

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:1461

ANSWERED ON:16.07.2004

SICK TEA ESTATES

Chaliha Shri Kirip;Khan Shri Sunil;Modi Shri Sushil Kumar;Sujatha Smt. C.S.

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether large number of tea gardens in India have been closed/abandoned during last five years;
- (b) if so, measures taken for their revival;
- (c) total number of workers lost job, state-wise details;
- (d) measures taken to relief the affected workers;
- (e) whether Government has taken steps for reviving the ailing tea sectors; and
- (f) if so, details thereon?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY( SHRI E.V.K.S. ELANGOVAN)

(a) & (b): Some tea gardens in the States of West Bengal, Kerala, Assam and Tripura have been closed/abandoned during the last five years owing to lower price realisation, which has adversely affected the viability of the tea gardens. Government had appointed Expert Committees to make an in-depth study of the closed tea gardens in the States of West Bengal, Kerala, Assam & Tripura. These Expert Committees studied 36 gardens which were lying closed in 2002 ( 19 in West Bengal, 11 in Kerala and 3 each in Assam & Tripura). Based on their recommendations, Central Government and the Tea Board have facilitated discussions between the managements of the tea gardens, which have been identified as potentially viable, and their bankers to work out revival packages.

(c): As per the available information, the total number of workers unemployed at present due to closure of the gardens is approximately 28,195. State-wise break up is given below :

Name of the State    Approximate number of workers unemployed at present.

West Bengal	19,336
Kerala	6,648
Assam	1,661
Tripura	550

Total	28,195
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(d): The Plantations Labour Act, 1951 provides for the welfare of plantation labour and regulates the conditions of work in plantations, including tea. This Act is administered by the State Governments. It specifies the various facilities to be provided to the workers. Government of India had taken up the matter regarding the problems being faced by the workers of the tea gardens with the concerned State Governments for intervention and providing necessary relief. Some State Governments like West Bengal and Kerala, where the number of closed tea gardens are more, have taken certain steps to provide relief to the affected plantation workers and their families. These include creation of employment opportunities through various schemes, extending health care, implementing nutrition programmes for children, distribution of foodgrains, augmenting drinking water facilities and distribution of cash to the most needy.

(e)& (f): Yes Sir. A number of steps have been taken by the Government to help the Indian tea industry. A Special Tea Term Loan (STTL) has been announced recently which envisages the restructuring/rephasing of outstanding term/working capital loans in the tea sector with repayment over 5 to 7 years and a moratorium of 1 year. The STTL also provides for working capital upto Rs. 2 lakhs at a rate not exceeding 9% to small growers. The Government has issued orders regarding implementation of a Price Subsidy Scheme for

small tea growers for a period of four months from February to May 2004. Tea Board is also implementing a price sharing formula between small tea growers and manufacturers of made tea w.e.f. 1.4.2004. A special fund has been set up out of collections by way of additional duty of excise of Re.1 per kg on tea for the development, modernisation and rehabilitation of tea plantation sector. Tea Board is implementing an IT based Information Dissemination Plan for the tea industry, including conversion of manual auctions into electronic auctions so as to improve the efficiency of the tea purchase systems and reduce transaction time and costs.

The Government of India has also set up a Price Stabilization Fund with a corpus of Rs. 500 crore for the benefit of tea, coffee, rubber and tobacco growers.