

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:1405  
ANSWERED ON:16.07.2004  
SALE OF TEA  
Sujatha Smt. C.S.

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) whether Government has plans to restrict the sale of tea through auction;
- (b) if so, the details thereof;
- (c) the measures taken to bring tea produced by small and marginal growers to the auction centres; and
- (d) the details thereof?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI E.V.K.S. ELANGO VAN)

(a): No Sir.

(b): Does not arise.

(c) & (d): The small and medium growers produce un-processed tea leaves which is sold as raw materials either to bought leaf factories or estate factories for processing. The auctions do not handle un-processed tea leaves. The manufacturers (either estate factory or bought leaf factory) have the option to sell their teas either through auctions or through non-auction route. In order to encourage the tea manufacturers to route their teas through auctions, the following measures have been taken:-

i) Tea Board has issued directions on auction rules for implementation with a view to reduce transaction time and cost of selling and/or buying of tea through auction, ensuring competition in auction system, enhancing the speed of auction to handle maximum volume and faster disposal of tea etc.

ii) Introduction of electronic auction to ensure greater transparency