

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

STARRED QUESTION NO:205
ANSWERED ON:27.08.2012
TEA PRODUCTION
Jagannath Dr. M.

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

- (a) the quantity of tea produced, consumed and exported during the last three years, year-wise;
- (b) whether there has been a decline in the net production and corresponding decline in the export of tea during the said period;
- (c) if so, the details thereof and the reasons therefor; and
- (d) the steps taken/being taken by the Government to boost tea production to meet the growing consumption of tea within the country as well as to increase exports?

Answer

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

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 205 FOR ANSWER ON 27TH AUGUST 2012 REGARDING "TEA PRODUCTION"

(a): The details of tea produced, imported, consumed and exported during last three years, are as under:

Year	Production (M. Kg)	Import (M. Kg)	Consumption (M. Kg)	Exports Quantity (Rs. in crore)	Value (M. Kg)
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2009-10	991.18	25.84	803.59	213.43	3038.69
2010-11	966.73	19.26	772.20	213.79	2995.79
2011-12 (E)	976.23	19.21	804.49	190.95	2863.33

(E) – estimated and subject to revision

Arrived at by taking into account the total production plus import and subtracting the volume exported

(b) & (c): During the last five years, tea production has varied between 966.73 million kg and 991.18 million kg. On a year-to-year basis, it is a variation of 1-2% per annum. However, compared to 2009-10, the decline in production in 2011-12 was 14.95 million kg and the corresponding decline in exports was 22.48 million kg. This decline in production, which was more pronounced in South India, is mainly due to shortage of labour; old age of plantations; reduction in area under tea cultivation and vagaries of weather conditions. The decline in export was mainly on account of payment problems in Iran (one of the major importers of Indian tea); and decline in export to some of the Middle-East countries.

(d): Several steps have been taken to address problems of the tea industry towards boosting production and export of tea. A Special Purpose Tea Fund was set up for extending financial support for undertaking replanting, replacement planting and rejuvenation of old aged tea bushes. To manage the shortage of labour in plantations in South India, the Tea Board is extending financial support for using mechanical harvesters, pruning machines etc. Tie-up has also been made with IIT, Kharagpur to develop new machines. To improve production and productivity, all the development schemes of XI Plan have been continued by the Tea Board. These include R&D for developing stronger clones and support for irrigation.

For increasing export of tea, the Board undertakes promotional activities under the Market Promotion Scheme (MPS). The activities primarily include generic promotion through participation in fairs & exhibitions, trade facilitation through arranging Buyer-Seller Meets, exchange of trade delegations (inbound & outbound), information dissemination through gathering of market intelligence etc. Keeping in view the increasing competition in the world market, a promotional programme (5-5-5) has been launched targeting five strategically important markets viz. US, Russia, Kazakhstan, Iran and Egypt. To take care of the payment problems in the case of Iran, special arrangements have been tied up between the two Governments and their designated banks.