

CHAPTER VIII
FINDINGS AND SUGGESTIONS OF THE STUDY

8.1 Introduction

This chapter deals with the summary of findings of the study and the suggestions made therein. The entire research work centered around an evaluation of role of Tea Board in the development of Tea Industry in Tamilnadu. The core objectives were to study the impact of assistance provided by Tea Board to Tea Industry in Tamilnadu. Another objectives were Area, Production and Yield of tea in India especially in Tamilnadu.

The following are the important objectives of the Tea Board of India.

- (e) promote and encourage co-operation, education, research and development in relation to the production and marketing of tea;
- (f) regulate and control the activities of the tea industry with special regard to:
 - ⇒ the production of green leaf, manufacture, marketing, import and export of tea;
 - ⇒ the price to be paid for tea or green leaf, and
 - ⇒ the conditions of contracts entered into by planters, metayers and manufacturers;
- (g) arbitrate disputes between persons engaged in or connected with the tea industry.
- (h) assist a planter to diversify to other agricultural activities.
- The following are the important functions of Tea Board:
 - (n) regulating the production and extension of cultivation of tea;
 - (o) improving the quality of tea;
 - (p) promoting cooperative efforts among growers and manufacturers of tea;

- (q) undertaking, assisting or encouraging scientific, technological and economic research and maintaining or assisting in the maintenance of demonstration farms and manufacturing stations;
- (r) assisting in the control of insects and other pests and diseases affecting tea;
- (s) regulating the sale and export of tea;
- (t) training in tea testing and fixing grade standards of tea;
- (u) increasing the consumption in India and elsewhere of tea and carrying on propaganda for that purpose;
- (v) registering and licensing of manufacturers, brokers, tea waste dealers and persons engaged in the blending of tea;
- (w) improving the marketing of tea in India and elsewhere;
- (x) collecting statistics from growers, manufacturers, dealers and such other persons as may be prescribed on any matter relating to the tea industry; the publications of statistics so collected or portions thereof or extracts there from;
- (y) securing better service conditions and the provisions and improvement of amenities and incentives for workers;
- (z) financial help under different schemes;
- (b) such other matters as may be prescribed
 - In order to increase the cultivation and manufacturing of tea, various development schemes are provided by the Tea Board. These schemes are
 - Tea Plantation Development Scheme
 - Special Purpose Tea Fund Scheme
 - Quality Up-gradation and Product Development Scheme

Human Resource Development Scheme

Development Grant under Research and Development Scheme

Orthodox Tea Production Subsidy Scheme

Revolving Corpus for Loan Schemes

8.2 Findings of the Study

The following are the important findings of the study

- World tea production was 2969.5 million kgs in 1998 and it was increasing every year and it reached 4066.6 million.kgs in 2010.
- World tea cultivation area was 2511504 hectares in 1998 and it increased every year and it reached 4210210 hectares in 2007.
- Tea Board provides assistance to tea cultivators in Tamilnadu. During 2006-07, 160 cultivators got Rs.69.46 lakhs and these amount is utilised for 1340.32 hectares. During 2008-09, 858 cultivators got Rs.196.73 lakhs and these amount is utilised for 2268.50 hectares. During 2010-11, 701 cultivators got 161.77 lakhs and these amount is utilised for 757.95 hectares.
- Tea Board also provides assistance to tea manufacturers in Tamilnadu. During 2006-07, 43 tea manufacturers got Rs.132.27 lakhs, during 2008-09, 63 tea manufacturers got Rs.300.39 lakhs, and during 2010-11, 30 tea manufacturers got Rs.189.99 lakhs as assistance.
- Tamilnadu tea cultivators get only 3 types of assistance from Tea Board that is, Tea Plantation Development Scheme, Special Purpose Tea Fund Scheme and Human Resource Development Scheme and tea manufacturers get only one type of assistance from Tea Board that is, Quality Upgradation and Product Development Scheme.

