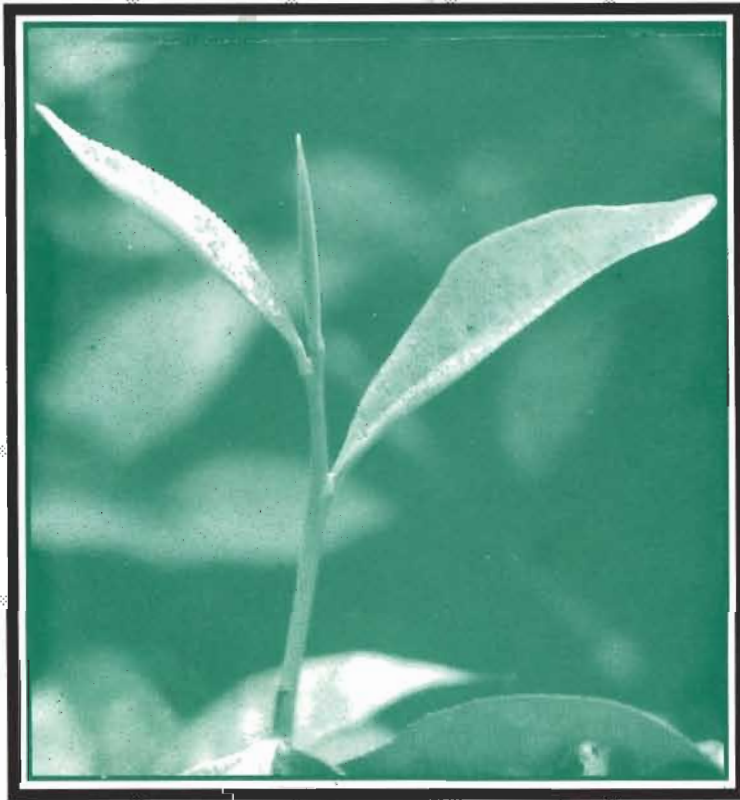


Tea A Tea



**NATIONAL TEA & COFFEE DEVELOPMENT BOARD
NEPAL, 1995**

From the desk

Reminding the Past

Looking back to the past, Tea cultivation and practices in Nepal was initiated by Mr. Gaj Raj Singh Thapa in the year 1863. Inspired by the young plantation of Darjeeling Hills, he as a gardeners hobby brought about a few seeds and planted them in the hills of Ilam. Gradually the same developed to a healthy plantation and thus tea industry in Nepal took birth. Tea plantation in private sector though has a long history, the actual tea plantation in mass awareness started only from sixties onwards. This factor accounts for the interest of His Majesty's Govt. and the subsequent establishment of Nepal Tea Dev. Corporation. Further, with the financial support provided by the H.M.Govt. in Tea sector in terms of low rate of interest , which was 2%,3.5% and later 5% during a productive time span of 1973 to 1975, tea in overall private sector flourished. The investors in private sectors unfortunately had a very little time to organise their new found break because soon in 2041, the interest subsidy provided by the Govt. came to an abrupt halt thus paralysing the investors in private sectors.

Later in consideration of the problems faced by the investors in private tea arena, the govt, provided financial support in terms of subsidies.

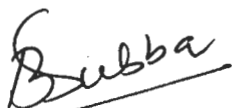
This support however couldn't bring a significant change as it was expected to be, owing to the reason of poor infrastructure development. In the year 1985, His Majesty, the King announced 5 districts of Nepal as 'Tea zone'. This announcement brought an effective change in Tea Industry. Incentives were given to tea sectors, nominal land tax was improved and a subsidy of 50% over interest was given for a period of 5 years in Terai and 7 years in hills.

In the year 1989/90 all the facilities that the tea sectors were enjoying, stopped and about 40 private investor company's were plugged. The reason given for the same was improper utilization of land and credit facilities.

The reasons whatever may have been, the then authorities, instead of checking the defaults through other rational means like improving the monitoring system of evaluating feedbacks from the imposed facilities, withdrew their hands from the infant baby industry. Many might have thought that the authorities with the establishment of NTDC removed their attention from the private tea arena and shifted on to NTDC which was true for that period but as far as private tea growers are concerned this assumption or whatever is still in operation.

Come to think of it, NTDC which was about to be privatised, owing to its perennial losses turned chronic was in the nick of time saved (salvaged). It is true that without NTDC Nepal would

still have to import chunks of tea from abroad. NTDC is therefore a potential force in Nepal Tea Industry. Just a few decades ago, NTDC and a few private entrepreneurs were the only one to feed us with tea. NTDC though is a Govt. Organisation but its function is purely commercial like any other private tea entrepreneurs but still why did NTDC incurred such losses. Specialist agrees with the fact that NTDC's gardens are highly productive and that it's potentiality as among the highest producers is for real. There are various reasons accounting NTDC's poor performances in the past. Above all, the most vital ones are lack of technology and complicated bureaucratic procedures, which now compared to few decades ago has been to some extent improved and simplified. It is a known fact for all that without research none can improve. Developed and developing Nations are spending billion of rupees just on research and as a result they are getting long term benefits. As for us, we are also getting benefits, though not from our research but from others. Our benefits which goes like; vehicle without roads and cheers to our tea industry without research.



