

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

UNSTARRED QUESTION NO:7357  
ANSWERED ON:21.05.2012  
ASSISTANCE FROM TEA PLANTERS  
Raghavan Shri M. K.

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

- (a) whether there is any demand for financial assistance from the tea planters for re-planting and rehabilitation;
- (b) if so, the details thereof and the action taken thereon;
- (c) whether any study has been conducted regarding the labour problems in the tea plantations across the country;
- (d) if so, the details thereof including the remedial measures proposed in this regard;
- (e) whether there is any proposal to bring tea plantations also at par with other cash crops like pepper, cardamom etc. and increase the subsidy from the existing 25 percent to 40 percent; and
- (f) if not, the reasons therefor?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) Yes, Madam. In response to the need of tea planters for financial assistance for replanting and rehabilitation, Government set up a Special Purpose Tea Fund (SPTF) in 2007 for extending financial assistance in the shape of loan and subsidy to the tea gardens for undertaking uprooting and replantation/rejuvenation of old tea bushes. The assistance provided covers 75% of the unit cost (50% as long term loan and 25% as subsidy). An area of 25144 hectares and 6604 hectares was covered under replantation and rejuvenation respectively during 11th Plan and Rs. 130.30 crore was disbursed as subsidy while Rs. 48 crore was advanced as long term loan.

(c) & (d) The tea industry has been experiencing shortage of labour and increasing wage costs and it was also studied by the Indian Institute of Plantation Management (IIPM). In its report, IIPM study has highlighted the need for greater mechanization to overcome the labour problem in the tea sector, including mechanical plucking. The Tea Board had extended financial support for R&D towards improved mechanization. It also periodically revises the unit cost of replantation/rejuvenation for calculating the subsidy element in its various schemes to take account of higher labour costs.

(e) & (f) There is no proposal to bring tea plantations at par with other cash crops like pepper, cardamom etc. The nature of cropping pattern and employment in tea plantation widely differ from that of pepper and cardamom. While tea is a perennial crop, pepper and cardamom are mostly grown as ancillary crops in plantations.