Tea Board to come up with guidelines for tea processors for small tea growers

By Sutanuka Ghosal, ET Bureau | 7 Jun, 2016, 04.41PM IST

Tea Board will come up with guidelines for mini and micro tea processing factories for small tea growers within a month’s time. This was indicated by Santosh Kumar Sarangi, chairman, Tea Board in Kolkata on Tuesday.

"Tea Board will allocate more funds for small tea growers. More subsidies will be given for maintaining their water sheds and transportation", Tea Board chairman said. "Small tea growers will have to grow up the value chain, become producers and participate in auction on their own. Tea Board will give them training in quality control and make sure the tea produced is of good quality. Considering the global warming and erratic rains, more and more tea growers will have to be encouraged into organic farming", he emphasized.

Tea Board chairman was addressing "PPS Assembly Celebration of Innovation" - organised by Centre for Education and Communication (CEC), for celebrating the initiatives of primary producer societies and encouraging them for better sustainability.

Small tea growers from Assam, Arunachal Pradesh, Tripura, Mizoram and West Bengal took part in the event. More than 200 STG representatives who participated in the event, demanded concrete supportive measures from the government to set up their own manufacturing units. Many of these societies are formed by tribal communities and women from these regions.

During the assembly Mr. Prafulla Debbarma of Panchamnagar Tea Producer Company, Tripura said, "CEC has helped us so far. But we are determined to set up our own manufacturing unit to produce organic orthodox and green tea. We seek active support from the Tea Board of India and Ministry of Commerce to build small grower tea brand".

These Small Tea Growers grow tea on small patches of land, but are dependent on the Bought Leaf Factories (BLF) as they have no processing facilities. The BLF in turn buy the green leaf and sell it to the big companies in the organized industry after processing the tea.

Earlier in year 2015, Tea Board amended the Tea Control Order making it mandatory for BLF units to sell not less than 70 per cent of the processed tea bought from STG, through public auction. It was felt that this would help the monitoring of the price of end-produce. But due to the lack of transparency the growers are suffering and have not got fairer share in the tea value chain. Most of these growers have no access to institutional finance.

Bijoy Gopal Chakraborty, President of Confederation of Indian Small Tea Growers’ Association (CISTA) said, "We appreciate the Price sharing formula (PSF). But STGs are still unable to get fair price for their green leaf. Growers experience great fluctuations in the price that they receive from the Bought Leaf Factories (BLF), for per kg of green leaf, ranging from Rs 22 to Rs 4 in West Bengal and Tamil Nadu; and Rs 22 to Rs 7 in Assam (2015 season). No such variations were reported in the Auction price during the year. Moreover, there is lack of transparency in the actual price realised since, among other things, under The Tea Marketing Control Order (TMCO) only 50 per cent of tea goes to auction."

Pronoy Basumatari, Bodoland, Assam said, "We are 'innovators' and 'startups' in the most back ward rural areas in India. Small tea growers are providing employment to thousands of people and are agents of development. We urge government to remove road blocks in starting manufacturing units in the rural areas. We are meeting Minister of Commerce to discuss the issue."

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