

Tea must be promoted as an aspirational consumption experience: President of tea association of India, Mudit Kumar

By Bikash Singh ET Bureau | Jan 19, 2019, 05.45 PM IST

President of Tea Association of India, Mudit Kumar suggested that tea must be promoted as an aspirational consumption experience.

Addressing 34th biennial general meeting of Tea Association of India, Assam branch (TAIAB) on Saturday in Tezpur said, “We had been marketing tea as a cheap drink. From this to making it a drink or an experience that makes it aspirational, attracting the youth and old alike, will need an image makeover, and a sustained, well planned generic promotion. The Tea Board, as the custodian of the Indian Tea Brand could own and lead this effort, while involving the different links in the supply chain as stakeholders.”

He added, “Relevant messages like tea being a healthy drink could be enhanced with it being ‘cool’ and aspirational, and mediums such as the social media could be used to make it more targeted and cost effective. The goal would be to increase the per capita consumption of tea in India.”

Detailing about the Production, Export and Prices of Indian Tea he mentioned that the average realization price of Assam Tea as reflected at Auction has not shifted significantly from 2013-2014 levels. While it was Rs 149.49 in 2013 it stands at Rs 153.14 in 2017. It was also mentioned that the size of the organized sector is shrinking. It was 74% in the year 2010 and it stands at 53% at this moment.

He added, “Indian tea exports till November 2018 suggests that the total exports should be in the region of 260 MKGs (million kilograms) compared to 252 MKGs in 2017. The foreign revenue earning has also increased to Rs 4624.34 Crores from Rs 4478.24 Crores last year. The CIS (Commonwealth of Independent States? an alliance of former Soviet republics) countries, Russia, Iran, Egypt comprise the main destinations

for Indian Teas but the uncertainty hovering over the method of payment in the export of Orthodox Teas to Iran has shown a sharp dip during the months of July to October. While India sees a drop in imports from Russia it hopes to see demand growing from neighboring China and Pakistan. Indian exports have not grown significantly. However the increase in between the years 2013 and 2017 when the exports grew from 225 MKGs to 252 Mkgs augurs well for the future.”

He pointed out that most Tea Producers face rising costs of production which are currently not being compensated by the prices realized. Costs have risen due to rising manpower expenses in a developing nation, and the increased cost of various inputs. “We need to find solutions for sharing the costs of looking after the welfare of our work-force, jointly with the government, and also need to work together with them to improve productivity and availability of our people and inputs.”

He added that the Plantation Labour Act (PLA) was originally drafted in an era when the governments did not have adequate reach in the distant area of tea plantations. The intent was that the plantation managements take the responsibility of their work-force, since the government could not provide the normal utilities in those far-flung areas. In the current situation, as the government and administration has extended its reach adequately to the corners of India, they are better placed to look after these basic utilities.

“We suggest that the responsibility of some of the welfare provisions for the tea estate work-force be taken over, by the governments, leaving the tea estate managements to focus on making proper quality and compliant teas efficiently. We appeal to the governments, both at the Center and the States, to work together to update and re-draft laws like the PLA to make them more progressive, realistic and for encouraging for industry,” Kumar added.

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