



ORGANISATIONAL SET-UP & FUNCTIONS OF TEA BOARD

Tea Board was set up under the provision of Tea Act, 1953 and started functioning from 1st April, 1954. Tea Act provides for all round developments of Tea industry in India by encouraging Tea Production, Tea Exports, Tea Research & Quality Control Regulation etc.

1.0 Constitution of the Board

The Board consists of 31 members including Chairman and the following other persons who, in the opinion of the Government, are capable of representing various categories.

- Three persons representing Parliament.
- Eight persons representing owners of tea estates and gardens and growers of tea.
- Six persons representing the Government of the principal tea growing states namely, Assam, West Bengal, Tripura, Tamil Nadu, Kerala and Himachal Pradesh.
- Five persons representing persons employed in tea estates and gardens.
- Two persons representing dealers including both exporters and internal traders of tea.
- Two persons representing manufactures of tea.
- Two persons representing consumers.
- Two persons representing other interests.

A list of Members of the Board for 03 (three) years term i.e.2005–2008 given in **Annexure – I**.

1.1 Functions of the Board

The functions of the Board are defined in the Tea Act. The focus of the Board is directed towards development of the Tea industry and trade especially in the sphere of production, extension of area under tea cultivation, improvement in the quality of tea, promotion of Co-operative efforts of growers, and research and development efforts in tea. undertaking promotional campaigns for increasing export of tea and regulatory functions such as issuance of Exporter's Licence, Tea Waste Licence, Tea Warehousing Licence, etc. Tea Board also plays a major role in the collection & dissemination of tea statistics and in the adoption of a few Welfare measures for workers of tea gardens which are not covered under statutory provisions such as the Plantation Labour Act, 1951.

1.2.The Tea Board had launched a Website to disseminate all above information apart from data collection mechanism and an electronic auction engine is being designed to show case Indian Tea in domestic and international market along with a fair price discovery mechanism.

1.3. Standing Committee

The Board has 04 (four) Standing Committees. The constitution of these Committees and the number of meetings held by them during the year under review are given in **Annexure - II**.

1.4. Election of Vice Chairman

At the meeting of the Board held at Kolkata on 17.03.2007 Shri J.K. Thomas, Chairman, United Planters' Association of Southern India was elected as Vice Chairman of the Board for the period ending 31.03.2008 in terms of Rule 9(1) of the Tea Rules, 1954.

1.5. Administrative Set-up

The Chairman, Tea Board, is the administrative and executive head of Tea Board and is assisted by a Deputy Chairman.

The functional activities of the Board performed by various departments at the Head Office are as follows:



- Secretariat, Establishment and other Administrative work and Co-ordination of the activities of various departments of the Board's Office and also with the Ministry of Commerce & Industry, Government of India, are directly under the charge of the Secretary.
- Finance including Accounts and internal audit is under the charge of the Financial Advisor and Chief Accounts (Officer).
- Tea Development, including the administration of the (Financial) Assistance Scheme and Assistance to the Industry for procurement, distribution and movement of essential input is under the charge of the Director of Tea Development.
- Research, both agricultural and industrial, is under the charge of the Director (Research).
- Regulation of production and export including/ issue of Export Licence and implementation of the Tea Waste (Control) order are under the charge of the Controller of Licensing.
- Marketing including promotion of tea in India and abroad is under the charge of the Director of Tea Promotion (HQ).
- Labour Welfare is under the charge of the Welfare Liaison Officer, (North).
- Collection of statistics including cost studies is under the charge of the Statistician.
- Legal matters arising in various functional departments mentioned above are handled by the Law Consultant.
- Implementation of the provisions of Official Language Act and various measures in this respect are handled by the Deputy Director (Hindi).

1.6 Man-Power

The man-power of the Board as on 31.03.2008 in all categories/groups in India and abroad including deputationists was 620. The existing strength of the Officers and Staff (Members) under different categories in offices of the Board in India and abroad is as shown in the **Table - 1**.

