

**Covid-induced uncertainty dampens demand for premium Darjeeling tea**

By Sutanuka Ghosal, ET Bureau May 25, 2021, 05:54 PM IST

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Darjeeling first flush tea, or Chateau Lafite Rothschild for those in the trade, has failed to find many takers this year as the Covid-19-induced economic uncertainty has dampened demand for the variety which used to sell for Rs 9,000-10,000 per kg before the pandemic.

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In the domestic market too, Darjeeling first flush tea sales have slowed down due to localised lockdowns which have resulted in closure of cafes and tea lounges where Darjeeling is the favoured brew among tea drinkers.

Further, Sheo Shankar Bagaria, a Darjeeling tea planter, told ET, "The first flush crop has been affected this year due to a prolonged dry spell since March. Last year, we had lost first flush due to the lockdown and this year the weather has been unkind to the Darjeeling tea industry."

With 87 gardens, the Darjeeling tea industry depends on the premium quality first flush tea for sustenance, as it fetches the highest price in domestic and foreign markets. Nearly 35% of Darjeeling industry's annual revenue is generated from the sale of first flush teas, which are produced between March 15 and April 15. Darjeeling annually produces 8 -8.5 million kg of teas.

"Due to the dry spell, we have lost more than 25% of the first flush teas," said Binod Mohan, former chairman of Darjeeling Tea Association. "Also, the weather has impacted the quality of the leaves. That is also impacting the price recovery in the world markets."

However, some buyers from Japan and Germany have agreed to a 5% hike year-on-year, he said.

The unavailability of containers is another major issue. "Getting containers to ship teas has become a paramount problem to the trade. We are seeing that logistics is emerging as a big problem in the pandemic," said Mohan.

He said foreign importers are not buying because their customers, mainly café chains and tea boutiques, are not purchasing since many of them have closed down due to the pandemic.

"It is the same story in India too," said Mohan. Unless the pandemic eases in the country, demand for Darjeeling teas will remain stagnant as they are not consumed by the masses owing to their high prices, he said.

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