# STATUS OF TEA FARMING IN NEPAL

### **A THESIS**

SUBMITTED TO FACULTY OF HUMANITIES AND SOCIAL SCIENCES, MAHENDRA RATNA MULTIPLE CAMPUS, ILAM, DEPARTMENT OF RURAL DEVELOPMENT IN PARTIAL FULLFILLMENT OF THE REQUIREMENTS FOR THE MASTER'S DEGREE OF ARTS IN RURAL DEVELOPMENT

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### LETTER OF RECOMMENDATION

This thesis entitled **Socio- Economic Impact of Bio- Gas**, **A Case Study of Fikkal VDC Ilam**, has been prepared by **Ambika Sigdel** under my guidance and supervision for her partial fulfillment of the requirements for the Degree of Master of Arts in Rural Development. This is her own innovative work. I, therefore, recommend this thesis for its evaluation and approval.

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### **APPROVAL SHEET**

This is to certify that this Thesis work, entitled **Socio- economic Impact of Bio-Gas, A Case Study of Fikkal VDC Ilam,** submitted by **Ambika Sigdel,** has been accepted in partial fulfillment of the requirements for the Degree of Master of Arts in Rural Development by this department in the prescribed format of the Faculty of Humanities and Social sciences.

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#### **ABSTRACT**

Nepal is a land locked country surrounded by the People Republic of china in the North and by India in the East West and South. Geographically, Nepal is divided into three broad areas, the Mountain, the Hill and Terai. The total area of the country is 147181 sq. Kilometers but only 18 percent of its area of cultivated.

Nepal has a long history of tea cultivation, initiated with the establishment of Ilam Tea Estate in the Hills of Ilam, District 1920 B.S. It is believed that tea plantation in Nepal started with in the same decade, when was introduced in Darjeeling hills of India. First tea plantation at private tea sector in Terai was established in 1959 and was with the name of Budhakaran Tea Estate. Nepal Tea Development Corporation was established in 1966 by then His Majesty's Government.

This study has attempted to trace out the existing tea farming problem and sorts of obstacles and problems are faced by tea industry in Nepal. For the fulfillment of these problems, the objectives were made to study the trend of Tea production in Nepal, to study the present condition of Tea marketing and to state the present Tea farming scenario of Nepal.

For the fulfillment of the above objectives the purposeful methodology has been followed i.e. secondary sources of data collected from Tea-A-Tea (Yearly Souvenir), Tea-coffee (yearly Souvenir) from NTCDB, Trade and export promotion centre (Magazines), International trade centre (Magazines), different journals and articles written by researchers and pervious research work (published -Unpublished were used to find out findings. To interpret the available data and find out the meaningful purposes, tables, percentage, bar diagram etc. were used.

Tea plantation has a successful history in Nepal, mostly in the eastern hills of Nepal. The trend of plantation is rapidly growing and the entire Tea grower is optimistic regarding the bright future of eastern hilly Tea.

This study concluded that the plantation of tea increasing every year. Total the plantation area were 16718 hectors in 2009/2010. Jhapa, Ilam, panchathar, Dhankuta and Terathum are the main tea plantation districts in Nepal Tea cultivation area under private sector and smallholders show positive sigh for plantation of Tea and build up awareness on plantation of tea to the people. the tea plantation and production per hector is gradually increased in Nepal. This study

also found that the small tea producer productivity rate is higher than has high position in the Tea plantation and production than small farmers sectors in the fiscal year 2009/2010.

Nepalese Tea market is unscientific, organized and limited. It's needed that establishment of well organized market to provide real return to the nation and to promote the quantity and quality.

This study recommended that government should provide high priority to tea farming in Nepal by marking special plans and policies regarding to tea developing area of Nepal government should provide the facilities of transportation by building sub-agricultural tracks, enhance use of fertilizer, medicine, industrial equipments and irrigation facilities extended in the tea growing area for tea producer. Government should provide proper marketing network and institutions established so that the fluctuation of price would be controlled. Academic curriculum must be made to generate manpower in the field of tea production, plantation and marketing

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### Abbreviations/Acronyms

A.D. After Death B.C. Before Christ

B.S Bikram Samat

CIF Cash Inflow

CTC Crush Tear and Curl

COP Cost of Production

FNCCI Federation of Nepalese Chamber Of Commerce and Industry

FY Fiscal Year

GDP Gross Domestic Product

Hec. Hector

HMG/N His Majesty of Government of Nepal

ITC International Trade Center

Kg. KilogramLtd. Limited

Mt. Metric Ton

NA Not Available

NARC National Association of Research Council

NTCDB National Tea and Coffee Development Board

NTDC Nepal Tea Development Corporation

P.a Per annum

Pvt. Private

Qty. Quantity

Rs. Rupees

SAARC South Asian Association for Regional Co-operation

Sq. Square

TEPC Tea Export and Promotion Centre

T.U. Tribhuvan University

U.K. United Kingdom.

USA United States of America

US\$ United States Dollar

WTO World Trade Organization