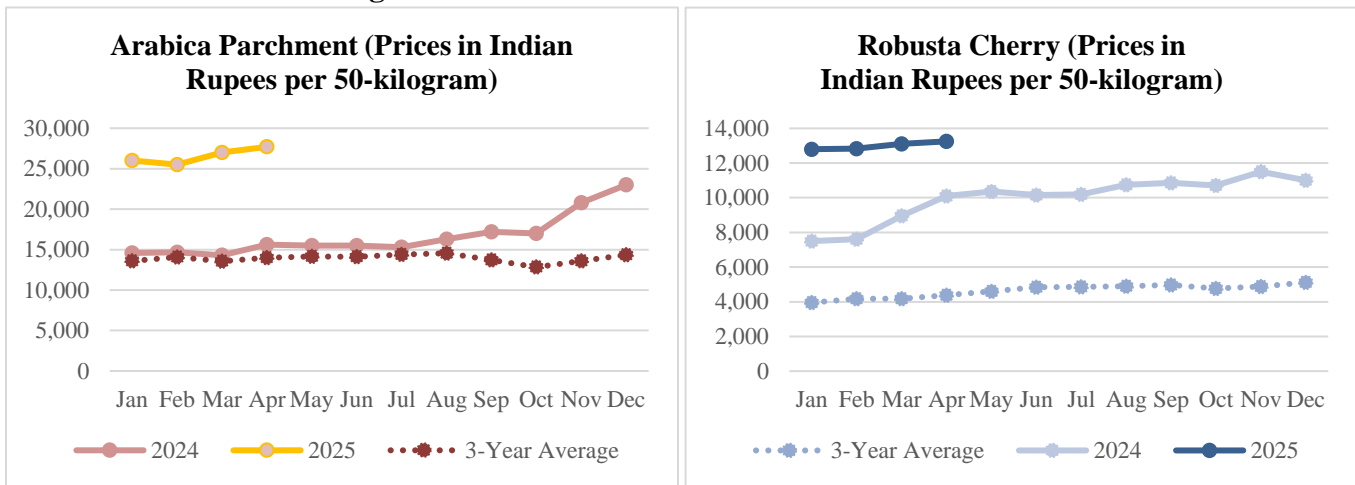
Post forecasts MY 2025/26 consumption at 1.4 million 60-kilogram bags (81,600 MT) due to a rise in sales of soluble coffee. Post expects household consumption of soluble coffee to constitute a much larger share (70 percent) of domestic consumption next year. Domestic soluble manufacturers experienced double-digit growth last year and remain optimistic about the future, as [India's per capita coffee consumption](#) of 0.07 kilograms remains well below the global average of 1.3 kilograms.

## Exports

Post forecasts MY 2025/26 exports at six million 60-kilogram bags (359,180 MT) as demand is expected to fall due to a smaller crop. Trade sources indicate that European buyers are slowing purchases due to record high prices. Italy remains the major buyer for Indian coffee, followed by Germany, the United Arab Emirates, and Russia. Year-to-date (Oct/Jan) shipments are down by five percent in volume compared to the same period last year. International coffee roasters have absorbed price hikes to maintain market share but are now limiting purchases to immediate needs. Soaring costs have squeezed both roasters and consumers, affecting margins for cafes and retailers. Global demand for Robusta remains high due to its importance in instant coffee and espresso, while inventories are low.

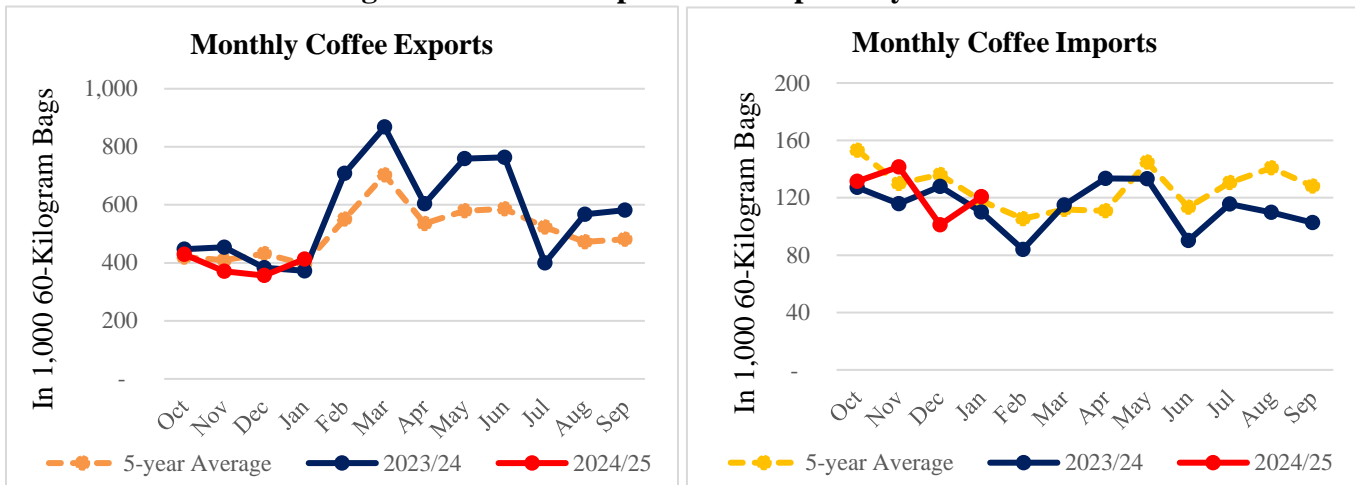
Domestic green bean prices for Arabica parchment have surged by 51 percent, compared to a 40 percent rise in global Arabica prices. Similarly, Robusta cherry prices have increased by 17 percent, against a 14 percent rise in International Coffee Organization (ICO) indicator prices, since the beginning of India's marketing year in October 2024. Both increases are primarily due to a projected crop shortage.

Figure 1. Green Coffee Bean Prices in Karnataka



Source: Coffee Board of India

**Figure 2: Coffee\* Exports and Imports by Volume**



\*Includes green beans, soluble, roast and ground

coffee (HS Code - 090111, 090112, 090121, 090122, 210111, 210112) green bean equivalent (GBE)

Source: Trade Data Monitor, LLC

**Imports**

Post forecasts MY 2025/26 imports at 1.3 million 60-kilogram bags (80,000 MT). Soluble coffee exporters import green beans for processing, value addition, and re-exports. Importers are expected to limit imports due to record-high global bean prices, further exacerbated by a two percent depreciation of the Indian rupee over the past year. MY 2024 year-to-date (Oct/Jan) shipments are up by three percent in volume compared to the same period last year, as exporters are covering near-term requirements and compensating for lower domestic supplies with higher imports. Most imports are green beans-95 percent share- intended for processing and re-export, primarily from Indonesia, Vietnam, Kenya, and Uganda.

**Attachments:**

No Attachments