

Problems and Prospects of Small Tea Growers in Assam: With Special Reference to Goalpara District

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Abstract- Small Tea Growers (STGs) have emerged as a major and transformative segment of Assam's tea economy since the 1990s, contributing significantly to production, rural employment, and livelihood diversification. Yet STGs face multiple structural, institutional, and market challenges—limited access to quality planting material, credit and extension, weak linkages to processing facilities, price vulnerability, land-tenure and labour constraints, and inadequate market information and organization. This paper synthesizes secondary data and literature (up to 2020) to examine the problems that constrain STGs in Assam, and discusses prospects and policy/intervention measures, with a focused contextualisation for Goalpara district where small holdings and bought-leaf interactions present particular bottlenecks. Using government statistics, Tea Board/sectoral reports, and academic studies, the paper outlines an evidence-based policy and action agenda to enhance STG productivity, quality, and market participation.

Index Terms- Small Tea Growers, Assam, Goalpara, bought-leaf factories, marketing, livelihoods, tea policy

I. INTRODUCTION

Tea is a cornerstone of Assam's agrarian economy and identity. While historically dominated by large estates, the last three decades have witnessed rapid expansion of small tea cultivation—holdings typically under 10.12 hectares as per Tea Board definitions—driven by land availability, state encouragement, and the attraction of a perennial cash crop. By the late 2010s, STGs were estimated to contribute a substantial share of Assam's green leaf production and to provide livelihoods for tens of thousands of smallholders and labourers (Tea Board of India, 2018).

Goalpara district, located in lower Assam, has both older estate-based production and scattered small holdings, including pockets such as Majonga. The district's topography, presence of bought-leaf factories (BLFs) in nearby areas, and mixed land uses create both opportunities and challenges for STGs (District Tea Garden List, 2019).

II. LITERATURE REVIEW

Studies up to 2020 reveal the following about STGs in Assam:

Sector growth: The Tea Board of India and state-level surveys document a rapid rise in STG numbers since the 1990s, particularly in non-traditional districts (Tea Board of India, 2018).

Constraints: Small and fragmented holdings, limited access to extension services, low availability of improved clones, and price vulnerability due to dependence on BLFs are common (Hannan, 2019).

Market linkages: BLFs play a pivotal role in STG viability; in areas where BLFs are transparent and competitive, incomes are higher; otherwise, monopsonistic practices prevail (IIT Guwahati, 2017).

III. METHODOLOGY

This paper relies entirely on secondary data. Sources include:

1. Government reports: Tea Board of India Annual Reports (2015–2018), Assam government statistical handbooks, and district tea garden lists.
2. Academic studies: Peer-reviewed journal articles, theses, and working papers on STGs in Assam (e.g., Hannan, 2019; IITG, 2017).

3. Local reports: News archives and district-level media coverage on Goalpara's tea sector.

A descriptive synthesis approach is used, supported by comparative inferences where direct Goalpara-specific data are limited.

IV. KEY PROBLEMS

4.1 Land and tenure constraints

Most holdings are small and fragmented. Lack of formal land titles limits credit access (Hannan, 2019).

4.2 Input and extension deficits

Limited access to clonal plants, fertilisers, and technical guidance affects productivity (Tea Board of India, 2018).

4.3 Market access and monopsony risks

Heavy dependence on BLFs creates price vulnerability; delayed payments are common (IITG, 2017).

4.4 Finance and working capital

Tea cultivation requires periodic cash flow; without credit, farmers compromise on input application (Tea Board of India, 2018).

4.5 Labour availability and cost

Seasonal shortages and rising wages strain margins, particularly for micro-holdings (District Tea Garden List, 2019).

4.6 Quality control and infrastructure

Absence of nearby processing facilities leads to quality loss during transport (Hannan, 2019).

4.7 Weak producer organization

Lack of cooperatives or FPOs reduces bargaining power and limits collective investments (IITG, 2017).

V. PROSPECTS

The small tea sector in Assam, despite facing significant constraints, has substantial scope for expansion and value creation if supported by coordinated policy measures, institutional innovation, and infrastructure development. In the context of Goalpara district, where the STG base is still maturing, these prospects can be strategically tapped in the following ways:

5.1 Formation and strengthening of Farmer Producer Organisations (FPOs) and cooperatives

The atomised nature of STGs reduces bargaining power when dealing with buyers, input suppliers, and financial institutions. Establishing FPOs and cooperatives can help in collective marketing of green leaf, pooled procurement of inputs at lower costs, and in negotiating long-term supply contracts with Bought-Leaf Factories (BLFs) (Hannan, 2019). Such organisations can also serve as conduits for training, dissemination of technical knowledge, and mobilisation of government subsidies.

5.2 Access to improved planting material and technical extension services

Tea yield and quality are heavily influenced by the choice of planting material. Clonal varieties recommended by the Tea Research Association have demonstrated higher productivity and disease resistance. However, small growers in districts like Goalpara often rely on seedlings of uncertain genetic quality due to unavailability of certified clones (Tea Board of India, 2018). An integrated extension approach—combining government horticulture officers, Tea Board experts, and private nurseries—could ensure timely supply and adoption of superior planting material.

