

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

UNSTARRED QUESTION NO:4085

ANSWERED ON:03.08.2009

TEA TRADE

Sugumar Shri K. ;Thomas Shri P. T.

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

- (a) whether the Government has recently taken any decision to encourage tea trade with Eastern European nations and Pakistan;
- (b) if so, the details thereof and the reasons therefor;
- (c) the details regarding concrete steps being taken by the Government to improve commercial relations with Pakistan through tea trade;
- (d) the steps being taken by the Government to support the Tea Board by encouraging value added tea products such as Jasmine Tea, Green Tea and Leaf Tea for domestic as well as international market;
- (e) whether the Government proposes to fix a Minimum Support Price for tea at par with that of cotton, sugarcane and rubber; and
- (f) if so, the details thereof and the reasons therefor?

**Answer**

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

(a) to (c) : Pakistan is the third largest importer of tea in the world. The Government of India, through Tea Board, has made concerted efforts for the last few years to boost the tea export to Pakistan, which includes holding of trade exhibitions and tea festivals in each other's country and encouraging trading of tea through rail route. Recently a tea festival was organized by Indian Tea Association in Dubai wherein buyers, blenders and retailers of tea trade in Pakistan were also invited. The East European block of countries have some of the fastest growing tea trade markets in the world. To cater to these new markets, the Tea Board has participated in trade events in Poland and Hungary.

(d): The Government of India provide subsidy through Tea Board to create infrastructure for manufacturing of leaf, green and jasmine tea and also provides cash incentives for production.

(e) & (f) : The Government does not propose to fix a Minimum Support Price (MSP) for tea. However, it has approved a Price Sharing Formula for sharing of proceeds between the manufacturers of Bought Leaf Factories and the small growers.