



# PRODUCTIVITY OF TEA IN CENTRAL TRAVANCORE REGION

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## Abstract:

Tea is the world's most popular beverage. From the North of Russia to the tip of Southern Africa, from the West coast of America to the Far East, tea is enjoyed in endless different ways. Its versatility makes it the perfect drink, adaptable to every climate and culture. Tea plantations make a vital contribution to the economy of the producing countries. The study focuses on the trends and pattern of the area, production, and yield of tea plantations in the Central Travancore region and observes the socio-economic status of small tea farmers in the central Travancore region. The secondary data was collected for the study from 2005-06 to 2019 – 20.

## Key Words:

### 1. Introduction:

Tea is the most popular drink in the world today. It is used by more than two-thirds of the world's population and nearly every part of the world. It can be safely accorded the pride of place as the world's beverage. Once it was a drink of the rich and a luxury item, it became the cheapest available to every section of society.<sup>1</sup> Tea is said to be an indigenous product of the northeast region of India. It was grown and consumed long before the

<sup>1</sup> The State Bank of India, economic and statistical department. Tea Position and Prospects. State Bank of Monthly Review. 1977; 3, 103-109.

British found the commercial production lucrative enough to begin plantations in the North East and Southern India.<sup>2</sup>

The history of tea plantations in Kerala is associated with the Britishers. They were trying to vie with the tea trade in China. They found that the slopes of the Western Ghats could be an excellent tea plantation site in India. The weather, the soil and the long history of the know-how in the plantation of spices made the slopes of the Ghats a suitable location for tea plantation in India. Thus, Kerala came to occupy a prominent place among tea grower states of India. Tea plantation in Kerala is spread over Idukki, Wayanad, Kottayam, Thrissur, Malappuram and Palakkad but Idukki and Wayanad are the two major tea producing regions by way of total acreage under tea. 87 % of the total area under tea gardens in Kerala falls in these two districts.<sup>3</sup> Idukki is the most important district, with 72% of the total acreage of Kerala under tea plantations here. The main tea growing areas of Idukki are in Munnar, Vandiperiyar and Peermade regions. Wayanad accounts for about 14% other than areas under multi plantations like Palghat-Nelliampathy and Thiruvananthapuram.

## 2. Profile of sample unit

Munnar is a famous tea town in the Idukki district of Kerala. It is also a hill station that caters to many tourists year-round. The general elevation of the city is about 1600 m above sea level, making it a charming place in summers. The town is situated on the flat of the Kanan Devi Hills. Munnar has received its name from the confluence of three rivers named Mudra puzha, Nallathanni and Kundala, flowing very close to the town. The town owes its fame as a tea destination to the Scottish gentleman J.D.Munro. He was a lawyer in the state of Travancore. Once on a mission of settling a dispute for his employer, the man saw Munnar, fell in love with the enchanting beauty of its rolling slopes that must have resembled his native Scottish Highlands. He leased the area from the ruler of Travancore.

Munro established the Travancore Land Planting & Agricultural Society. After some trial and error with spices, coffee and tea plantation, tea growing was found suitable due to the favourable weather conditions of the region. Thus, began the long journey of the story of tea in Munnar. The famous Finlay Muir and Co. consolidated 31 tea estates under the umbrella of the Kannan Devan Hills Produce Company in 1895, creating a vast tea Empire. The Tata group joined hands with Finlay and started the Tata-Finlay Group in 1964. It established the Kannan Devan Hills Produce Pvt. Ltd. The group sold 69% shares to the workers in 2005, and the first-ever co-operative society for the management and production of tea was established.

<sup>2</sup> Ombuki Charles. Constrains on smallholder's credit investment in the farm: a case study of tea farming in south-Kisi district of Kenya. Indian Journal of Agriculture Economics. 2004; 59 (4).

<sup>3</sup> Economic Review 2020. State Planning Board. Thiruvananthapuram Kerala. 2021.

### 3. Review of Literature:

**Nair (1989)<sup>4</sup>** examined the socio-economic conditions of labourers in The **Ponmudi** tea estate, a unit closed since 1973. He made a case study of this unit to highlight the fate of workers in a sinking factory. The employees are continuing in the factory because of the single reason that they have no other option. They are virtually suffering from poverty as a result of unemployment

**Ramanathan (2016)<sup>5</sup>** evaluates the movements of tea in the universal market. He found that global production has been increasing at a compound rate of 4.1 per cent per annum, whereas the inland consumption of the producing countries has been growing by 5.2 per cent per annum. The share of tea producing countries in consumption was 65 per cent in 2013. Thus the global demand for tea exceeds its worldwide supply. India is not an exception to this trend. In India, the export of tea has been increasing at an annual growth rate of 5.3 per cent per annum.

