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Tea Act of 1953 to be repealed, Government to introduce new regulations



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Government of India has decided to scrap old the old regulations which were used to govern the cash crops like tea and coffee. The new legislation would restructure the exiting boards and act as facilitators from now on. Tea Act 1953 and Coffee Act 1942 will be repealed with new acts and regulations.

Tea board through a notice on their website stated "After more than 68 years, some of the existing provisions of the Tea Act, 1953 have become redundant by efflux of time for which it has been proposed to bring a new Act in place of the present Act under which Tea Board will act as a facilitator for the benefit of tea industry."

The new legislation would be called Tea (promotion and development act) 2022. It is being designed to remove obsolete provisions of the 1953 act, which are inapt in today's context. The new legislation is bound to present regulations that shall bestow powers on the board to foster development of the tea industry, promote research, and facilitate ease of business in the country.

Both the Tea and Coffee board have put up proposals on their website and have sought suggestions and comments from the relevant stakeholders. Many sources have stated that similar changes shall be brought into commodities such as rubber, spice etc., with an objective to set up commodity-specific boards in various regions of the country

The primary change under the new act will be that the new board regulations will encourage fair remunerations to growers. The speculations around the bill is that it may set a floor price for tea and dealing in tea would not require any license. The process to switch from licensing to registration will reduce the burden of compliance.

Certain key features of the bill are, small tea growers will be the categorised as ones who have an estate not more than 10 hectares. The bill also adds on to a wide variety of definitions on top of the exiting ones like auction organiser, blender, dealer of broken mixed fibre, origin tea, packer and primary and secondary buyers, broken mixed fibre has been defined as tea sweepings, tea fluff, tea fibre or tea stalks. The government plans to replace penal provisions like Section 16 of the Tea Act 1953, which says that the Central government can authorise the tea board to take over an estate if its management is not up to the mark.

Tea planters have expressed their displeasure over the way things are going around. The industry is facing issues such as increasing cost of production and low sale value, making the business unsustainable. With the new regulations, the stakeholders believe that steps will be taken to improve the research, increase production, and rebuild the Indian tea brand domestically and internationally.



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