Ailing Indian tea industry

Why in news?

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Sri Lanka is commemorating the 150th anniversary of its tea industry.

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What is its condition?

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- Sri Lankan tea industry accounts for 5% of world output.
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- It is among the world’s top five exporters of the agro-commodity.
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- It supports 20% of the country’s population through direct and indirect employment.
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- The celebration in Sri Lanka draws attention to the present state of affairs in the Indian tea industry.
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What are the problems in Indian tea industry?

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- Tea exports from India dropped for the second consecutive year.
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- Tea quality has become an issue and this is reflected in depressed prices.
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- Big companies are exiting the industry.
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- Increased pressure in the wake of increased costs amid decreased earnings worries the remaining few companies.
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- The issues of absenteeism as well as worker migration affect the growth of the industry.

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- Political shutdown in Darjeeling (amidst demand for separate land), one of the major players in the Indian Tea industry, adds to the worsening effect.
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- This could result in foreign exchange losses to the country
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- It could also affect the global brand equity of Darjeeling tea in the global market.
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What should be done?

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- Efforts to promote tea industry as an export-oriented industry.
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- Making presence in export markets in strife-torn countries like Syria where India is absent.
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- Materialising every opportunity to expose the tea industry to a world.
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Source: The Hindu

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