5.3 Tailored credit and financial products for STGs

Most STGs face working capital shortages, especially during pruning and replanting cycles that generate little or no income for extended periods. Banks and NABARD can design credit products aligned to the tea production cycle, offering flexible repayment schedules and interest subvention for registered

growers (IIT Guwahati, 2017). Group-based lending through FPOs can also lower collateral requirements and improve repayment rates.

5.4 Market diversification and value addition

Currently, most STGs sell unprocessed green leaf to BLFs, limiting their ability to capture downstream value. Introducing small-scale processing units—either individually for larger growers or collectively for FPO members—can enable production of specialty teas, orthodox teas, and organic-certified products. Such diversification could target niche domestic and export markets, where prices are less volatile and margins are higher (Tea Board of India, 2018). Marketing assistance, branding, and participation in trade fairs can further enhance market visibility.

5.5 Infrastructure investments in local processing and transport logistics

Post-harvest losses and quality deterioration are a direct result of delays between plucking and withering. In Goalpara, the limited number of BLFs forces some growers to transport leaves over long distances, reducing freshness and thus the price fetched. Establishing more decentralised BLFs or shared primary processing units within short haul distance can significantly improve leaf quality and returns. Additionally, improving rural road connectivity reduces transport time, fuel costs, and spoilage rates (District Tea Garden List, 2019).

5.6 Labour welfare and skill enhancement

Labour constitutes a significant component of STG operational costs, but is also a determinant of tea quality. Introducing skill development programmes for pluckers, mechanisation support for certain tasks (e.g., pruning, weed control), and basic welfare measures such as seasonal employment schemes could stabilise the labour force and improve quality outcomes (Hannan, 2019).

In summary, while the challenges faced by STGs are systemic, targeted interventions in organisation, technology, finance, markets, and infrastructure can create a pathway toward a more competitive,

sustainable, and inclusive small tea sector in Goalpara and Assam at large.

VI. GOALPARA-SPECIFIC RECOMMENDATIONS

Although many of the challenges and opportunities faced by Small Tea Growers (STGs) in Goalpara mirror those across Assam, the district's geographic, infrastructural, and socio-economic context calls for targeted strategies. Goalpara's tea sector is still at a formative stage compared to traditional tea belts, and therefore well-planned interventions can have a high long-term impact.

6.1 Mapping and registration of STGs

Accurate and up-to-date data is the foundation for effective policy. Many small growers in Goalpara remain unregistered with the Tea Board of India, which excludes them from formal credit schemes, subsidies, and technical support (Tea Board of India, 2018). A district-wide registration and geo-mapping initiative—integrated with Aadhaar-linked farmer databases—would help track production patterns, identify support needs, and connect growers to institutional programs.

6.2 Cluster-based Farmer Producer Organisations (FPOs)

In Goalpara, STGs are dispersed across various pockets such as Majonga and its surrounding villages. Organising growers into geographically compact FPO clusters can help aggregate green leaf volumes for better price negotiations with Bought-Leaf Factories (BLFs). Cluster-based FPOs also make it easier to pool resources for shared assets like weighing machines, leaf collection centers, and primary processing facilities (Hannan, 2019).

6.3 Targeted extension and demonstration plots

Given that many STGs in Goalpara are first-generation tea cultivators, they often lack exposure to optimal agronomic practices. Establishing demonstration plots in key tea-growing pockets—showcasing best-practice plucking intervals, fertiliser application schedules, and pest management—can

serve as live training sites. Extension services should be delivered through mobile advisory units, especially in remote char and hill-fringe areas.

6.4 Strengthening BLF–STG linkages with transparent contracts

Goalpara has relatively few BLFs compared to upper Assam districts, which increases growers' dependence on a limited number of buyers. The district administration, in collaboration with the Tea Board, could facilitate tripartite agreements between FPOs, BLFs, and local authorities to ensure transparent price-setting mechanisms, prompt payment schedules, and dispute resolution systems (IIT Guwahati, 2017).

6.5 Seasonal welfare and risk mitigation schemes

Tea production is seasonal, and small growers experience sharp income dips during pruning or off-flush months. In Goalpara—where alternative income opportunities are limited—government support in the form of seasonal employment schemes, wage subsidies for hired labour, or subsidised farm inputs during low-income months could stabilise livelihoods. Weather-indexed crop insurance schemes tailored to tea could also protect against losses from floods or prolonged droughts, which affect the district periodically (District Tea Garden List, 2019).

6.6 Infrastructure for processing and transport

The absence of decentralised processing facilities forces many STGs in Goalpara to transport green leaves over long distances, leading to quality deterioration. Encouraging private investment in mini-BLFs or cooperative-run processing units within the district would address this bottleneck. At the same time, improving rural road connectivity—especially in areas prone to monsoon damage—would reduce transport times and losses.

By implementing these district-focused measures, Goalpara could build a more resilient and profitable STG sector, aligning with state-level objectives while addressing its own unique geographic and socio-economic realities.

CONCLUSION

STGs in Assam, including those in Goalpara, have the potential to transform rural economies, but structural constraints hinder their growth. Coordinated policy action—covering organisation, finance, extension, infrastructure, and markets—can unlock their full potential and ensure sustainable livelihoods.

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