Table – 1

Groupwise man power statement of the Board in India and abroad as on 31/3/2008 :

Sl. No.		Group A	Group B	Group C	Group D	Total
01.	Head Office*	23	39	213	97	372
02.	Regional/Sub-Regional Offices	10	38	108	83	239
03.	Officers on deputation to Tea Board	08	–	–	–	08
04.	Officers on deputation to other organization	-	–	1	–	1
	Total	41	77	322	180	620

* Excluding deputationist to Tea Board

Number of India-based Officials in Board's Offices abroad under different cadres (as on 31.03.2008)

	New York	London	Hamburg	Dubai	Moscow	Total
1. Group – A Director of Tea Promotion		01			01	02



Scheduled Castes, Scheduled Tribes and Other Backward Class

	SC	ST	OBC	Total
Group 'A'	10	-	-	10
Group 'B'	22	04	04	30
Group 'C'	40	07	02	49
Group 'D'	41	14	05	60
	113	25	11	149

1.7 Scheduled Caste/Scheduled Tribe

- The number of officials belonging to Scheduled Caste, Scheduled Tribe and OBC under different categories of the Board as on 31.03.2008 was given above. There was some shortfall against prescribed reserved vacancies for Scheduled Castes /Scheduled Tribes because SC /ST candidates were not sometimes available in the feeder cadre for promotion.

1.8 location of different offices of the board in india

- Board's development office at Almorah stopped

functioning with effect from 23rd January, 2008 due to certain administrative reasons.

- Apart from the Board's Office at Kolkata, headed by the Chairman and assisted by the Dy. Chairman, there are two Executive Directors of the Board posted at Coonoor and Guwahati.
- Offices at Coonoor and Guwahati are under the charge of Executive Director for the respective region. The Regional /Sub - Regional Offices are located as follows :

1. Offices under control of Executive Director, Tea Board Guwahati	2. Offices under control of the Executive Director, Tea Board, Coonoor.
Regional Offices :	Regional Offices :
a) Guwahati b) Silchar c) Jorhat	a) Coonoor b) Chennai c) Kochi d) Kottayam
Sub - Regional Offices :	Other Offices :
a) Tezpur b) Agartala	a) New Delhi b) Mumbai c) Siliguri d) Palampur e) Kurseong
3. Tea Board Research Centre : The Darjeeling Tea Research & Development Centre is located at Kurseong under the charge of a Project Director.	

1.8 Changes in administration :

- Dr. Harendra Nath Dwivedi, ex-Controller of Licensing, Tea Board, joined the Board's Head Office, Kolkata as Full Time Consultant from 1st April, 2007.
- Shri M. Paramanatham, Statistician was promoted as Controller of Licensing with effect from 13th April, 2007.

- Shri Chinmoy Bandopadhyay, Research Officer(Stats) was promoted as Statistician with effect from 13th April, 2007.
- Mohd. Nasrullah, Superintendent (Stats.) was promoted as Research Officer, (Stats) with effect from 13th April, 2007.



- v) Shri Ranjan Das, Asstt. Dir. Of Tea Development was promoted as Dy. Dir. Of Tea Development with effect from 4th June, 2007.
- vi) Shri Susil Kr. Pal, Development Officer, was promoted as Asstt. Director of Tea Development with effect from 20th June, 2007 and subsequently superannuated from the services of the Board with effect from 31st December, 2007.
- vii) Shri Ranendra Narayan Sengupta, Section Officer (Tea Promotion), superannuated from the services of the Board with effect from the afternoon of 31st December, 2007.
- viii) Shri Prahlad Ch. Boro, Section Officer (Estt.) took over the charge of the post of Section Officer (Tea Promotion) with effect from 7th January, 2008.
- ix) Shri Prabir Ranjan Das, Superintendent (GD), promoted as Section Officer (Estt.) with effect from 7th January, 2008.
- x) Shri Dipankar Mukherjee, Development Officer, promoted as Asstt. Dir. Of Tea Development with effect from 21st January, 2008.
- xi) Shri C.S. Hariprakash, Development Officer, promoted as Asstt. Dir. Of Tea Development with effect from 21st January, 2008.
- xii) Shri Subhas Ch. Sarkar, Accounts Officer, superannuated from the services of the Board with effect from 31st January, 2008.
- xiii) Shri Sekharsree Banerjee, Sr. Accounts Officer, superannuated from the services of the Board with effect from 31st January, 2008.
- xiv) Shri Sankar Narayan Dhar, Accounts Officer, was promoted as Sr. Accounts Officer with effect from 1st February, 2008.
- xv) Shri Pabitra Kishore Ghosh, Accountant, was promoted as Accounts Officer with effect from 1st February, 2008.
- xvi) Shri Sudhansu Bikash Naskar, Accountant, was promoted as Accounts Officer with effect from 1st February, 2008.
- xvii) Dr. Radhey Shyam Saha, Soil Scientist was appointed as Project Director, DTR&DC, Kurseong on ad-hoc basis with effect from 5th February, 2008.
- xviii) Shri Rabindra Nath Majumder, Section Officer (Secretariat & Stores) expired on 23rd February, 2008.
- xix) Shri Sarbeswar Saikia, Dy. Dir. Of Tea Development, superannuated from the services of the Board with effect from 29th February, 2008.
- xx) Shri Subrata Kr. Mitra, Asstt. Dir. Of Tea Development was promoted as Dy. Dir. Of Tea Development with effect from 3rd March, 2008.
- xxi) Shri Chandra Sekhar Mitra, Development Officer was promoted as Asstt. Dir. Of Tea Development with effect from 19th March, 2008.