### 4. Statement of Problem

Compared with the Tamil Nadu tea industry, the tea industry in the Central Travancore region has an area of 83.95 per cent and a production of 78.97 per cent. The land in the hands of the small tea sector constitutes 70.48 per cent and will produce 66.02 per cent in 2020. Also, the number of small tea growers in the district is estimated at 6300 by the INDCOSERVE.

In terms of favourable factors, The Central Travancore Region tea industry is endowed with suitable agro-climatic conditions, extensive existence of tea bushes in the economic age group below 50 years", better application of fertilisers, more extensive use of pesticides, weedicides, etc., more or less satisfactory conditions in the factories, better transport facilities, comparatively better yield rates, suitable labour welfare measures etc. The present study is initiated to analyse the productivity of tea industries in terms of area occupied, yield in the central Travancore region.

### 5. Objectives of the study:

- To analyse the trends and pattern of the area, production and yield of tea plantations in the Central Travancore Region
- To study the small tea growers' opinions about the performance of the tea industries in the study area.

### 6. Null and Alternative Hypotheses

**Ho:** Selected variables about the functioning of the tea industry is not influencing the respondents' opinion about the performance of the sample unit.

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<sup>4</sup> Nair, Manoharan, K. (1989), 'The Socio-Economic Conditions of Labourers: A case study of Ponmudi Tea Estate: Southern Economist, Vol. 28, No. 16, December.

<sup>5</sup>

**H<sub>1</sub>:** Selected variables about the functioning of the tea industry is influence the respondents' opinion about the performance of the sample unit.

## 7. Scope of the study:

Tea has played an essential role in India's economy for the several last decades. But its position has substantially declined in recent years. The tea economy shows an identical situation in Central Travancore and other parts of Kerala. The sustainability of the tea economy is also questionable. Recently the participation of marginal farmers in tea cultivation increased. It may help enhance the sustainability of tea plantations in the study area. This study aims to analyse the tea productivity in the selected study area and evaluate the socio-economic status of the marginal farmers and the sustainability of tea plantations in Central Travancore.

## 8. Methodology:

The study is based on both primary and secondary data. The trends and pattern of the land used, production and yield of tea plantations in the Central Travancore region were studied using secondary sources like the publications of the Tea board and the United Planters Association of Southern India. The primary survey was conducted among the 125 tea growers of Anayirankal Tea Estate Anayirankal, Munnar.

## 9. Limitations

- ⇒ The secondary data was collected from the annual reports of the tea board of India.
- ⇒ . The respondents had to recall specific information from their memory which could have caused the 'recall bias'.

## 10. Data Analysis and Interpretation:

**Table 1**  
**Tea production in Central Travancore Region**

Sl.No	Year	Area (Hectare)	Production (M.KG)	Yield
1	2005-06	31940	50.12	637.27
2	2006-07	31967	57.56	555.37
3	2007-08	31967	65.64	487.00
4	2008-09	32107	69.12	464.51
5	2009-10	31772	66.15	480.30
6	2010-11	31236	59.78	522.52
7	2011-12	32137	56.63	567.49
8	2012-13	32139	49.72	646.40

9	2013-14	32139	67.46	476.42
10	2014-15	32139	68.87	466.66
11	2015-16	32028	61.92	517.25
12	2016-17	31248	51.73	604.06
13	2017-18	32356	68.96	469.20
14	2018-19	33241	69.83	497.40
15	2019-20	33762	71.24	489.66
<b>Average</b>		<b>32029.71</b>	<b>61.46</b>	<b>527.99</b>
<b>CGR</b>		<b>4.41</b>	<b>6.17</b>	<b>-5.63</b>
<b>LGR</b>		<b>4.43</b>	<b>6.23</b>	<b>-5.79</b>

Table 1 reveals the area used for tea production in the central Travancore region. A maximum of 33762 hectares in 2019 – 20 and a minimum of 31236 hectares in 2010 – 11. Maximum output of 71.24 MGk was achieved in 2019 – 20 and a minimum of 49.72 MKG in 2012-13.