- Tea is marketed and made available to the consumers in two different forms viz. loose and packaged. Modes of disposal of Indian tea are as follows (a) Direct consignment to London auction, (b) Direct sale by forward contract to overseas buyers, (c) Consignment to Indian auctions, (d) Direct ex-factory sale to Indian buyers (e) Direct sale by forward contract to Indian buyers, (f) Direct Marketing (loose tea) in wholesale markets and (g) Self-packeting and exports of packets overseas. Over and above, there are some sales of Indian packaged tea abroad and small scale attempts to sell packaged tea in home market by Indian producers.
- In India there are 157504 small growers and only 1686 big growers. Hence, the study includes majority of small growers. Tea Board classify the small growers as those with tea cultivation land below 10.12 hectares and big growers as those have above 10.12 hectares of land. In Tamilnadu there are 62212 growers who are cultivating tea.
- Tea cultivation areas in India was 578458 hectares and Tea cultivation area in Tamilnadu was 80462 hectares. Nilgri District has the highest tea cultivation area compared to other tea cultivation districts in Tamilnadu.
- Tea Production in India was 966.40 million kgs and tea production in Tamilnadu was 170.7 m.kgs in 2010. Nilgri District produces more than 75 percent of the total tea produced in Tamilnadu.
- Average yield of Tea in India was 1705 kgs per hectare, average yield of tea in Tamilnadu was 1995 kgs per hectare, average yield of tea in Nilgri District was 1886 kgs per hectare and average yield of sample respondents in Nilgri District was 1388 kgs per hectare.

- The average price of tea was about Rs.102 per kgs in India and the average price of tea in Tamilnadu was about Rs.50 only.
- North India's average yield of tea was high than South India's average yield of tea.
- More than 50 percent of tea was marketed through Indian auctions and the remaining tea was marketed by open market.
- Average domestic consumption and average per capita consumption was increasing every year in India.
- Export of tea was changed every year due to domestic consumption in India.
- Export of value added tea from India was decreasing every year but the export value of tea was increasing every year due to the value of foreign money.
- Import of tea was almost same for each year in India.
- Tea estates in Tamilnadu are 62213.
- Nilgris District has highest number of tea estates in Tamilnadu.
- Tea cultivation areas in Tamilnadu was 80462 hectares in 2007. Nilgirs District has the highest tea cultivation area in Tamilnadu.
- Tea production in Tamilnadu was 170.700 million kgs in 2010 and Nilgiri District is the highest tea producer in Tamilnadu.
- The average yield of tea in Tamilnadu was 1995 kgs per hectare in 2007. Coimbatore District has the highest yield of tea in Tamilnadu that is, 2549 kgs per hectare in 2007.
- Sale of tea from Coonoor Auction was decreasing every year due to high availability of tea in open market.
- Majority of tea cultivators are in the age group of above 45 (49.50 percent).

- The majority of the tea cultivators were married (89 percent).
- Majority of the respondents were in SSLC to +2 level. Majority of small growers (36 percent) and big growers (33.25 percent) studied SSLC to +2 level but majority of medium growers studied Degree or Diploma (34.25 percent)
- Majority of cultivators are living with nuclear family (80.50 percent). Majority of small growers (79 percent), big growers (80 percent) and medium growers (83.25 percent) are living with nuclear family.
- Majority of tea cultivators are producing black tea (44 percent). Majority of small cultivators (44 percent), medium cultivators (45.7 percent) and big cultivators (43.50 percent) are producing black tea.
- Majority of tea cultivators are cultivating cloves as intercrops (35 percent).
- Tea cultivation gives the normal profit to the tea cultivators.
- The area of tea cultivation, production of tea and productivity are increasing every year.
- Majority of cultivators are marketing their tea leaf at domestic level (55 percent). Majority of small cultivators (53.25 percent), medium cultivators (51.50 percent), and big cultivators (60 percent) are marketing their tea leaf at domestic level.
- About 36.50 percent of cultivators are selling on cash basis only.
- Majority of tea cultivators are faced with inadequate finance (Mean Score = 51.83 with First rank) and price fluctuation (Mean Score = 51.19 with Second rank).
- About 50 percent of tea cultivators received assistance from Tea Board. Majority of cultivators received Tea Plantation Development Scheme and Special Purpose Tea Fund Scheme.