INDIA TEA IN THE INTERNATIONAL PERSPECTIVE

2.0 Introduction:

Indian Tea Industry has attained the level of production of 944.68 million Kgs estimated during the year 2007 registering a decline of 37.12 million Kgs over the production level of 981.80 million Kgs achieved during 2006. The year 2007 is another year of consolidation after a long recession in price realization (up to 2005) with a balance in demand and supply equation. Teas were sold at a remunerative price at auctions particularly during the last quarter of the year, witnessing a surge in prices at auctions benefiting the producers selling teas through auctions.

During 2007, the export of tea has registered a decline in volume by 39.98 million Kgs over 2006, whereas the value earnings remained same at Rs. 1830.98 Crores of last year.

Special Purpose Tea Fund (SPTF) set up by Tea Board for financing of re-planting and rejuvenation of old aged bushes for increasing the productivity, improving the quality, reduction in overall cost of production and thereby increasing the production of tea in India is under way. Under the scheme area to be covered around 2.12 lakh hectares over the next 15 years. The scheme, being a labour intensive would generate additional employment at the rate of 22 million person's days per year which would facilitate in gainful employment of dependants of the workers residing in the tea plantations.

The decline in production of tea during 2007 was noticed in the North Indian tea growing areas to the tune of 28.55 M.Kgs whereas; South Indian production has declined by 8.57 M.Kgs during 2007 over 2006. The North

Indian tea crop has declined over the year except in the month of February, April, November and December over 2006. At the close of the year North Indian production stood at 724.69 M.Kgs as against 753.24 M Kgs of 2006. The crop pattern in South India reflects losses except in the months of May, June, September and November. At the end of the season South Indian production stood at 219.99 M.Kgs as against 228.56 M.Kgs of 2006.

At the close of the calendar year 2007, Indian tea exports witnessed a decline both in the volume and value whereas the unit export price earning has shown an improvement over 2006. All India export volume reached the level of 178.75 M.Kgs as against 218.73 M.Kgs registering a decline of 39.98 M.Kgs and the value of export stood at Rs 1810.11 Crs as against Rs 2006.53 Crs in 2006. The decline in value earnings was to the extent of 196.42 Crs over 2006. Unit export price earning has registered an increase of Rs 9.53 per kg over 2006. The major reason for decline in export was due to lower in-take by Iraq, Pakistan, Kenya and United Kingdom as compared to last year.

The annual average prices of tea sold at Indian auctions during 2007 registered at Rs. 67.40 per kg as against Rs. 66.01 per kg in 2006 showing there by a marginal increase of Rs. 1.39 per kg i.e. 2.11% during 2007 over 2006.

During the year 2007, the average prices of tea at North Indian auctions registered a marginal increase, whereas the prices of tea at South Indian auctions registered a decline. Prices at North Indian auctions increased by Rs. 1.93 per kg i.e. 2.69 % and reached to the level of Rs.73.55 per kg as against Rs.71.62 per kg of 2006. Average prices of tea at South Indian auctions declined by 2.15 % i.e. Rs.1.09 per kg and reached to the level of Rs.49.70 per kg as against Rs.50.79 per kg of 2006.

The global estimated production of tea in the year 2007 registered a substantial increase of 149.5 M.Kgs from the level achieved in 2006. Estimated global exports during the year 2007 registered a decline of 1.59 M.Kgs over 2006. The increase in exports is mainly due to decline in exports of tea from Sri Lanka, India, and Indonesia etc. The price of tea at the International Auction Centres has registered an increase in respect of all producing countries during 2007 over 2006.

