

[Translation]

Export of Tea

1634. SHRIMATI PRATIBHA DEVI SINGH PATIL:
SHRI DHARMANNA MONDAYYA SADUL:
SHRI SANAT KUMAR MANDAL:
SHRI GURUDAS KAMAT:
KUMARI SUSHILA TIRIYA:
SHRI GOVINDRAO NIKAM:

Will the Minister of COMMERCE be pleased to state:

(a) whether liberalisation policy has in any way affected the role and functioning of the Tea Board;

(b) if so, the details in this regard including the figures of tea production, domestic consumption and exports during each of the last three years, till-date and the comparative price trends in the domestic and international markets;

(c) whether the Government are aware that tea producing foreign countries particularly Sri Lanka are exporting tea much cheaper than India;

(d) if so, the details thereof, country-wise;

(e) whether the export of tea to Russia had a serious set back recently due to supply of inferior quality of tea; and

(f) the steps being taken by the Government to boost the export of tea?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) Role and functions of the Tea Board as defined in the Tea Act, are oriented towards development of tea industry in India including production, productivity, quality improvement, marketing & exports. These primary objective of the Tea Board continue to hold good in the liberalised trade regime initiated by the Govt.

(b) Required information has been indicated in the enclosed statement.

(c) and (d) Average units value realisation of Indian teas in the international market is higher as compared to competing countries like Kenya and Sri Lanka as would be evident from the following figures:—

Unit FOB price of export in US \$ per Kg.

| Country | 1991 | 1992 | 1993 |
|-----------|------|------|------|
| India | 2.45 | 2.16 | 2.08 |
| Sri Lanka | 2.02 | 1.85 | 1.51 |
| Kenya | 1.58 | 1.77 | 1.71 |

(e) There were stray incidents of supply of substandards teas by some Indian exporters to Russia during 1993. However, exports of Indian tea to Russia during 1993-94 registered an improvement as compared to the level of 1992-93. Exports of tea to Russia from India as well as Sri Lanka have suffered during 1994-95 or; account of lower in take by them.

(f) Steps taken to boost exports of tea include promotional campaigns through Tea Board's offices abroad. It consists of (i) participation in trade fairs/exhibitions; (ii) media campaign to increase consumer awareness towards various unique characteristics of Indian tea; (iii) media campaign to popularise Indian tea through

Tea Board marketing symbol; and (iv) support to various foreign brands containing Indian tea. A part of the expenditure incurred by importers for promotional campaigns is met from Tea Board budget. Tea Board has also undertaken Darjeeling and Assam Logo campaigns in UK and brand promotion schemes to popularise classic Indian teas.

STATEMENT

(I) Production, Domestic Consumption and Exports of Tea
(Figures in Million KGs)

| Year | Estimated Production | Estimated Domestic Consumption | Exports |
|-------------------------------|----------------------|--------------------------------|---------|
| 1992-93 | 729.09 | 545 | 181 |
| 1993-94 | 753.53 | 565 | 181 |
| 1994-95 | 699.72 | — | 130 |
| (April to January) 1993-94 | 714.86 | — | 138 |
| (April to January) | | | |

(II) Price Trends in Domestic & International Markets

(Price in Respective Currency Per Kg)

| | |
|-------------------|-------------------|
| Currency: India : | Indian Rupee |
| Colombo : | Sri Lankan Rupee |
| Jakarta : | U.S. Cent |
| Mombasa : | Kenya Shilling |
| Limbe : | Tambala/U.S. Cent |
| And London : | Pence |

| Name of the Auction | 1992 | 1993 | 1994 |
|---------------------|--------|--------|---------|
| All India (Average) | 38.88 | 48.93 | 40.65 |
| Colombo (Sri Lanka) | 62.24 | 69.28 | 65.34* |
| Jakarta (Indonesia) | 129.60 | 134.39 | 117.23* |
| Mombasa (Kenya)@ | 53.88 | 155.00 | 158.00* |
| Limbe (Malawi)@ | 296.39 | 100.11 | 82.37* |
| London | 113.32 | 123.84 | 119.46 |

*: Upto November, 1994

@: Since 1993 price is U.S. Cent.

[English]

Soiled Currency Notes

1635. SHRI SIVAJI PATNAIK: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware of the circulation of a large number of soiled currency notes of the denominations of Re. 1, Rs. 2, Rs. 5 and Rs. 10; and

(b) if so, the steps taken to phase out the circulation of soiled currency notes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) and (b) In view of Government's decision to coinise Re.1, Rs. 2 and Rs. 5 notes in a phased manner, production of fresh notes for these denominations has been reduced and the quality of notes in circulation has, therefore, deteriorated to some extent. The existing Note Printing Presses at Dewas