

Tea export earnings jump 51.40 per cent to ₹ 265 crore in April

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Encouraging demand led to growth in volume, price and value terms

The current fiscal has opened on an encouraging note for India's tea exports which saw growth in respect of all three parameters – volume, value and price – in April as compared to the same month last fiscal, reveals the latest data available with the Tea Board.

There was a general improvement in demand due to the widespread belief that tea drinking helps to build immunity especially in the backdrop of new waves of Covid-19 hitting the different countries, exporters said.

Improvement in demand

The sharp shortfall in the availability of Kenyan teas due to lower production arising from adverse weather forced importers to scout for acceptable teas from other sources including India.

This demand pushed up the prices of Indian teas to average ₹ 240.44 a kg from ₹ 211.90 in April 2020. This meant that every kg fetched ₹ 28.54 more than in April 2020 – an increase of 13.47 per cent.

Thanks to higher demand, the volume shipped rose to 11.05 million kg (mkg) from 8.28 mkg in April 2020 – an impressive increase of 33.45 per cent.

Exports

With more teas shipped at a higher average price, the overall export earnings rose to ₹ 265.69 crore from ₹ 175.45 crore. This meant that in the first month of the current fiscal, India's export earnings rose by as much as ₹ 90.24 crore or a whopping 51.43 per cent over April 2020.

Although this trend was visible in both the North and South, the South Indian tea exporters fared better.

In the South, the volume shipped rose to 6 mkg from 4.33 mkg in April 2020, marking an increase of 38.57 per cent. This was despite the prices rising to an average of ₹ 221.93 a kg from ₹ 194.32 in April 2020 – a gain of 14.21 per cent. Consequently, the overall earnings rose to ₹ 133.16 crore from ₹ 84.14 crore, marking an increase of 58.26 per cent.

In the North, a volume of 5.05 mkg was shipped against 3.95 mkg in April 2020 – an increase of 27.85 per cent. This was despite the prices rising to an average of ₹ 262.44 a kg from ₹ 231.16 – a gain of 13.53 per cent. Consequently, the overall export earnings rose to ₹ 132.53 crore from ₹ 91.31 crore – an impressive increase of 45.14 per cent.

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