

# **PREFACE**

## PREFACE

India is a vast treasure house that transcends the barriers of time. Indian tea forms a distinct part of this heritage with its roots in the days of British East India Company. Tea industry in India is one of the most organized industry Which not only earn revenues and foreign exchange but also provide employment to large segment of people . Apart from India, many countries have taken to plantation ,Africa , Kenya , Uganda and Bangladesh are prominent among them.

Though India still is the largest producer and Exporter of tea in the world, it has been variously estimated that India will require about 1000 million kg plus of tea by the turn of century for meeting its domestic demands and froeign demand. For reaching the target of 1000 million kg from current level of 700 million kg, requires, widening of the production base, acclerated , consolidation and renovation of tea leaves and various other measures for achieving higher yields from the existing tea areas.

The present study pertains to tea industry in Himachal Pradesh which had once been the vanguard of tea cultivation in India, today stand reduced to a minor position in the map of India. It constitute less than .004 percent of the total area under tea in India and produces .02 percent of the total tea produced in the country.

Chapter 1 deals with the introductory analysis of tea industry in world, India and Himachal Pradesh, which reveals that India is still predominantly largest grower amd producer of tea but its share of export has gone down

tremendously since 1950 which is at present 14.9 percent.

Chapter Two deals with indepth review of literature on tea, which reflects that in Himachal Pradesh still the tea industry has not received its due share, as far as research is concerned. Chapter Three deals with the research methodology used to carry out the present study. Chapter Four deals with production of tea at garden level and production at factory level in Himachal Pradesh. A study reveals that productive yield of tea is very low in tea gardens in Himachal Pradesh and which in turn has affected the Production of tea at factory level.

Chapter Five deals with the financial performance of the cooperative tea factories which shows that due to low productive capacity utilization and low returns the cooperative tea factories are running in heavy losses. These factories are under heavy loans which entail high interest charges, which bereft these factories of any reserves for taking up any expansion and development activities. Chapter Six deal with the marketing of tea in Himachal Pradesh. The main auction of tea produced in the region is done at Amritsar and Calcutta market. But analysis show that due to poor quality of tea produced in the region there are very few buyer for tea and the producer does not get the remunerative prices of their tea, which require, that pattern of marketing will have to be changed for increasing the turn over and returns. Chapter Seven deals with the summary and conclusions. The study reveals that main cause for down fall in the tea industry in Himachal Pradesh and kangra valley in particular has been manifold, result in general has been loss

of interest amongst tea growers and sustained tendency towards diversion of land for purpose other than tea. Some tea land has either been sold for other purposes and some abandoned or is under mix farming. Apart from low returns and poor financial backings, the lack of technological know how regarding tea cultivation techniques, vis a vis uprooting , rejuvenation, renovation and replacement the quality of tea has suffered ,which in turn has affected the performance of cooperative tea factories . On the analysis of various individual aspects of tea industry ,it is concluded that both physical and non physical factors are responsible for the down fall of the industry, which need complete revitalization through various means. The planters need to be provided with every possible help both financial and non financial in the form of subsidies and technologies for improving the field operation . A setting up of independent Plantation Finance Board is suggested with technical collobration of Tea Board of India and State Government. To improve the working of cooperative tea factories the loans raised by the cooperative tea factories either need to be waived or to be converted into share capital of lending agencies . To improve upon the *Sale* of tea, the concept of value added tea in form of packet tea, instant tea would be encouraged and direct marketing should be taken up through retail outlets. The situation can be retrieved if these measures are taken in right spirit.