

Assam rolls out incentive scheme to boost orthodox, speciality tea production

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GUWAHATI: The Assam government on Sunday rolled out an incentive scheme to boost production of orthodox and speciality tea, which have high demand in overseas markets and can help planters fetch better prices.

Launching the Assam Tea Industries Special Incentive Scheme (ATISIS), 2020, Chief Minister Himanta Biswa Sarma highlighted his government's plans for land reforms of tea estates and enhancing social security network of workers by gradually taking over the existing health and educational institutions of gardens.

"The primary idea behind this scheme is to establish a balance between the production of CTC tea and orthodox variety. Orthodox tea has good demand in overseas markets. If we can increase the production, we can expand our market share," he said. Orthodox and speciality tea currently account for about 11 per cent of the state's annual production, and the rest is of CTC variety.

The cost of manufacturing orthodox tea per kilogram is 20-25 per cent higher than that of CTC variety, and the ATISIS is expected to help bridge this gap, he said. "The cost of production of orthodox tea is higher and hence, help is needed. For this purpose, we have implemented this scheme," Sarma said.

Under the ATISIS, the state government will provide interest subvention of three per cent per annum on working capital loan and subsidy of Rs 7 per kg for production of orthodox and speciality varieties.

Moreover, a 25 per cent subsidy for the purchase of new machinery for the production of orthodox and speciality tea would be given. The agricultural income tax holiday for three years has also been included in the scheme, which was approved by the previous BJP-led state government in October last year. The scheme will be applicable for three years, starting from April 1, 2020.

The chief minister said the incentive programme will entail an expenditure of Rs 300 crore per annum, and urged the tea companies to start filing for reimbursement immediately so that the first payments can be made by August.

He also announced that Rs 50 crore would be spent for campaign and publicity for Assam tea in overseas markets and mooted an idea of appointing an international brand ambassador. The chief minister also said the state government plans to take reform measures for the maximum use of land in tea gardens and will amend existing laws to widen the scope of using such a resource.

To enhance the social security network of the tea garden population, he said plans are afoot to gradually take over the existing health and educational institutions of estates. Industries and Commerce Minister Chandra Mohan Patowary, Finance Minister Ajanta Neog, Tea Board Chairman Prabhat Bezbaruah and Indian Tea Association Chairman Vivek Goenka were also present on the occasion.

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