

Massive dip in tea price; plantation sector in crisis

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Thiruvananthapuram: The plantation sector is facing a major crisis as the cost of production has escalated and the price of tea has dropped. Though the plantations are functioning subject to pandemic protocols, the cost of production has gone up significantly as the wage of workers has risen. Meanwhile, the decline in auction prices also hit the plantation sector.

The ongoing decline in prices of crops like cardamom and rubber has had a cold impact on the plantation sector. The worst condition is that the cost of production is higher than the cost of product now. The cost of production of tea is Rs 158 per kilogram whereas the average tea auction price is Rs 131.

As per the reports of the Association of Planters' Kerala, the auction prices in Kochi have been dwindling for the last two months. The auction price on April 7 was Rs 156.52 whereas it was Rs 131 last month.

The low procurement through the Civil Supplies Corporation and rise in imports have significantly influenced the market. According to reports, procurement has been low for the last two months. Plantation owners pointed out that imports have risen by 139 per cent over the preceding year.

Ajith B K, the Secretary of the Association of Planters of Kerala, said that the state government should direct Civil Supplies Corporation to increase tea procurement. The Center should also take measures to control imports to save plantation owners and farmers, he added.

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