

## Minister Assures Possession Certificates for STGs



Prithibi Majhi, minister of revenue and DM, labour and employment, tea tribes welfare, Assam, has assured the small tea growers of Assam that the government will soon issue them possession certificate for the land that they are presently occupying.

According to government estimates, around 17,000 hectares of land are under possession of small tea growers and about 90 per cent of this area is government land. The minister said that issuing possession certificate would without fail help them get exempted from the drive to realise penalty for growing tea in government land.

The assurance was given during an interaction on the sidelines of the one-day national seminar on 'Poverty Reduction Strategies in NE India', in Guwahati, organised by Centre for Education and Communication (CEC).

In the northeast, according to Planning Commission of India, the poor have become poorer in the past five years, with Assam and four other states recording a steep rise in poverty level. According to the commission's findings based on the Tendulkar

Committee methodology, the count of people below poverty line in the northeastern states is as follows: Assam 116.4 lakh, Manipur 12.5 lakh, Meghalaya 4.9 lakh, Mizoram 2.3 lakh, Tripura 6.3 lakh, Nagaland 4.1 lakh, and Arunachal Pradesh 3.5 lakh. The only bright spots are provided by Tripura (23 per cent) and Arunachal Pradesh (6 per cent), which have shown a dip in the poverty scale as compared to 2004-05 figures.

It was in such a context that the seminar, with the objective of developing the capacity of small tea growers and their stakeholders, had taken place in Guwahati, where more than 50 STGs from different parts of Assam along with the executive committee members of Confederation of Indian Small Tea Growers' Association (CISTA) participated.

The seminar captured different dimensions of poverty – gender, displacement, politics, etc. – and saw the participation of eminent speakers including professors from Assam and West Bengal engaged in poverty research for several years.

TURN TO PAGE 2

## Project Launch in Guwahati

While addressing a well attended press conference in Guwahati on March 22, 2012, J John, Executive Director said that Centre for Education and Communication (CEC), New Delhi is implementing a European Union-funded project – Sustainable Livelihood for Small Tea Growers – in partnership with Traidcraft, UK. He said, "the project will collectivise the geographically dispersed small tea growers into primary producer societies and empower them to realise fairer terms of trade by directly negotiating with tea processing factories." Over a period of four years, the partners expects to organise around 50,000 small tea growers in Assam, West Bengal, Tripura, Arunachal Pradesh and Mizoram.

Dinesh Kumar Sarmah, Secretary, All-Assam Small Tea Growers' Association (AASTGA), said that the organisation was wholeheartedly supporting this project as they found its perspective and methodology in sync with the interests of small tea growers of the state.

Small growers would be given technical training in agricultural practices to improve quality and also in democratic and participatory management. Workers in the small tea grower gardens who are outside the purview of the Plantation Labour Act (PLA), 1954, will also receive attention.

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## Chairman Lays Foundation Stone for First STG Factory

On 20 March 2012, MGVK Bhanu, the newly appointed chairman of the Tea Board, after visiting the Panbari factory – the first manufacturing venture of small tea growers – expressed his optimism on the future of STGs in India. Recognising their undeterred march along the value chain through embarking on the new endeavour of manufacturing and direct marketing, he visualised their future as international players in the tea industry, by creating a brand of their own. The Panbari factory is the first-ever tea factory by small tea growers developed with 40 per cent financial support promised by the Tea Board. A colourful reception was organised at the site to welcome the Chief Guest.

Bijoy Gopal Chakrobarty, the president of Confederation of Indian Small Tea Growers Associations (CISTA), introduced the Tea Board chairman to the general body members of the self-help group; the society members greeted him and thanked him with presents. While addressing the STGs and CISTA members, Bhanu said that the Tea Board would extend all possible help to the small growers in advanced training and production of superior quality products that would ensure their sustainability in the highly competitive market.

While addressing the gathering, the chairman spoke about the problems of small tea growers at the grassroots level. He said, "In the peak season, it is very often seen that the price of green leaves falls drastically, and tea being a perishable commodity they



cannot hold it for a longer period. Thus, with no viable option before them, tea growers resort to alternative sources of selling or they sell the product in any price quoted by the bought leaf factory (BLF) management."

Bhanu believes that this situation exists because no mechanism exists by which the price for the green leaf can be determined and, moreover, there is a dearth of BLFS. He assured that the Tea Board would actively help them and said that the main thrust of the 12th Plan period would be on the small tea growers.

