

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

UNSTARRED QUESTION NO:3316  
ANSWERED ON:15.04.2008  
E AUCTION FACILITY FOR TEA  
Thomas Shri P.C.

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

- (a) whether e-auction facility for tea has been started;
- (b) if so, the details thereof;
- (c) whether this facility is advantageous for the farmers;
- (d) the scope of auction centres which are presently conducting auction; and
- (e) the impact of e-auction facility on the price of tea?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

- (a) & (b) : Tea Board has already engaged a reputed IT enabled company to re-design e-auction system for tea for its implementation. This re-designed e-auction project includes software customisation of trading system and back office system, system testing and user acceptance testing etc. and the system is under testing at present before it is started.
- (c) : This e-auction facility is advantageous to all the stakeholders namely manufacturers, warehouse owners, auctioneers and auction buyers. Farmers will also be benefited by the e-auction of tea.
- (d) : At present nine public tea auction centres are providing facility for trading tea through manual system. While six major tea auction centres will initially use the e-auction facility. The remaining auction centres will also be encouraged to switch over to e-auction system.
- (e) : The e-auction system will create facilities for a auction buyer to put the winning bid to buy his required quantity of tea in addition to the facilities available for the sellers to sell any category, quantity and type of tea. The system would ensure competition allowing participation of large number of buyers which in turn would ensure fair price discovery mechanism based on prevailing demand supply situation.