

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

STARRED QUESTION NO:694
ANSWERED ON:09.05.2003
PRODUCTION/CONSUMPTION/EXPORT OF TEA
DALPAT SINGH PARASTE;RAVINDRA KUMAR PANDEY

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

:

- (a) the total production/consumption/export of tea during each of the last three years, upto March 31, 2003;
- (b) the reasons for gap between production and domestic consumption;
- (c) whether there has been a sharp decline in production and export of tea during 2002-03;
- (d) if so, the reasons therefor;
- (e) the loss of revenue in terms of rupee due to fall in export;
- (f) whether certain countries like China are well ahead in the field of tea export than India;
- (g) if so, the facts in this regard; and
- (h) the steps being taken by the Government to boost the production/domestic consumption/export of tea?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY)

(a) to (h) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (h) OF LOK SABHA STARRED QUESTION NO. 694 FOR ANSWER 9.5.2003

(a): Details of production, consumption and export of tea in the last three years are as follows:

(Figures in million Kgs.)

Year	Production	Domestic Consumption#	Export
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1999-2000	836.50	638	192.44
2000-01	848.36	658	203.55
2001-02	847.25	679	190.00
2002-03 (April-Feb.)	792.46	634	170.45
	(811.11)	(169.47)	

Figures in brackets indicate the position in the corresponding period of 2001-02

The figures of consumption are based on the survey conducted by the Indian Institute of Management, Kolkata

(b): India has been a tea exporter all along. As such, the domestic consumption has been always less than the production.

(c)&(d): There has been a decline in the production of tea during the year 2002-03 (April-February) as compared to the production in the corresponding period of the previous year due to the drought that prevailed in the tea growing areas of North and South India. However, there was a marginal increase in physical terms in the export of tea during 2002-03 (April-February) as compared to the corresponding period of 2001-02.

(e): There is no loss as such in Government revenue due to exports of tea. In Exports of all merchandise goods duties and taxes are rebated. So far as the tea industry is concerned, export realisation in value during April-February of 2002-03 was less by Rs. 55.57 crore compared to the same period of 2001-02.

(f): Yes, Sir.

(g): The details of export of tea from China, Sri Lanka and Kenya as compared to India are given below :

(Figures in million Kgs)

Name of the Country 2002 2001

India	198.1	182.6
China	252.3	249.7
Sri Lanka	291.8	294.0
Kenya	266.3	258.1

(h): Several steps have been taken to increase production, domestic consumption and export of tea. In order to increase production, Tea Board is implementing a number of developmental schemes under which financial assistance is provided for activities like re-planting, rejuvenation pruning, infilling, creation of irrigation facilities, drainage etc. For improving consumption of tea within the country, the Tea Board launched a generic promotion campaign in collaboration with the Indian tea industry.

The steps taken to boost the export of tea include:

- implementation of a medium term export strategy
- encouraging production of quality teas for export, especially teas of orthodox variety
- extension of financial assistance to the tea exporters towards meeting a part of the cost of handling, packaging, transport/freight charges & value addition
- registration of Tea Board Logo & Speciality Tea Logo in major tea importing countries
- participation in major trade fairs/exhibitions abroad, organizing buyer-seller meets and in store promotion of Indian tea at specialty stores & in principal markets; and
- organizing media campaigns to increase consumer awareness of speciality Indian teas & to popularise the Tea Board marketing logo.

The 10th Plan schemes of the Tea Board have also been formulated with particular emphasis on improving the productivity, quality and marketability of Indian tea.