



Tea Industry of India

For Prelims: Tea, Indian Tea Industry, Geographical Indication (GI) Tag, Darjeeling Tea, Tea Board of India, One District and One Product (ODOP) Scheme, Tea Promotion and Development Scheme, Chai Sahyog Mobile App.

For Mains: State of Indian Tea Industry and Related Government Initiatives.

Why in News?

Recently, Union Minister addressed the **Indian Tea Association's (ITA's) International Small Tea Grower's Convention**.

- Founded in 1881, the ITA is the premier and the **oldest organization of tea producers in India**. It has played a multi-dimensional role towards formulating policies and initiating action towards the development and growth of the industry.

What is the State of Indian Tea Industry?

- **Production:**
 - India is the **second-largest producer of tea globally**.
 - The **northern part of India is the biggest producer** at about **83% of the country's annual tea production in 2021-22** with the majority of the production coming from **Assam followed by West Bengal**.
 - The **Assam valley** and **Cachar** are the two tea producing regions in Assam.
 - In **West Bengal, Dooars, Terai** and **Darjeeling** are the three major tea producer regions.
 - The **southern part of India produces about 17% of the country's total production** with the major producing states being **Tamil Nadu, Kerala, and Karnataka**.
 - **India's total tea production** for the financial year 2020-21 it was **1,283 million kg**.
- **Consumption:**
 - India is also among the **world's top tea consuming countries**, with **80% of the tea produced in the country consumed by the domestic population**.
- **Export:**
 - India is **among the top 5 tea exporters in the world** making about **10% of the total exports**.
 - In the year 2021, the total value of tea exports from India was around USD 687.9 million.
 - India exports tea to **more than 25 countries** throughout the world.
 - **Russia, Iran, UAE, USA, the UK, Germany, and China** are some of the **major importers** of tea from India.
 - **India's total tea exports** during 2021-22 in quantity was **201 million kg**.
 - The majority of the tea exported out of India is **black tea which makes up about 96% of the total exports**.

- The types of tea exported through India are: **Black tea, Regular tea, Green tea, Herbal tea, Masala tea and Lemon tea.**
 - Out of these, black tea, regular tea and green tea make up approximately 80%, 16% and 3.5% of the total tea exported from India.
- **Indian Assam, Darjeeling, and Nilgiri tea** are considered one of the **finest in the world.**
 - Indian tea is one of the finest in the world due to strong geographical indications, heavy investment in tea processing units, continuous innovation, augmented product mix, and strategic market expansion.
- **Geographical Indication (GI) Tag:**
 - **Darjeeling Tea also known as "Champagne of teas,"** worldwide because of its flowery scent was the **1st GI tag product.**
 - **Other two variants** of Darjeeling tea i.e., **Green and White tea** also hold GI tags.
- **Regulation of the Industry:**
 - **Tea Board of India** is in charge of developing and promoting the tea industry in India.

What is Tea Board of India?

- **About:**
 - It is a **statutory body under the Ministry of Commerce** that was set up in 1953 for the development of tea industry in India. It started functioning in 1954.
- **Vision:**
 - Its vision and mission is to **make the country a leading producer of tea** across the globe for which it established several programmes and schemes.
- **Members:**
 - **The Board is constituted of 31 members (including Chairman)** drawn from Members of Parliament, tea producers, tea traders, tea brokers, consumers, and representatives of Governments from the principal tea producing states, and trade unions
 - The Board is **reconstituted every three years.**
- **Offices in India:**
 - The board has its **headquarters located in Kolkata and 17 other offices** across India.
- **Foreign Offices:**
 - Currently Tea Board has **two overseas offices located at Dubai, and Moscow.**

What are the Initiatives by Tea Board of India?

- **Promotion for packaged Tea of Indian origin:**
 - The scheme provides assistance in promotional campaigns - up to 25% of the cost reimbursement, display in International Departmental Stores, product literature and website development, and inspection charges reimbursement of up to 25% of the charges.
- **Subsidies for Domestic Exporters:**
 - The Tea Board also provides subsidies to the domestic exporters to participate in International Fairs and Exhibitions.
- **Tea Development and Promotion Scheme:**
 - This scheme was launched in November 2021 by the Tea Board of India for the period of 2021-26.
 - The objective of this scheme is to enhance the productivity and quality of the production in India.
 - There are **seven important components** to this scheme:
 - **Plantation development** of small tea farmers
 - Creation of sector specific **actions plan for North East India**
 - Supporting the tea producers and trader in **market promotion activities**
 - **Worker's welfare**
 - **Research and development** activities
 - **Regulatory reforms**
 - **Establishment expenses**
 - **Online Licensing System** (auto-renewal of 3 types of licenses i.e., exporter license, tea waste license and tea warehouse license).
- **Chai Sahyog Mobile App:**

- It addresses various issues of small tea growers.

What is Tea?