#### Small tea growers' opinion about the performance of the tea industries:

**Table 2**

Sl.No	Statements	Code
1	The tea industry purchases the tea leaves regularly	P1
2	They provide the reasonable price	P2
3	Tea industries settle funds properly	P3
4	The technical support increases the yield	P4
5	Maintaining good relationship	P5

Fig 1

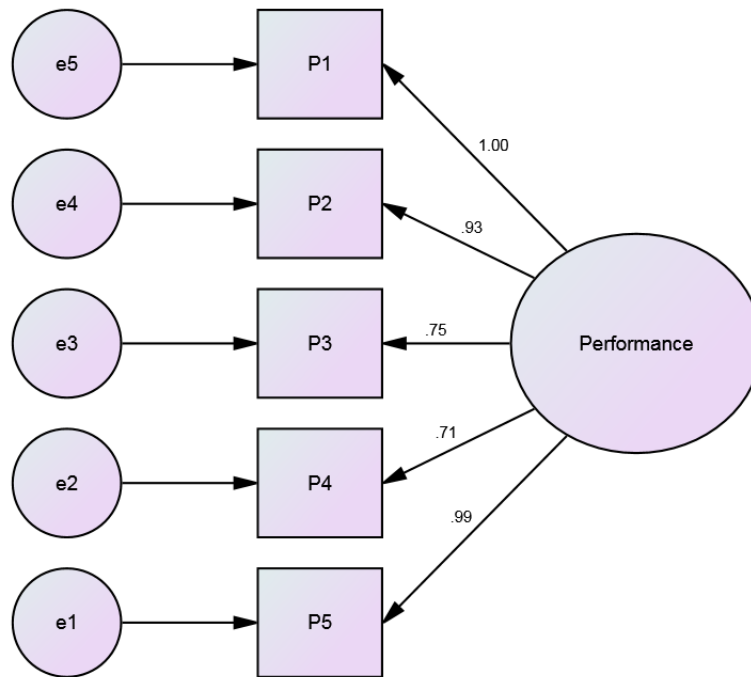


Table 3

Chi-Square value	DF	Chi-Square value / DF	P value	GFI	AGFI	NFI
13.848	4	3.462	0.267	0.964	0.935	0.922

Table 3 discloses the model fit summary of variables selected under the construct Small tea growers' opinion about the performance of the tea industries. The calculated P-value is 0.267, more significant than 0.05, which shows a perfect model fit. GFI (Goodness of Fit Index) value of 0.964 and AGFI (Adjusted Goodness of Fit Index) value of 0.938 are more than the threshold level, indicating a good model fit.

Table 4

Variables	Unstandardised co-efficient (B)	Std. Error of B	Standardized co-efficient (Beta)	t value	P value
Constant	.657	.190	-	3.453	.001
Insufficient staff size of the workload	.251	.042	.260	5.989	.000***
Poor coordination between departments	.285	.044	.313	6.422	.000***
Insufficient training to do the job level	.181	.043	.212	4.230	.000***
Rigid working procedure	.337	.052	.306	6.422	.000***
Job Insecurity	.373	.044	.397	8.558	.000***

\*\*\* Significant at 1 per cent level

R = .781      R<sup>2</sup> = .611      Adjusted R<sup>2</sup> = .601, F Value 61.013

"R" Stipulates The Multiple Correlations Between Dependent Variable Respondents' Opinion About the Performance of the tea industries in the study area and independent variables to measure the performance of the sectors. It is found that all the selected five variables significantly influence the respondents' opinions about the performance of the sectors.

### 11. Findings:

- The study revealed that a maximum of 33762 hectares in 2019 – 20 and a minimum of 31236 hectares in 2010 – 11 were used to cultivate tea plants in the study area.
- Maximum production of 71.24 MGk was achieved in 2019 – 20 and a minimum of 49.72 MKG in 2012-13.
- Selected variables about the functioning of the tea industry is influence the respondents' opinion about the performance of the sample unit.

### 12. Conclusion:

India was the second-largest tea producer globally, production at 1239150 million T in 2019. Until 2005, India was the major tea producer globally, but after 2005 China took the position. Tea production in India declined for price fluctuations, changes in climatic conditions, economic crises, etc. Production of tea in Kerala and Central Travancore also slightly declined during the study period. Many small and marginal farmers came into tea cultivation and improved presentation. The marginal tea farmers have a reasonable opinion about the performance of the tea industries.

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