

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

UNSTARRED QUESTION NO:2634

ANSWERED ON:26.08.2013

TEA GARDENS

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

- (a) whether a number of tea gardens have fallen sick and have been closed in the country and if so, the details thereof and the reasons therefor along with the number of tea gardens affected and closed down and the number of persons affected thereon, State-wise;
- (b) whether the Government proposes to revive and reopen these gardens and closed factories and if so, the details thereof along with the action taken and results achieved so far in this regard;
- (c) whether the Government and the Tea Board of India has prepared any blue print to improve the tea industry in the country and to create a special corpus fund for re-plantation and rejuvenation of the tea gardens and the tea industry and if so, the details thereof and if not, the reasons therefor;
- (d) whether Assam is likely to adopt Kenyan model of regulating the tea processing units to ensure quality and if so, the details thereof and the present position thereof along with the measures being taken by the Tea Board to ensure the quality of tea; and
- (e) whether the tea factories have been barred from procuring tea leaves from agents and will have to procure the same from the small tea growers directly and if so, the details thereof and the reasons therefor?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

(a): From mid 1999 to 2007 conditions adversely affected the viability of tea gardens, resulting in closure/abandonment of as many as 130 gardens. However, from 2008 onwards, almost all the closed gardens have been re-opened. As on date only six gardens remain closed – 03 (three) in West Bengal, 02 (two) in Kerala and 01 (one) in Assam .The reasons for closure and the number of workers affected are shown in the table below :

Sl. No.	State	Estate	Month	of	Reasons	Number of workers
			affected			
1	Lone Tree	Dec 2000	Labour unrest.			660
2	Kerala Pirmed		729			
3	Dheklapara	Aug 2002	Financial crisis			544
4	West Ringtong	Feb 2008	Abandoned by owners			837
5	Bengal Dalmore	July2012	Labour unrest.			1021
6	Rani	Mar2010	Labour unrest.			105
	Assam					
	Total					3896

(b): Steps have been initiated for reopening the closed tea gardens, viz, Lone Tree, Pirmed and Dheklapara, by invoking Section 16 (E) of the Tea Act, 1953, which provides for handing over the management of the gardens to new entrepreneurs. It was challenged by the owners in the Hon'ble High Court of Kerala in respect of gardens Lone Tree and Pirmed. For the Dheklapara garden, approval of the Hon'ble High Court of Calcutta was not received. Because of these legal hurdles further steps could not be taken as per the provisions of Tea Act. Negotiations are underway between the Labour Department and the trade unions and management of the remaining four gardens.

A rehabilitation scheme notified by the Government of India in June 2007 provides for restructuring of bank loan, interest subsidy on working capital, deferred payment of provident fund (PF) dues, waiver of outstanding loans under the Tea Board. Loan schemes and according priority for providing developmental assistance under Tea Board Development Schemes.

(c): Yes, Madam. A comprehensive Tea Development and Promotion Scheme has been formulated for implementation during the XII Five Year Plan. The Scheme provides for a special purpose tea fund for financing replantation/rejuvenation of old and uneconomical tea areas. During the XII Plan, it is targeted to renovate 47,000 ha by way of replantation/replacement (40,000 ha) and rejuvenation pruning and consolidation in hilly areas (7,000 ha). The scheme is currently under process of appraisal.

(d): Adopting Kenyan model for Assam has been found to be not feasible as the structure of the Kenyan tea industry is totally at variance with that of Assam. Taking into account, the profile of the tea industry in Assam, detailed regulatory guidelines have been

formulated and issued to all tea factories sourcing green leaf from small tea growers, with regard to the quality of green leaf and the method of fixing the minimum price for the green leaf, each month based on the auction sale average.

(e): No, Madam. No such directives have been issued by Tea Board.