

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

UNSTARRED QUESTION NO:505
ANSWERED ON:13.08.2012
LOW TEA PRICES
Siricilla Shri Rajaiah

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

- (a) whether the low prices of tea in the international and the domestic markets have affected the green tea growers in the country;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government to stabilise the situation?

Answer

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

(a) & (b): From 2008 onwards Tea prices have remained stable and buoyant both in the international and domestic markets; the average prices for the last three years are given below:

Year Tea Prices (US\$/Kg)

India Bangladesh Sri Lanka Indonesia Kenya

2009 2.18 1.98 3.15 1.80 2.29

2010 2.29 2.61 3.28 1.82 2.54

2011 2.23 2.14 3.25 1.97 2.72

(c): A Price sharing formula has been notified as per the provisions of Tea (Marketing) Control Order, under Tea Act, for ensuring equitable sharing of the price realized (for the made tea) between green leaf producers and factory owners. For monitoring the price sharing mechanism, monitoring committees under the Chairmanship of the District Magistrates have been constituted in seven major tea growing districts (five in Assam and two in West Bengal.)

The small Growers Directorate that is expected to become functional by September, 2012, the Board would have much closer interface with the growers and will be monitoring the tea factories as well in order to bring in transparency in the price sharing mechanism.