

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

STARRED QUESTION NO:128
ANSWERED ON:13.07.2009
PROBLEMS FACED BY TEA INDUSTRY
Deshmukh Shri K. D.;Roy Shri Mahendra Kumar

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

- (a) whether there is a gradual decline in the productivity of tea growing areas in the country causing shortage of tea and rise in tea prices;
- (b) if so, the details thereof alongwith the reasons therefor;
- (c) the details regarding quantity of tea exported/imported in the country during the last three years and the current year;
- (d) whether a number of tea gardens have been closed in the country especially in West Bengal; and
- (e) if so, the details thereof and the steps being taken by the Government for reopening of tea estates including setting up of corpus funds to improve the production of tea?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA)

a) to e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 128 FOR ANSWER ON 13TH JULY 2009 REGARDING "PROBLEMS FACED BY TEA INDUSTRY"

(a) & (b): No, Madam. However, there is a general stagnation in the productivity of tea in major tea producing countries including India during the past few years.

(c): The details of tea exported/imported in the country during last three years and the current year are as follows –

Year	Quantity Export of tea from India	Quantity Import of tea into India
	(Million.Kgs)	(Million.Kgs.)

2006-07	218.15	20.80
2007-08	185.32	16.75
2008-09 (E)	183.99	22.03
2009-10 (E)	21.14	3.31
[April to May]		

(E) Estimated & subject to revision,

(d) & (e): Yes, Madam. Owing to economic crisis faced by the tea industry during the period between 1999 to 2006, financially weak gardens were closed down. The Government of India announced a rehabilitation package on 29th June, 2007, providing for financial relief to the extent of Rs.38.65 crore to 33 closed tea gardens, which were closed as on 1st April 2007. With the recovery of tea prices many gardens have reopened. As on 09.07.2009, only 16 tea estates are lying closed of which 11 are in West Bengal and remaining 5 in Kerala.

The Government of India has approved setting up of a Special Purpose Tea Fund under the aegis of Tea Board, for funding replantation and rejuvenation activities for improving the productivity and consequential production of tea plantations. The replantation and rejuvenation has been done in 7217 ha and 2981 ha respectively upto 31.3.2009 during the 11th Five Year Plan.