

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

UNSTARRED QUESTION NO:4028  
ANSWERED ON:30.04.2012  
CLOSURE OF 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 been closed particularly in the State of Assam and West Bengal during the last three years;
- (b) if so, the details thereof alongwith the names of the gardens, their date of closure, number of workers affected, area of cultivation under each of these closed tea gardens and the reasons for their closure; and
- (c) the details of the action taken/ proposed to be taken for the reopening and rejuvenation of these tea gardens and the rehabilitation of the jobless workers?

**Answer**

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

(a) & (b): The depressed price situation since mid 1999 coupled with other factors like high costs of production, sluggish rate of growth in domestic demand and fall in exports had adversely affected the viability of tea gardens, particularly the medium sized and financially weaker ones, resulting in closure/abandonment of some tea gardens in the country.

As on 1st April 2007, the number of closed tea gardens was 33 viz., Assam: 2; West Bengal 14; and Kerala 17. Subsequently two more gardens in West Bengal were added to the list. However, 31 gardens have reopened since then and as of date, only 4 gardens - two each in West Bengal and Kerala remain closed. These 4 gardens are involved in litigation.

During the last three years only one tea estate in Assam (Bhuvan Valley tea estate) was closed on 08.10.11. The area of the tea garden and the number of workers are 403.47 hec. and 475 respectively. However, the garden was reopened on 09.02.12.

The details regarding the tea gardens that still remain closed are as under :

Sl.No.	State	Name of tea estate	Date of closure	Area of cultivation (ha)	No of workers
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1	West Bengal	Dheklapara	March, 2006	197.37	604
2	-do-	Ringtong	February, 2008	388.12	837
3.	Kerala	Pirmed	December, 2000	529.55	491
4	-do-	Lone Tree	December, 2000	500.01	648

(c): Government of India had notified a rehabilitation scheme aimed at revival of the closed Tea Gardens for the XI Plan period. This scheme provided for restructuring of bank loan, interest subsidy on working capital, deferred payment of PF dues, waiver of outstanding loans under erstwhile loan schemes of the Tea Board and according priority for providing developmental assistance under Tea Board Development Schemes.

The initiatives taken by the Tea Board under the rehabilitation scheme, inter alia, include:

- i. Facilitated a series of meetings between the owners, financing bankers and other stakeholders for reopening the closed estates;
- ii. Paid Rs. 73.18 lakhs to Dena Bank being 1/3rd contribution for settling the accumulated interest on the bank loan availed by one of the closed tea gardens in Kerala;
- iii. Written off Rs. 4.81 crores on account of the loans availed by the closed tea gardens under the erstwhile loan schemes of Tea Board; and
- iv. Relaxed eligibility norms for availing of financial assistance under developmental schemes

In addition, the Board provided lump-sum grant amounting to Rs. 3.67 crores @ Rs. 1000 per worker for educational support for wards of workers during 2007-08 and 2008-09 from its Human Resource Development Scheme.