Bijaya Subba
Executive Director

Consolidate Ilam for Darjeeling

*There was a time
years ago on their (East India) line*

*The line was of hope
which had a wide scope*

*The scope said
Darjeeling is the place
where tea is blessed*

*With just the grace
tea was placed
and was not replaced *1*

*So came the conversion
from diversion and convulsion
by the effort till perfection
came by an industry as a conclusion*

*The blessed industry was of tea
most problems ran and flee
encouraged with the earned fee
Darjeeling was made a tee*

*Tea's tee was Darjeeling
which gave out an earning
for you and me and all human being
in dollars and sterling*

*Insecticides and pesticides
herbicides plant homicide *2
created for weeds and mites
by Europeans world wide*

*And then comes the exploitation
by all tea growing nation
with more and more exploration
unjustifiably for future explanation*

*Everyone knows their own past
but happy things can never last
About eight decades later the problems start*3
Darjeeling planters all aghast*

*Consumers from foreign nations
comes up with valuation
and demands tea with preparation
in organic and pure foundation*

*Investors all in panic
Hayway and laconic*

*representatives from low and high
get no answer don't know why*

*Considering the above factor
why don't we look in our sector
Ilam hills with land in hectares
can be our future nectar.*

Note:

- *1. Most tea bushes in Darjeeling hills have crossed their economic age. The old plantation needs re - plantation.*
- *2. Chemicals were invented and used from time immemorial. Now the new Trend for organic food stuffs is forcing tea planters to think for an alternative.*
- *3. a) Importers and consumers demand for organic teas and teas with low residue levels.
b) Demand for high flavour teas from young bushes.
c) Low Productivity and declining quality due to old tea bushes.
d) Re - plantation problems.*

Small holders in Kenya:

Tea growing in Kenya was a little more than fledging industry 60 years ago.

Tea Board in Kenya was established in the year 1950 under the aegis of Ministry of Agriculture. Tea in small holders came into existence only in the year 1957 when the Govt. initiated the process of experimental planting of small holder in central Rift Valley and Nyangu Provinces. The experiment was successful and the 1st factory for manufacturing small holder tea was opened in the year 1957.

In 1960, working parties, comprising representatives of Govt. and the commonwealth Dev. Corporation were set up to study future dev. equipments which resulted in the establishment of the special Crops Dev. Authority. Kenya attained independence in 1963 and the following year the Kenya Tea Dev. Authority (KTDA) was formed, replacing the special Crops Dev. Authority.

Few Agricultural Dev. schemes, anywhere in the world have met with the rapid success achieved by Kenya's small holder tea scheme. In 1964 Small holders had planted only 4,471 ha. and produced 624,853 Kgs. of made tea. In 1982 about 1,50,000 farmers were actively involved in tea growing. With the result of the fact materialising that the comparative cost and return of

tea showing higher return than others (including the major staple food i.e. corn and the other important cash crop like herbs), ten years later they had planted 34,648 ha. and produced 16,180,350 Kgs. Furthering the progress through effective advertisements, co operative approach policies and better price realisation, by 1986 Kenya's smallholders had 56,546 ha. under tea and had produced 68,124,740 Kgs. representing 48% of the country's total production. The KTDA is responsible to small holders for extension services, leaf collection, processing arrangements and the marketing of the manufactured tea. The KTDA buys tea from all the member small holders with the price fixed by the member organisation through the Tea Board's recommendation. It has 39 factories for processing smallholders leaf and produces some of the highest quality teas in the world.

In 1978 the responsibility for blending, packing and marketing the tea for local consumption was taken over from Brooke Bond Kenya by the Kenya Tea Packers Ltd. (KETEPA). All tea growers in the country are required to send 10-15% of their total tea production to KETEPA factory at Kericho for processing and marketing for domestic market, which has grown from 11,004,360 kgs. per annum in 1978 to 17,701,737 Kgs. in 1986.

A brief account on tea in private sector;

Among the 36 registered private tea gardens/estates about 24 tea gardens/estates has already started tea plantation. As per Board's Archives; the total area and production in private tea Arena comes to about 2790 ha. with the production of about 973350 kg made tea annually. This figure however is incomplete and therefore not exact due to the unavailability of correct data and information. The same factor accounts for our ever changing figures and projection.

Among the available informations, cited below are some of the productive gardens/estates of our private tea sub-sector.

