

Research Paper

Commerce

A Study on the Role of Tea Board of India in Promotion of Small Tea Growers With Special Reference to Dibrugarh District of Assam

RAM NARESH DAS

ASSISSTANT PROFESSOR, DEPARTMENT OF COMMERCE, TINSUKIA COLLEGE

KEYWORDS:

Introduction:

A relatively new phenomenon has appeared in the tea scenario of Assam in the form of STGs (Small Tea Growers), who have been producing green tea leaves and supplying to the tea industries for the production of black tea. In Assam and other north-eastern states, the concept of growing tea in smallholdings was unheard till 1975. Small farmers in these states started taking up tea cultivation on a large scale during mid 1990s due to good prices that prevailed during 1996-98. Tea in the North Eastern region has become a farmers' crop, providing livelihood and new opportunity not only for self-employment but also for other wage earners. From the 8th Five year plan (1992-1997) TBI has laid down some emphasis on the promotion of STGs. STGs now constitute integral parts of the tea industry. Assam tea is well known for its rich taste and colour. Being an agricultural plantation crop and a major revenue generator, tea cultivation has become a lucrative profession in the North Eastern region and plays a vital role in improving the socio-economic condition of the region.

Meaning & Definition of STGs:

The various organizations have defined differently about small tea growers. Some of the definitions of small tea growers are as follows:-

According to Tea Board of India (TBI), Small Tea Growers (STGs) has been defined, a person or group having plantation area less than 10.2 hectares as STGs. However the Government of Assam defines that the cultivators having less than 30 bighas of land are considered as Small Tea Growers. In 1993 All Assam Tea Growers Association (AASTGA) submitted a memorandum to the Government of Assam to increase the area under tea cultivation from 30 bighas to 250 bighas. This demand is yet to be approved by the Government.

Origin and Evolution of TBI:

Tea is recognized as one of the industries, which comes under the control of the Union Government by an Act of Parliament. The genesis of the Tea Board of India dates back to 1903 when the Indian Tea Cess Bill was passed. The present Tea Board set up under section 4 of the Tea Act, 1953 was constituted on 1st April 1954. It has succeeded of Central Tea Board and the Indian Tea Licensing Committee which functioned respectively under the Central Tea Board Act, 1949 and the Indian Tea Control Act, 1938 which were repealed. All teas produced in the tea growing areas of India are administered by the Tea Board of India

Role of TBI in Promotion of STGs:

The Tea Board of India has been functioning as a statutory body of the Central Government under the Ministry of Commerce. It has wide functions and responsibilities under the directions of the central government. Tea Board of India has been rendering financial and technical assistance for cultivation, manufacturing and marketing of tea. Tea Board has been encouraging the unorganized small tea growers from its very beginning for the plantation and cultivation of green tea leaves by assisting both financially and technically. It is regulating the production and cultivation of tea in India.

Objectives of the Study:

A modest attempt was undertaken to identify the role of TBI in promotion of small tea growers. More specifically the objectives were: -

- 1. To find out whether financial support provided by TBI to the STGs has an impact on enhancing productivity.
- 2. To offer suggestions if any, in the light of the proposed study.

Research Methodology:

The total population of the study was 7023. Those were registered with "TBI Dibrugarh Regional office up to 31st March 2014. The research was conducted within the geographical territory of Dibrugarh District of Assam.70 samples were selected by adopting "Sampling with Probability Proportional to Size" sampling method. The period of study was from 1st April 2011 to 31st March 2014. For the study information were collected from both primary and secondary sources. The primary data was collected through schedule-cum-questionnaire from 70 selected STGs from the area of study. The collected data was analyzed with the help of arithmetic percentage and bar diagram to get the findings.

Analysis and Interpretation of Data:

The objective of analysis of the collected data from the selected STGs is to know their financial requirement, financial support provided by TBI and its impact on enhancing productivity of green tea leaves.

Table - 1
Level of Awareness among STGs Regarding Financial
Support Provided by TBI

Level of Awareness	No. of STGs	%
Aware	17	24.29
Partially Aware	46	65.71
Unaware	7	10.00
Total	70	100.00

Source: Primary data compiled from the field survey.

Table 1 shows that 65.71 percent of the growers are partially aware, 24.29 percent growers are aware and 10 percent growers are unaware about the 'Financial Support Scheme' provided by TBI.

Table - 2
Sources of Information about Financial Support provided by TBI

Different Sources	No. of STGs	%
STGs Association	40	57.14
Media	11	15.71
Tea Board Bulletin	11	15.71
Officials from TBI	1	1.44
None	7	10.00
Total	70	100.00

Source: Primary data compiled from the field survey.

Table 2 shows the various sources of information of 70 sample tea growers from where they are coming to know about the 'Financial Support Scheme' provided by TBI. From the table it is clear that 57.14 percent of sample growers are getting the information about the scheme from STGs Association, only 1.44 percent of sample growers are getting the information about the scheme from 'Official from TBI', 15.71 percent of sample growers are getting the information about the scheme from 'Media' and again 15.71 percent of sample growers are getting the information about the scheme from 'Tea Board Bulletin'.

