## **Business Line** In 2020-21, India spent all-time high to import tea Economy Agri Business / PS Sundar / Updated on June 11, 2021

Volume, price and value – all up

India spent all-time high amount of ₹ 455.21 crore to import tea during the fiscal 2020-21 due to large volume of import at high prices reveals our analysis of the latest data now available with the Tea Board.

In 2020-21 fiscal, India imported 27.27 million kg (mkg) of tea against 15.54 mkg in the previous fiscal. This increase of 11.73 mkg marked a whopping rise of 75.48 per cent.

But, the import was made at higher prices mainly because of a general rally in the global market. The average price rose to ₹166.93 a kg from ₹149.14 – a rise of ₹17.79 a kg or 11.93 per cent.

In dollar terms, the prices rose to \$2.25 a kg from \$2.10, marking an increase of 7.14 per cent.

Since more volume was imported at higher price, the overall import bill rose to ₹455.21 crore from ₹231.76 crore in 2019-20.

This meant an increase of as much as ₹223.45 crore or a whopping 96.41 per cent.

In dollar terms, the import bill increased to \$61.32 million from \$32.66 million. This increase of \$28.66 million marked a rise of as much as 87.75 per cent.

Importers contended that majority of these teas was re-exported after value-addition by mixing with Indian teas.

In the post-WTO era, India is unable to stop import despite being a net exporter. The country is importing tea from many sources including some non-producing but trading ones.

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