

Tea Board to boost domestic consumption

Tea Board of India is planning to come out with a strategy to promote consumption of tea in the domestic market.

Consultancy firm Deloitte has been entrusted with the task of studying consumption patterns and coming out with necessary recommendations, sources said.

Enquiries showed that a preliminary report, mapping out the consumption pattern, had already been received and the final report, expected next month would provide the regulator with inputs necessary to chalk out a strategy to drive domestic consumption.

It is understood that while overall consumption had increased in India, per

capita consumption was still low. It was learnt that the study would also look at prices that had remained flat. “Although, per capita consumption has increased to 800 grams now from [the] 700 earlier, Indians still drink lesser tea per person as compared with even some of their neighbours like Pakistan and Sri Lanka,” Tea Board India chairman P. K. Bezboruah told *The Hindu*.

He said it had been found that while “in-home consumption is high, out-of-home consumption [as in the various tea-shops and cafes] is still low.”

Deloitte had been asked to validate this finding which had found place in the preliminary report. Mr. Bezboruah declined to share further details in this

respect.

Total production

It may be mentioned here that of the 1,200 million kg tea produced in India, about 1,000 million kg is consumed internally. This is, however, on the strength of India's population and not due to high per capita consumption . However, prices have remained stagnant. "All India prices have not moved up appreciably in the last three years or so" said J. Kalyanasundaram, secretary, Calcutta Tea Traders Association. It is mandatory to sell 50% of teas through auction.

"There is a need to ensure fair price discovery in auction" Indian Tea Association (ITA) chairman Azam Monem had said. Available data showed that auction prices of teas had remained between ₹121.6 per kg (2012) and ₹134.4 (2017).

To boost consumption, the ITA had been campaigning since 2012, starting with business-to-business roadshow in 2012 , gradually moving to BTC (business-to-consumer) formats and then, directly targeting youth

"After considerable research, ITA launched its 'chai ho jaye' campaign" said Sujit Patro, secretary, ITA. The road shows disclosed that more than half the youth in the 17-24 year age group drink tea less than once a day.

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