A massive gathering of small tea growers welcomed the chairman at the Jai Jalpesh SHG. There, he inaugurated and laid the foundation stone for the proposed factory of small tea growers.

While delivering his speech, the chairman congratulated all the members of the SHG for their long-standing dedication towards their goal. He assured them that along with Panbari, Jai Jalpesh would also receive all the required help from the Tea Board of India. He said that the small tea growers should be marked for their excellent quality, and hoped that like Panbari, Jai Jalpesh would also establish their own brand and opt for direct marketing.

SHGs that are not in a position to come up with their own production facility should also get the right price for their produce. He assured growers on the effective implementation of the price-sharing formula. Opportunities to restore the formula effectively will be monitored closely.

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FROM PAGE 1

Dr Abdul Hannan, associate fellow, Sikkim University, in his presentation said, "Tea-producing societies (SHGs) have been performing well enough even though these are at infancy stages of development. These societies could hardly meet the formal requirements and guidelines set up by the Tea Board of India and were, thus, out of the ambit of the formal credit system. Therefore, the need is for more constructive effort through innovative measures and one possible way out could be constant interactions with stakeholders like local-level associations for support and advocacy. Newer forms of policy inclusion by Tea Board of India can play a major role in saving this vulnerable section in the supply chain of the tea industry in India."

"Will the estate production of tea in India continue to hold out, or is it on its way out?" asked Prof. Jeta Sankrityayana, department of economics, North Bengal University, while presenting his paper on 'Change in Production Systems within Tea

Industry'. He examined this question in the light of current trends within the tea industry and other global plantation commodities.

Emphasising how economic liberalisation since the 1990s has opened the way for the non-traditional tea sector in India through STG-BLF partnerships, he established that the cusp between the 20th and 21st centuries has led to ruinous competition between the traditional estates and the STGs, culminating in widespread labour distress and starvation deaths.

"The basic idea behind the concept of poverty is the criterion whereby we identify the poor. Identifying the poor is an important step in policy formulation towards alleviating poverty. Various poverty-reduction strategies are enacted and implemented. The approach needs to be holistic and sustainable, and it needs to focus on livelihood creation so that these disadvantaged groups can make a leap forward to join the mainstream of economic growth and contribute in the

development process," explained Saundaryya Borbora, department of humanities and social sciences, IIT Guwahati, through his paper 'Poverty Reduction Strategy: Some Issues'.

In his presentation, Dr Melvil Pereira, North Eastern Social Research Centre, Guwahati, said, "The legal system that empowers the state to deprive people of their sustenance without their consent is basic to their impoverishment. However, unlike in conflicts and disasters, development-induced displacement is planned."

Applying gender as a category of analysis, a more comprehensive notion of development and security could be achieved, explained Sandhya Goswami, professor, department of political science, Gauhati University. Evaluating the gross economic and socio-cultural devaluation of women's labour in the northeast states of India, she established that gender inequality was not just a problem of disadvantaged women but also a human-security issue concerning sustainable development of humankind.

Participants engaged in a lively discussion on equity, participation and development.

## We are Together! We Engage in Collective Leaf Trade!!



The project Sustainable Livelihood for Small Tea Growers envisages Formation of Primary Producer Societies (PPSs) of growers and these societies engaging in collective leaf trade. This column will track the formation of PPSs in Assam, West Bengal, Tripura, Arunachal Pradesh and Mizoram.

Name of the Society	Location	No. of Members	Area under Cultivation (acre)	Name of the President	Name of the Secretary
Banijerhat Ekata Khudra Cha Chasi Samiti	Banijerhat, Rajganj	65	90	Sumanta Ranjan Roy	Naresh Chandra Roy
Mekhliganj Apanjan Primary Tea Producers Welfare Society	Bhotbari, Cooch Behar	400	412	Mrityunjay Singha Roy	Abdul Wahed
Bramhapur Samaj Kalyan Tea Producers Welfare Society	Brahmpur, P.O. Padamati, Jalpaiguri	86	145	Tapas Rai	Karunadhar Roy
Chowrangi Khudra Cha Chasi Primary Producers' Welfare Society	Village-139, Bokrabandha (Chowrangi hat),	196	180	Madhusudan Burman	Pabitra Laskar
Purba Barogharia Small Tea Growers Primary Producers Society	Barogharia, Saptibari, Jalpaiguri	139	127	Kanta Narayan Roy	Harish Barman
Khowaja Garib Namaj Khudra Cha Chasi Samiti	Dhanigach, Postonapur hat, Uttar Dinajpur	62	67	Md. Kurdus	Md. Maksood Alam
Bhaish Bhita Khudra Cha Chasi Samiti	Chopra, Bhaishbhita, Uttar Dinajpur	60	57	Safirul Haque	Jitua Oraon

