

INDUSTRY

Tea Board revises crop insurance scheme



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The Tea Board has relaxed some of the terms in the crop insurance scheme that it proposes to roll out for small tea growers. This follows the near total lack of response to the expressions of interest (EoI) bid that was floated in November, 2016.

As against the earlier 10% , the cover would come in force only when the loss is 15%.

The production from this sector is estimated at 422.5 million kg, out of a total tea crop of 1,239.2 million kg in 2017. The share is rising as the 2016 production stood at 409.2 million kg against a total output of 1,208.6 million kg.

Two-year pilots

Initially, a pilot would be run in three districts in Assam, West Bengal and Tamil Nadu for one crop-cycle spread over two years commencing 2016-17. This is part of the Commerce Ministry Scheme for tea, coffee (robusta and Arabica), rubber and cardamom (small and big) for small growers.

The cost is to be shared among the Centre, the state governments and the growers in the ratio of 75:15:10. However, the growers would have to pick up the state government's tab in case the government declines to contribute its share. Large growers can also join the scheme, but they will have to pay the entire insurance premium.

control.

Small Tea Growers who are now an emerging force in the Indian tea industry (accounting for about 35% of the production) have seen their tea crops damaged by hale storms, excess rainfall and pest attacks brought on by climate change.

“Pest attacks have led to crop decline to the tune of even 40 % in some years,” said Bijoy Kumar Chakravarty, President, Confederation of Indian Small Tea Growers Association (CISTA).

“Prolonged mist covers in the South have brought on fungus attacks, leading to crop loss,” he said, adding that in Assam and North Bengal hale storms and erratic rainfall too have affected production. He welcomed the crop insurance move saying that this was the first time that such an initiative had been conceived.

The three districts where it is proposed to be run as a pilot are Golaghat (Assam), Jalpaiguri (West Bengal) and Coonoor (Tamil Nadu) for the tea crop cycle of March to November for two consecutive years, Tea Board sources said.

Tea Board, which has invited bids from insurance companies for this project said that there are 57,355 small growers from the targeted districts in the country. During the pilot period, the scheme shall benefit these growers covering about 44,223.6 hectares of plantation area.

Nilgiris (Coonoor) in Tamil Nadu has the largest number of growers, 38,311, to be covered under the scheme. This is followed by Golaghat and Jalpaiguri.



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