

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

UNSTARRED QUESTION NO:1779  
ANSWERED ON:29.11.2002  
IMPORT OF TEA  
ANANTA NAYAK;MONI KUMAR SUBBA

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

:

- (a) the time by when the tea is being imported and from which countries;
- (b) the total quantum of tea imported alongwith the value thereof during the last three years, country-wise;
- (c) whether the imports of tea from Burma, Vietnam and Indonesia has increased;
- (d) if so, the total quantum of tea imported from these countries during the last three years and also during the current fiscal year;
- (e) whether this imported tea is being sold at very low prices in comparison to domestic tea;
- (f) whether the increase in the import to tea has adverse impact on the domestic tea industry; and
- (g) if so, the steps taken to protect the domestic tea industry?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI RAJIV PRATAP RUDY )

(a)to(d): Tea was a restricted item of import prior to August 1998 and was allowed to be imported only against import licenses. However, import under duty exemption Scheme and by EOU/EPZ units was allowed without payment of duty and subject to re-export after value addition. Tea was also allowed to be imported without license, on payment of duty, from SAARC countries with effect from August 1998. After removal of quantitative restrictions with effect from 1.4.2001 there is no restriction for import of tea from any country.

The details of major country wise import of tea during the last three years are given below:

(Quantity in thousand Kgs. and Value in thousand Rupees)

| Country   | 2001-2002      | 2000-2001      | 1999-2000      |
|-----------|----------------|----------------|----------------|
|           | Quantity Value | Quantity Value | Quantity Value |
| Indonesia | 6219 302563    | 5772 343321    | 3247 180401    |
| Vietnam   | 6049 232579    | 3287 157996    | 619 28440      |
| Kenya     | 1669 152060    | 1457 147554    | 1696 152423    |
| Sri Lanka | 984 77988      | 1861 173771    | 2953 178046    |
| Iran      | 222 6720       | 883 25778      | 592 21119      |
| Others    | 878 55133      | 1966 106297    | 1256 59246     |
| Total     | 16021 827043   | 15226 954717   | 10363 619675   |

Imports of tea from Vietnam and Indonesia have shown an increase over the last three years. During the current financial year(April-September, 2002) import of tea from Vietnam has been around 7.14 million kgs while 2.68 million kgs have been imported from Indonesia. There has been no import of tea from Burma during the last eight years.

(e)to (g): No, Sir. Tea is imported into India mainly for the purpose of re-export after value addition. More than 95% of the imported tea is re-exported. Besides, the total import of tea is only about 2% of the domestic production of tea. Therefore, import of tea does not have an adverse effect on the domestic tea industry. However, in order to provide protection to the domestic tea industry, Government has increased the import duty on tea from 70% to 100%.