

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

UNSTARRED QUESTION NO:5997
ANSWERED ON:03.05.2010
TEA INDUSTRY AS AGRO BASED INDUSTRY
M.Thambidurai Dr.

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

- (a) whether there is demand from various quarters to declare tea industry as agro-based industry;
- (b) if so, the details thereof;
- (c) whether the Government has decided/proposes to declare tea industry as agro-based industry; and
- (d) if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a): No, Madam.

(b): Does not arise.

(c) and (d): As per the prevailing norms applicable to tea plantations, which have been derived from the Income Tax Rules, 40% of income of a tea company shall be deemed as income derived from business and the balance 60% of the income is treated as income derived from agriculture. This apart, the Agriculture Income Tax Act and the Land Reforms Act of the respective States treat plantation land as agricultural land.