

Tea growers to come under weather-based insurance schemes soon

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Small tea growers, contributing near half of the national yield, are finally going to have insurance coverage against loss incurred due to adverse weather conditions as they have been demanding for more than a decade.

Following introduction in few pilot districts, the insurance scheme will be scaled up to pan-country level in a phased manner.

Indian Tea Board had a meet with insurance companies including Agriculture Insurance Company of India Limited (AICIL) and other stakeholders like Small Tea Growers to plan the modalities of the scheme.

“We are happy with the outcome. We expect the final policy roll out to take place by next FY. Highly dependent on the whims of weather, tea demands effective weather-based insurance like coffee or rubber. We have been demanding this for more than a decade,” said B. G. Chakraborty, President of the Confederation of Indian Small Tea Growers Associations who was also present in the meeting.

As decided in Wednesday’s meeting, a standard weather mapping or ‘term sheet’ will be prepared with the help of Indian meteorological department. In case of any claim of loss due to natural calamity, the deviation of actual weather condition from the term sheet will be the basis of claim settlement.

“This will speed up claim recovery as field inspection to confirm the calamity is not needed,” said an insurance expert.

Following finalization of policy design by the ITB, the insurance companies will be asked to set premium value and submit their Expression of Interest. The beneficiary will pay 25% of the premium while central and state governments will bear 50% and 25% load respectively.

Though the meeting remained mainly focused on small tea growers, “being equally dependent on weather conditions, set and organized gardens also deserve similar insurance protection,” said P. K. Bhattacharjee, Secretary ..

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