

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

UNSTARRED QUESTION NO:570

ANSWERED ON:23.11.2009

DEMAND AND PRODUCTION OF TEA

Dubey Shri Nishikant ;Jindal Shri Naveen;Reddy Shri Mekapati Rajamohan

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

- (a) the details regarding total production, demand and export of tea in the country during the last three years and the current year, separately;
- (b) whether the country is facing shortage of tea production in the country and consequently a spurt in its market price;
- (c) if so, the reasons therefor and the response of the Government thereto;
- (d) whether the Government has received any request for lowering the import duty on tea and if so, the response of the Government thereto;
- (e) whether the share of the Indian tea in the world market has declined during the last three years;
- (f) if so, the details thereof and the reasons therefor; and
- (g) the steps being taken by the Government to boost export of tea and reopen the closed tea estates in the country alongwith the outcome achieved thereon?

Answer

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

- (a) The details of tea production, demand and export from India during last three years and the current year are as under: –

(Figures in Million Kgs)

Year Production Domestic Consumption Exports

2006	981.81	771	218.73
2007	986.43	786	178.75
2008	980.82	802 (E)	203.12
2009	696.73	131.23	

(Jan - Sept)

E-Estimated.

- (b) The spurt in market price was due to overall global shortage arising mainly due to shortfall in production in the major exporting countries like Kenya and Sri Lanka. There is no significant fall in production of tea in India.
- (c) Does not arise.
- (d) Yes, Madam. The Government receives such requests and takes a policy decision from time to time.
- (e) and (f) Indian tea contributes about 26% of total world tea production. There was no significant decline in the share of Indian tea production and the decline over the last three years was only 1% mainly due to un-favorable climatic conditions.
- (g) Government is taking various steps to boost the export of tea which include participation in international fairs and exhibitions, organizing buyer seller meets, publicity campaign etc. and also lending promotional support to Indian tea exporters in their marketing efforts.

As on 1st April, 2007 there were 33 closed tea gardens. Due to the rehabilitation package announced by the Government in June, 2007 coupled with the concerted efforts of the stakeholders of the tea industry, 20 closed tea gardens have been reopened so far.