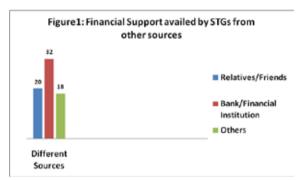
Table - 3

Availing of Financial Support by the STGs from TBI

Response	No. of STGs	%
Yes	0	0
No	70	100
Total	70	100

Source: Primary data compiled from the field survey.

Table 3 shows number of sample tea growers who have availed 'Financial Support' from TBI. It indicates that no any sample grower has availed financial support from TBI till the time of investigation.



Source: Primary data compiled from the field survey.

Figure 1 shows the number of sample tea growers who have availed the financial support from other sources to meet their capital requirement. It indicates that 20 sample growers availed the financial support from their relatives/friends, 32 growers fro bank/financial institutions and 18 from other sources to meet their financial support.

Table - 4
Types of Financial Support Availed by the Sample Tea
Growers from Other Sources

Types of Financial Support	No. of STGs	%
For Fixed Capital	32	45.71
For Working Capital	38	54.29
Total	70	100.00

Source: Primary data compiled from the field survey.

Table 4 shows that 54.29 percent of the sample growers availed the financial support from other sources for meeting their working capital requirement and45.71 percent of the sample growers availed the financial support from other sources for meeting their fixed capital requirement. The percentage of the growers availing the financial support from other sources to meet the working capital requirement was comparatively higher than the percentage of the growers availing the financial support from other sources to meet the fixed capital requirement.

Table - 5
Production of Green Tea Leaves (2011-12 to 2013-14) of
Sample Tea Growers (Size Class-Wise)

Size Class (Bighas)	Production in 2011 – 2012 (KG)	Production in 2012 – 2013 (KG)	Production in 2013 – 2014 (KG)	Total
Below 5 Bighas	1,12,600	1,23,000	1,28,200	3,63,800
5 – 10 Bighas	7,94,600	8,66,900	9,64,100	26,25,600
11 – 16 Bighas	6,68,900	6,98,850	7,56,250	21,24,000
Total	15,76,100	16,88,750	18,48,550	51,13,400

Source: Primary data compiled from the field survey.

The production of green tea leaves (GTLs) of the 70 STGs have been

studied over a period of three years from 2011-12 to 2013-14. Table 5 shows the total production of GTLs for the aforesaid period by the 70 STGs size class-wise. From the table it is clear that the 70 STGs produced 15, 76,100 kilogram of GTLs during 2011-12. From the table it is also clear that the 70 STGs produced 16, 88,750 kilogram of GTLs during 2012-13. From the table it is also clear that the 70 STGs produced 18, 48,550 kilogram of GTLs during 2013-14. From the table it is also clear that the production of GTLs of 70 STGs below 5 bighas, 5 – 10 bighas and 11 – 16 bighas size class has been increasing gradually during the period 2011-12 to 2013-14.

Findings:

- It is found that 65.71 percent of the sample tea growers are partially aware, 24.29 percent growers are aware and 10 percent of the growers are unaware about the 'Financial Support Scheme' provided by TBI. It is also found that 57.14 percent of sample growers are getting the information about the scheme from STGA and only 15.71 percent and 1.44 percent of sample growers are getting the information from Tea Board Bulletin and Official from Tea Board of India respectively.
- It is also found that all the 70 sample growers are availing financial support from other sources to meet their capital requirement. Out of them 45.71 percent of sample growers availed the financial support from banks/financial institutions, 28.57 percent from their relatives/friends and 25.72 percent from other sources.
- 3. It is also found that 54.29 percent of sample growers availed financial support from other sources to raise the working capital whereas 45.71 percent to raise the fixed capital.
- 4. The total production of green leaves for the three consecutive financial years covered by the study (2011-12, 2012-13 and 2013-14) were found to be 15,76,100 kilograms, 16,88,750 kilograms and 18,48,550 kilograms respectively. The production increased by 2, 72,450 kilograms over a period of three years, an increase of 17.29 percent, which is an impressive performance. Though the sample growers have not got any financial support from TBI at subsidy rate. Just by availing the financial support from other sources at the high rate of interest their level of production has been increased gradually.

Suggestions:

- It is suggested that TBI should take the necessary steps to provide the financial support to the registered STGs immediately for their promotion.
- It is suggested to establish a tea processing factory on co-operative basis under the 'subsidy scheme' provided by TBI to the SHGs of STGs.
- STGs should try to sell green leaf directly to the factories by forming their marketing pool. The TBI can also take the initiative to protect their interest.
- 4. STGs should form their own association for mutual financial help.

Conclusion:

However, it has been observed throughout our study of Dibrugarh district that STGs are financially weak. Moreover they are not technically competent to carry on the pursuits. Managerial efficiency of STGs is also not satisfactory. Among all the main problems faced by the STGs is low price of green tea leaf. STGs have felt the need to establish tea processing factory. Thus, if the STGs establish tea processing factory on co-operative basis with the support of TBI, it will help them to overcome from such difficulties to a great extent. In spite of giving the necessary back-up by the TBI and state government they are holding upmost position and becoming an important segment of the economy of Assam. TBI should encourage them by providing necessary financial support for their further development.



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