- Majority of cultivators feel that Special Purpose Tea Fund Scheme (388 points and 25.95 percent) and Tea Plantation Development Scheme (381 points and 25.48 percent) are the best schemes offered by Tea Board.
- The growth rate of yield is high for beneficiaries of Tea Board than non-beneficiaries of Tea Board.
- Majority of tea cultivators are highly satisfied with assistance provided by Tea Board.
- Age, Marital Status and Nature of family of the tea cultivators are not associated with level of satisfaction with assistance provided by Tea Board but Education is associated with level of satisfaction with assistance provided by Tea Board.
- Majority of tea manufacturers (38 percent) lies in the age group of 35-45 years.
- Majority of tea manufacturers (90 percent) are married.
- Majority of tea manufacturers' (45 percent) educational qualification is Degree or Diploma.
- Majority of tea manufacturers (80 percent) are living as nuclear family.
- Majority of tea manufacturers (36 percent) are doing tea manufacturing business for 16 to 20 years.
- Cost, Sales and profit of the sample tea manufacturers are fluctuating in year to year. The reasons for these changes are natural climatic conditions, labour cost and frequent price fluctuations of tea.
- Majority of tea manufacturers face the problems of inadequate information (Mean Score = 60.24 with first rank) from Tea Board.
- Majority of tea manufacturers feels Quality Upgradation and Export Promotion scheme (Mean Score = 56.83 with first rank) as the best scheme offered from Tea Board.

- Majority of tea manufacturers (70 percent) are not exporting their tea.
- Majority of tea manufacturers (90 percent) are not getting any assistance from Tea Board.
- Majority of tea manufacturers are satisfied with their tea manufacturing business.
- Age and Marital Status of the tea manufacturers are not associated with tea manufacturing business and Education is associated with the tea manufacturing business.

Result of the hypotheses

The result of the hypotheses are stated as follows

- (i) Average yields of tea in Tamilnadu and Kerala are not significantly same.
- (ii) Average yields of tea in Tamilnadu and Karnataka are not significantly same.
- (iii) Average yields of tea in Tamilnadu and Assam are not significantly same.
- (iv) Average yields of tea in Tamilnadu and West Bengal are significantly same.
- (v) Average yields of Kanyakumari District and Tirunelveli District are not significantly same.
- (vi) Average yields of tea in Kanyakumari District and Coimbatore District are not significantly same.
- (vii) Average yields of tea in Kanyakumari District and Madurai District are not significantly same.
- (viii) Average yields of tea in Kanyakumari District and Nilgri District are not significantly same.
- (ix) Average yields of tea in world and sample cultivators are significantly same.
- (x) Average yields of tea in India and sample cultivators are not significantly same.
- (xi) Average yields of tea in Tamilnadu and Sample cultivators are not significantly same.
- (xii) Average yields of tea in Nilgri and Sample cultivators are not significantly same.

(xiii) There is no significant difference between age of tea cultivators and level of satisfaction about assistance provided by Tea Board.

(xiv) There is no significant difference between marital status of tea cultivators and level of satisfaction about assistance provided by Tea Board.

(xv) There is significant difference between education of tea cultivators and level of satisfaction about assistance provided by Tea Board.

(xvi) There is no significant difference between nature of family of tea cultivators and level of satisfaction about assistance provided by Tea Board.

(xvii) There is no significant difference between age of tea manufacturers and the level of satisfaction of tea manufacturers.

(xviii) There is no significant difference between marital status of tea manufacturers and level of satisfaction of tea manufacturers.

(xix) There is significant difference between education of tea manufacturers and level of satisfaction of tea manufacturers.

Result of the correlation analysis

The result of the correlation analysis are as follows:

(i) There exists high positive correlation between North region and South region as for as the area under tea cultivation in different periods.

(ii) There exists high positive correlation between North region and South region as for as the tea production in different periods.

(iii) There exists high positive correlation between North region and South region as for as the tea yield in different periods.