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## ED Tea Board Interacts with CISTA EC Members

"There is a need to work on grassroots development initiative to strengthen the STGs," emphasised Mr Rakesh Saini, executive director, Tea Board. He said that there was a need to minimise political intervention for real development to begin. Mr Saini made this statement while addressing the Confederation of Indian Small Tea Growers' Association's (CISTA) executive committee meeting, where he was the chief guest. The meeting was held on 21 March 2012 at Hotel Monsoon Place in Guwahati. The inaugural speech was delivered by Mr BG Chakraborty, president, CISTA.

Launching the CISTA brochure, Mr Saini pointed out that more attention should be given to leaf quality improvement. He talked about the initiative of Tea Board to speed up registration-related land problems in Assam. He also put forth his ideas on food security and suggested that there was a need to enhance land productivity.

Mr Saini informed the participants at the meeting that the Tea Board was set to register 40,000 STGs in Assam and shared details of various award

schemes including distribution of computers to PPS. Mr Saini said that the Tea Board had taken the first step to set up a factory in Arunachal Pradesh with the collaboration of NEDFI.

Bojoy Gopal hoped that the STG directorate should help in better execution and monitoring of the schemes, in initiating pilot programs on alternative market development for small tea growers and in providing systematic training and extension services. He proposed that the STG directorate should have four divisions: a) research and policy division, b) planning and monitoring division, c) business and promotion division and d) extension service division.

State associations from Assam, West Bengal, Tripura, Nagaland, Mizoram and Meghalaya as well as Bodoland, participated in an interactive session with the executive director wherein he listened to various issues and problems faced by the STGs. Treasurer of CISTA Mr RajatRay Karjee presented the case study of Jai Jalpesh Small Tea Growers' Association.



## Must Not Loose Focus on Poorer Farmers, Cautions EU Representative

"Though it is unavoidable to include some of the better off / progressive STG members in the producer cooperatives or in leading the tea associations, CEC should ensure that majority of the poorest STGs are represented in the producer cooperatives", said Ram of European Union. He also said that it is equally important to understand the tea labourer's issues and CEC should organise them to fight for their entitlements.

He was expressing this opinion after interacting with small tea growers in West Bengal and Assam in February 2012. Subramanian Pattabiraman (Ram) is the Project Manager - Development co-operation, Delegation of the European Union to India, which is financially supporting the project, Sustainable livelihoods for small tea growers in India being implemented in the states of Assam, West Bengal, Tripura, Arunachal Pradesh and Mizoram. The project is implemented jointly by Centre for Education and Communication (CEC) along with Traidcraft Exchange UK (TX) and Bikash Bangladesh.

Ram also emphasized on the aspects of institutional development, capacity building and advocacy of the small tea growers.

He said that the success relies on institutional development of STGs into producer societies. There needs to be proper clarity on the geographical spread of PPS in the target states / districts, optimum membership (no. of members and no. of acres) of STGs in each society, clarity on the vision of each of these PPS etc. He advised CEC to study the various other cooperative initiatives / models to arrive at appropriate governance and management mechanism for effective functioning of the PPS. The staffs who are managing the PPS can facilitate the development of a business plan for each of these PPS. It was estimated during the field visit that the potential for leaf trade through PPS would be to the tune

of Rs 60 lakhs to 1 crore per year. Considering the market potential, there is an utmost need to develop customised (and simplified) systems to efficiently handle the market operations. The office bearers of the PPS need to be properly trained to ensure that systems are in place to manage the day-to-day operations of the PPS efficiently.

Another area to be focussed is the enormous need to improve the technical capacity of the STGs in sustainable tea cultivation practices. The focus of the intervention must be to increase the profitability of tea cultivation (reducing costs / enhancing quality and yield) through piloting some of the proven agronomic practices. The introduction of wetting agent (soap solution or soapnut extract) for effective pesticides spray, introduction of low-cost Raingun for irrigation, training farmers on quality plucking practices, pruning and effective management of bushes are some of the promising practices that will give immediate results to the farmers. He pointed out the scope to disseminate technical / market information (prices) through mobile application.