☞ *Budhakaran & Sons Tea Estate*

Established in the year 1964, this terai belt tea estate is among the largest tea estate in private tea sub-sector. The estates commands an area of about 210 ha in total out of which the productive area of 170 ha produces about 681086 green leaf per annum. The estate employs about 287 people and is getting financial support from Agricultural Development Bank of Nepal.

☞ **Giribhandu Tea Estate**

Established in the year 1964, the estate commands an area of about 283 ha. From its productive section of about 182 ha, the factory produces about 2,00,000 kg. made tea annually. The estate as a whole has about 22 staff members and 387 labour force.

☞ **Mittal Tea Estate**

Established in the year 1963, the estate commands an area about 302 ha from its productive land area of about 225 ha. The factory produces about 2.5 lakh kg made tea annually. There are about 36 staff members and about 556 labour force.

☞ **Nakkal Bandha Tea Estate (P.) Ltd.**

Established in the year 1960 located at Jhapa Nakkal Bandha Tea Estate is among the oldest tea gardens. Its productivity accounted at 1010 kg./ha., it produces a total of 46465 kg. made tea annually from 46 hectares of its productive land.

☞ **Himalaya Tea Garden & Farming (P.) Ltd.**

Established in the year 1961 Himalaya Tea Garden is among the most productive tea gardens of our time. Situated in the plains of Jhapa, it boasts an area of about 156 hectares and produces about 194640 kg. quality tea annually. Guided by the aged knowledge of specialists, it is sure to come up as among the highest producers and the best managed tea gardens.

☞ **Sattighatta Tea Estate (P.) Ltd.**

Established in the year 1963, this tea estates has an area of 167 ha, employs about 229 people and is also a terai belt garden.

☞ **New Giri Bandhu Tea Estate (P) Ltd.**

Established in the year 1964, this terai belt tea estates commands an area of about 213 ha. and employs about 147 people.

☞ **Raj Tea Estate**

Raj Tea Estates on partnerships basis was established in the year 1988. The estate has an area of about 106 ha. The garden due to it's lack of processing plant, sells it's green leaf to nearby tea gardens. Supported by National Commercial Bank, the estate operates with 77 people.

☞ **Kamar Tea Estate (P) Ltd.**

The estate is situated in Jhapa district and was established in the year 1994. This young garden has 41 employees and is supported by Agricultural Development Bank of Nepal.

☞ **Haldibari Tea Industries (P.) Ltd.**

The industry's tea estate is situated in Jhapa district and was established in the year 1988. The garden commands an area of about 131 ha. It is supported by Agricultural Developpment Bank Of Nepal and has about 125 employees.

☞ **Bansal Tea Estate**

Bansal Tea Estate was established in the year 1985 and is situated in Jhapa district. The tea estate commands an area of about 127 ha. Though the actual plantation does not cover the whole area as said above the gardens productivity of 1552 kg/ha is something to watch about. It is also supported by Agricultural Development Bank of Nepal and the garden employs about 153 people

☞ **Kalika Tea Estate (P.) Ltd.**

The estate was established in the year 1993 with an area of about 197 ha. The plantation of it's garden is young and therefore of recent technology reflecting better future prospects. Supported by National Commercial Bank, it employs about 70 people.

☞ **Mahabharat Tea Estate.**

Registered in the year 1992, this hill tea estate with proposed land area of 143 ha. has an excellent future prospects as among high grown quality concerned tea gardens.

☞ **Sri Sahakari Tea Garden Ltd.**

This garden is a recent establishment on co-operative basis. The garden has an area proposed at 1051 ha. The plantation is at nursery stage and is supported by National Commercial Bank.

☞ **Chandragadi Tea Estate (P.) Ltd.**

Established in the year 1988, this terai belt garden has about 132 ha land area under tea, produces about 109861 kg. green leaf annually from it's productive area of 26.ha. It has 125 employees and is supported by Agricultural Development Bank of Nepal.

☞ **Shyam Sunder Tea Esytate (P.) Ltd.**

Established in the year 1986, the garden has an area of about 130 ha. The plantation is young, supports 80 employees and is also helped by Agricultural Development Bank of Nepal.

☞ **Guransh Tea Estate:**

Established in the year 1990, situated in the hills of Dhankutta district tea garden has a total registered area of 320 ha.

☞ ***Kuwadi Devi Tea Estate***

Established in the year 1988, the estate commands an area of about 200 ha. Out of it's productive section of 90 ha, the garden is estimated to produce about 4.5 lakh kg. green leaf annually.

☞ ***Loknath & Sons Tea Estate***

Established in the year 1989, the estate commands an area of about 142 ha. The garden produces about 2.5 lakh kg. green leaf annually from it's mature tea area of 48 ha.

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Hon'ble Minister of Agriculture

Vice Chairman
Vacant
(Govt. Nominated)

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(Nepal Coffee Company)

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Mangalbare, Ilam.

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Fikkal, Ilam.

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