

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

UNSTARRED QUESTION NO:1967

ANSWERED ON:28.11.2016

Indian Tea Industry

Singh Dr. Bhola

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

- (a) whether the Government has prepared any blue print to improve the Indian Tea Industry;
- (b) if so, the details thereof indicating India's position in the world in tea production and marketing and if not, the reasons therefor along with the time by which it is likely to be done; and
- (c) whether the Government proposes to fix the minimum support price for Indian tea and if so the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) & (b): In order to bring about improvement in tea production, productivity, quality up gradation, value addition, development of small tea grower sector etc. "Tea Development & Promotion Scheme" is being implemented by the Tea Board. The main activities of the Plan Scheme, inter alia, includes replantation, rejuvenation, field mechanization, factory modernization, quality certification and workers welfare. India stands at 2nd position in the world production (after China) while at 4th position in exports (after Kenya, China and Sri Lanka).

(c): The price of made tea is dependent on seasonal variations, quality of green leaf and also on market forces. In case of Bought Leaf Factories, a price sharing formula (PSF) has been notified as per the provisions of the Tea (Marketing) Control Order. This formula takes into account the cost of production of green tea leaf by the small growers and cost of manufacturing by the Bought leaf factories and provides for equitable sharing of the net sale price of the made tea between the growers and the manufacturers. Minimum benchmark prices for green leaf are fixed and notified for each tea districts based on the above formula and payment of green leaf price to the growers is closely monitored by the District Green Leaf Price Monitoring Committees headed by the District Magistrates. However, in case of estate factories, the price is dependent on quality, seasonal variations and market forces.