There is a need to create awareness about the State / Central Government (Tea Board) schemes benefiting STGs. Each PPS can focus on mainstreaming these schemes available to STGs. However, he pointed the urgent need to resolve the confusion the apparent duplication of schemes by the Department of Industrial Cooperation, Assam and the Tea Board be resolved through stakeholder consultations. Emphasising the pivotal role the State level Tea Associations and CISTA can play in advocating policies benefitting STGs, Ram urged that these institutions need to be strengthened to become viable institutions on their own. He further suggested that CEC and PPSs can explore the use of social media as a tool for advocacy or brand promotion.

## Tea News

### Branded Tea 55 per cent of Market

KOLKATA: The recently released study of ASSOCHAM - "Indian Tea Industry" - states that India's total turnover of tea might reach Rs. 33,000 crore by 2015 from the current level of Rs. 19500 crore. The industry at present employs around 35 lakh workers both directly and indirectly in over 1,500 tea estates across India. As per the study, the compound annual growth rate (CAGR) of domestic tea industry is about 15 per cent from around an area of 6 lakhs hectares of tea cultivation.

While releasing the findings of the study, DS Rawat, Secretary General of ASSOCHAM said that "India is world's largest consumer, second largest producer and fourth largest exporter of tea after China and accounts for nearly 30 per cent of global output and nearly 25 per cent of tea produced worldwide is consumed in India. According to him, the branded market accounts for nearly 55 per cent of the total market and is growing at about 20 per cent while the unbranded market is growing at 10 per cent annually. The study further reveals that "There is not much product differentiation at rural and urban levels and thus key industry players are coming out with value added products but with rapidly changing market scenario and technological advancement in agri-business, there is tremendous scope and potential for growth and development of domestic tea industry. The Indian tea industry is presently facing tough competition from China, Sri Lanka, United Kingdom, Kenya and Japan.

Hindustan Unilever is the current market leader in terms of sales value with over 20 per cent share, while Tata Tea is the leader in terms of sales volume nearly 20 per cent share. Among the other leading brands are Wagh Bakri, Duncans Industries, Goodricke Group, Golden Tips Tea, Gimar Food & Beverages, Twinings, Jay Shree Tea and Gopal Dhara Tea.

According to an ASSOCHAM estimate, the tea production during the current year is likely to stay over 950 million kg as against 966.4 million kg in 2010.

### Tea, the State Drink of Assam

GUWAHATI: Assam Chief Minister Tarun Gogoi has taken the lead by declaring tea as the state drink. He added that the state government was also making a strong case with the Centre to declare tea as the national drink.

He was speaking at the inaugural function of the World Tea Science Congress at Tocklai Experimental Station (under Tea Research Association) in Jorhat, Assam. He said granting the status of state drink to tea would help increase its value and promote Assam tea, which has a special place among the teas of the world, as a brand. Assam contributes more than 51 per cent of the country's tea and 13 per cent of global production.

Assam chief minister got a high profile supporter in former President of India, Dr APJ Abdul Kalam, who while inaugurating the three-day World Tea Science Congress said that on the basis of the size of its consumers tea can be declared the national drink of India.

### Tea Costs More Than Gold!

BEIJING: A type of tea called Longjing or Dragon Well in China hit a record presale price of 360,000 yuan (\$57,024) per kilogram this year, higher than the price of gold, which is currently about \$53,000 per kg. The Longjing tea is one of China's best green teas, a favourite among wealthy buyers. The tea is harvested prior to Qingming festival, usually in the first week of April, in Hangzhou in Zhejiang province, the Shanghai Daily reported Friday. Skilled workers pick every leaf by hand. The 360,000 yuan per kg for the pre-Qingming tea was just a single case for presale promotion and we will donate the money to a local art group for deaf people," said Zhu Baichang, the dealer.

Another variety called Moutai, served at official banquets, used to sell for about 600 yuan four years ago, now it costs around 2,000 yuan.

The Qingming Festival or tomb-sweeping day, is a traditional Chinese festival where people go to family graves to sweep the tombs and honour their ancestors."

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