

**Tea Board India**  
**Ministry of Commerce & Industry**  
**Department of Commerce**  
**Government of India**

**Date: 25.05.2017**

**A PAPER ON TEA INDUSTRY IN THE ORGANISED SECTOR IN INDIA**

Tea industry is one of the oldest agro-based well organized industries in India. In the beginning of 90's almost 94% of tea was produced in the organised sector which recently declined to 66%. The main reasons attributed for such decline are poor yield, ageing bush profile, high vacancy percentage, decline in quality, lack of developmental activities, poor management practices etc. Indian tea industry provides more than one million direct employment and about thrice the number indirectly. Each tea growing region in the country has distinct characteristics of its produce and also specific problems. While many of the problems arise out of agro-climatic conditions, others are due to socio-economic structure in the region.

Tea Board is well aware of the inherent problems of the Indian tea industry. However, in order to identify specifically and address such issues towards sustainability it has been decided by the Tea Board to carry out a comprehensive study through a Professional Agency and publish a **PAPER** on tea industry covering several parameters viz. the cost of production of tea, study of profitability and economic viability , comparative study of wages and productivity of workers, study of impact of increase of wages and inflation on inputs on profitability, status of compliance of PLA Act, 1951, Status of compliance to statutory obligations like provident Fund, gratuity, wages, bonus etc. , evaluate causes of migration of workers from tea gardens to other sectors, structure and organisational set up of tea estates under various forms of ownership, evaluate socio economic conditions of tea plantation labour, evaluate human resource development issues of tea plantation labour, assessment of the financial burden of the tea companies, if any, on the social cost involvement on account of escalating labour wages, housing, rationing, electricity etc. and suggest ways to maintain a balance in rising cost of tea production, assessment of impact of Tea Board Human Resource Development Scheme on workers and their wards / dependents.

The above study would help to bring out the overall status of the tea industry and act as tool to formulate future policy decision for ensuring sustainability.

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