- (iv) There exists high positive correlation between Karnataka and West Bengal as for as tea cultivation area in different periods.
- (v) There exists high positive correlation between Karnataka and West Bengal as for as tea production in different periods.
- (vi) There exists high positive correlation between Karnataka and West Bengal as for as tea yield in different periods.
- (vii) There exists high positive correlation between export value of non-instant tea and instant tea as for as tea export in different periods.
- (viii) There exists high positive correlation between export of Tea Bag and Instant tea as for as tea export in different periods.
- (ix) There exists high positive correlation between Kanyakumari district and Madurai district as for as the area under tea cultivation in different periods and low positive correlation existed between Tirunelveli and Nilgris districts.
- (x) There exists high positive correlation between Kanyakumari district and Coimbatore district as for as the production of tea in different periods and low positive correlation existed between Tirunelveli and Nilgris districts.
- (xi) There exists high positive correlation between Coimbatore district and Madurai district as for as the yield of tea in different periods and low positive correlation existed between Kanyakumari and Tirunelveli districts.
- (xii) There exists negative correlation between leaf tea and dust tea as for as the sale of tea from Coonoor Auction.
- (xiii) There exists high positive correlation of the average price of leaf tea and dust tea .

(xiv) There exists high positive correlation between cost of production and sales of sample tea cultivators and low positive correlation existed to profit.

(xv) There exists high positive correlation between cost of production and sales of sample tea manufacturers and low positive correlation existed to profit.

The researcher found through trend analysis is as follows

World tea production is remarkably increasing every year and the world tea production in 2015 is estimated as 4360.645 m.kgs.

Tea cultivation area in India were increasing every year and the tea cultivation area in 2015 is estimated as 657004.3 hectares.

Average sales of sample tea manufacturers are remarkably increasing every year and the average sales of sample tea manufacturers during 2014-15 is estimated as 8784.4077 lakhs.

8.3. Suggestions of the study

The following are the suggestions of the study

- In Tamilnadu there are lot of uncultivable land. The Tea Board can encourage the tea cultivators to cultivate the tea plant by explaining clearly about the production and marketing activities of tea.
- Majority of tea manufacturers feels Tea Board don't give any current information. So the Tea Board must give the current market information to the tea manufacturers.
- Majority of tea cultivators feel about inadequate finance. So Tea Board may increase the subsidies to cultivators.
- Tea Board may take sufficient steps to avoid the unnecessary marketing charges.

- Tea Board provides only three types of assistance to tea cultivators in Tamilnadu. So the Tea Board must provide many more type of assistance like interest subsidy to tea cultivators in Tamilnadu.
- Tea Board provides only one type of assistance to tea manufacturers in Tamilnadu. Hence, the Tea Board must provide various types of assistance to tea manufacturers in Tamilnadu like export promotion schemes, packed tea schemes and marketing development scheme.
- Tea Board may adopt proper grading techniques to fix price for each grade because in Tamilnadu the price of tea was varying from year to year.
- Tea Auction centers fix low price for tea, but ex-garden fix high price and due to this most of the cultivators and manufacturers are selling their tea in open market. Hence, the Tea Board must avoid these problems.
- Only minimum quantity of tea is exported from Tamilnadu. Hence, Tea Board should take necessary steps to export more tea from Tamilnadu.
- Tea Board should take necessary steps to improve the quality of tea.
- Cost of production of tea was high and hence, Tea Board should take necessary steps to solve the problem.
- Special Purpose Tea Fund Scheme was provided only to small growers. Tea Board in Tamilnadu should provide SPTFS to big growers also.

Scope for further Research

Further research may be conducted on the following topics:

- Production and Marketing of Tea in India
- Impact of Government export policy regarding tea industry in India.

- Marketing ethics of Tea in India
- Price fluctuations of tea in Indian market.
- Role of regulated market in Tea Industry.
- Capital investment and credit facilities of tea industry.
- Role of women employers in Tea Industry.

8.4. Conclusion

The study about the role of Tea Board in the development of tea industry showed the impact of assistance in production and marketing of tea in Tamilnadu. Really, the Tea Board is playing very important role in the development of tea industry in Tamilnadu. But certain weak points are found out by the researcher and proper suggestions have also been given. It is possible to improve the performance of Tea Board in the development of tea industry in Taminadu if the suggestions are properly carried on.