- **About:**
 - Tea is a **beverage made from the Camellia sinensis plant. It is the world's most consumed drink**, after water.
- **Origin:**
 - It is believed that **tea originated in northeast India, north Myanmar and southwest China**, but the exact place where the plant first grew is not known. There is evidence that tea was consumed in **China 5,000 years ago**.
- **Growth Conditions:**
 - **Climate:** Tea is a tropical and sub-tropical plant and **grows well in hot and humid climates**.
 - **Temperature:** The ideal temperature for its growth is **20°-30°C and temperatures above 35°C and below 10°C are harmful for the bush**.
 - **Rainfall:** It requires 150-300 cm annual rainfall which should be well distributed throughout the year.
 - **Soil:** The most suitable soil for tea cultivation is **slightly acidic soil (without calcium) with porous sub-soil** which permits a free percolation of water.
- **Significance:**
 - The tea industry being one of the most **important cash crops is a main source of income and export revenues for some of the poorest countries** and, as a labour-intensive sector, provides jobs, especially in remote and economically disadvantaged areas.
 - **Tea production and processing contributes to the Sustainable Development Goals (SDGs)** including [reduction of extreme poverty \(Goal 1\)](#), the [fight against hunger](#) (Goal 2), the [empowerment of women](#) (Goal 5) and the [sustainable use of terrestrial ecosystems](#) (Goal 15).
 - It also has **cultural significance** in many societies.
- **Health benefits:**
 - Tea consumption can bring health benefits and wellness due to the beverage's **anti-inflammatory, antioxidant and weight loss effects**.
- **International Tea Day:**
 - It is **observed on 21st May** every year after it was designated by the **United Nations General Assembly** in December 2019.

How to Encourage the Growth of Indian Tea Industry?

- **One District and One Product (ODOP) scheme** can help spreading the glory of Indian Tea.
- In order to make the tea sector profitable, viable and sustainable, the **'AROMA' of tea must be enhanced:**
 - **Assistance:** Support small growers to improve quality with sustainability, increase production to meet domestic and international demand.
 - **Re-energise:** Create infrastructure to augment exports and focus on high value markets such as EU, Canada, South America & Middle East.
 - **Organic:** Promote organic and GI tea through brand promotion and marketing.
 - **Modernisation:** To enable tea farmers to become self-reliant and strengthen local supply chains.
 - **Adaptability:** Focus on the importance of a risk proof ecosystem, that is, the need for sustainable solutions to make tea plantations meet the challenges of climate change.

UPSC Civil Services Examination, Previous Year Questions (PYQ)

Prelims

Q1. With reference to the "Tea Board" in India, consider the following statements: (2022)

1. The Tea Board is a statutory body.
2. It is a regulatory body attached to the Ministry of Agriculture and Farmers Welfare.
3. The Tea Board's Head Office is situated in Bengaluru.
4. The Board has overseas offices at Dubai and Moscow.

Which of the statements given above are correct?

- (a) 1 and 3
(b) 2 and 4
(c) 3 and 4
(d) 1 and 4

Ans: (d)

Exp:

- Tea Board is functioning as a statutory body of the Central Government. **Hence, statement 1 is correct.**
- It comes under the Ministry of Commerce. **Hence, statement 2 is not correct.**
- The Board is constituted of 31 members (including Chairman) drawn from Members of Parliament, tea producers, tea traders, tea brokers, consumers, and representatives of Governments from the principal tea producing states, and trade unions. The Board is reconstituted every three years.
- Foreign Offices: Currently Tea Board has two overseas offices located at Dubai, and Moscow. All these foreign offices of the Board are designed to undertake the various promotional measures to boost up export of Indian tea. These offices also act as a liaison office for interaction between importers of Indian tea of the respective regions as well as Indian Exporters. **Hence, statement 4 is correct.**
- Its headquarters is situated in Kolkata. **Hence, statement 3 is not correct.**
- **Therefore, option D is correct.**

Q2. Consider the following States: (2022)

1. Andhra Pradesh
2. Kerala
3. Himachal Pradesh
4. Tripura

How many of the above are generally known as tea-producing States?

- (a) Only one State
(b) Only two States
(c) Only three States
(d) All four States

Ans: (c)

Exp:

- According to the Tea Board of India Annual Report 2019-2020, generally known tea producing States are Assam, Tripura, West Bengal, Tamil Nadu, Kerala, Himachal Pradesh.

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State-wise Financial Disbursement and Physical Achievement during 2018-19

State ↓	Activity	Factory Modernization (no.)	Value addition (no.)	Setting up of new factories (no.)	Certification (no.)	Incentive for Orthodox & Green tea (million kg)	Other Administrative Expenses	TOTAL
Assam	Financial		121.03	93.99		962.59	0.42	1178.03
	(Lakh Rs.)							
	Physical		8	0		32.06		
Tripura	Financial					3.15		3.15
	(Lakh Rs.)							
	Physical					0.11		
West Bengal	Financial		78.74			139.81		218.55
	(Lakh Rs.)							
	Physical		3			4.64		
Tamil Nadu	Financial		17.44	18.58	1.98	274.23		312.23
	(Lakh Rs.)							
	Physical		3	9	3	9.12		
Kerala	Financial				0.54	65.54		66.08
	(Lakh Rs.)							
	Physical				1	3.89		
Himachal Pradesh	Financial				0.84	19.999		20.84
	(Lakh Rs.)							

▪ Hence, option C is correct.

Mains

Q. Whereas the British planters had developed tea gardens all along the Shivaliks and Lesser Himalayas from Assam to Himachal Pradesh, in effect they did not succeed beyond the Darjeeling area. Explain. **(2014)**

Source: PIB

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