2.1 World Production :

The World Production during 2007 has been estimated at 3726.7 M.Kgs as against 3577.2 M.Kgs in 2006. The



increase in production was noticed in China (65 M.Kgs.), Kenya (59 M.Kgs), Turkey (36 M.Kgs), Indonesia (9 M.Kgs), Vietnam (6 M.Kgs), Bangladesh (5 M.Kgs), Malawi (3 M.Kgs), Tanzania (3 M.Kgs) and Argentina (2 M.Kgs) etc.

However, production of tea in India (37 M.Kgs) and Sri Lanka (6 M.Kgs) has registered a decline during 2007 over 2006.

2.2 World Exports :

World tea exports during 2007 stood at 1587.2 M.Kgs as against 1588.8 M.Kgs in 2006 thereby registered a marginal decline of 1.59 million kgs during 2007. The increase in exports has been noticed in the countries like Kenya (32 M.Kgs), Vietnam (9 M.Kgs), Bangladesh (6 M.Kgs), Tanzania (5 M.Kgs), China (3 M.Kgs), Malawi (5 M.Kgs) and Argentina (3 M.Kgs). India, Sri Lanka, Indonesia and Turkey registered a decline during the year. The details of production and export by major producing countries are as follows:

WORLD PRODUCTION AND EXPORT

(Figs. in M. Kgs)

COUNTRY	PRODUCTION		EXPORT	
	2007 (E)	2006	2007	2006
INDIA	944.68	981.80	178.75	218.73
SRI LANKA	304.61	310.82	294.25	314.92
INDONESIA	149.51	140.05	83.00	95.34
BANGLADESH	57.96	53.27	10.56	4.79
CHINA	1094.00	1028.06	289.43	286.59
KENYA	369.61	310.61	345.88	313.72
VIETNAM	148.27	142.50	114.46	105.12
TANZANIA	34.86	31.35	29.50	24.13
MALAWI	48.14	45.01	46.59	41.96
TURKEY	178.00	142.00	3.00	5.50
ARGENTINA	90.00	88.00	74.23	70.72
OTHERS **	307.06	303.73	117.55	107.27
TOTAL	3726.70	3577.20	1587.20	1588.79

(E) — Estimated and subject to revision

** Others include Taiwan, Japan, USSR / CIS, Iran, Uganda, Mozambique, Zaire, Mauritius, Rwanda, Burundi, Cameroon, Brazil, Peru, Ecuador, Zimbabwe, Myanmar, Thailand, (Malaysia), South Africa, Australia, Nepal, and Ethiopia.

2.3 WORLD IMPORTS:

World tea imports for consumption registered a decline of 17 M.Kgs during 2007 over 2005. Imports of tea into North America, South East Asia (including Pakistan and Japan) and other African countries registered an increase during 2007 over 2006. The decline in tea imports during 2007 was noticed in the countries viz., United Kingdom, E.E.C. (excluding United Kingdom), West Asian Countries (including Afghanistan) and North African countries due to lower-off take by the importing countries. The position in respect of tea imports for consumption is illustrated below:

Region wise Import for Consumption

(Figures in M.Kgs.)

Countries/Region	2007 (E)	2006
United Kingdom	131	135
E.E.C. (excluding United Kingdom)	62	65
Other West Europe	9	9
CIS Countries including Russian Fed.	239	239
Other East Europe	37	37
America		
North America	131	124
South America	25	25
Asia (West Asia including Afghanistan)	274	286
South East Asia (including Pakistan and Japan)	269	267
Africa		
North Africa	171	182
Other Africa	96	92
Oceania	19	19
Total	1463	1480

(E) Estimated

2.4 WORLD TEA PRICES :

The annual average prices of tea in US \$ term have gone up in India and Sri Lanka during 2007 over 2006.



Indian tea prices have increased by 11.48% and Sri Lankan tea prices increased by 32.11% over 2006. The prices of tea sold at Limbe, Mombassa, Jakarta and Chittagang auction registered a decline of 14.63%, 13.99%, 0.75% and 14.60% (respectively) during 2007 over 2006; whereas the quantum sold at all auction

centers have increased except at Colombo auction.

In India, the prices of tea (in US \$ term) sold at North and South Indian auctions have gone up by 12.10% and 6.83% over 2006. The average sales tea at Indian auction centres as well as International auction centres are as follows —

Prices of Tea at Different Auction Centres up to December

(Quantity : In Thousand Kgs)

(Price In US Dollar / Kg)

Auction Centers	JANUARY TO DECEMBER				% Increase (+) or Decrease (-) in 2007 over 2006	
	2007		2006		Qty.	Price
	Qty.	Price	Qty.	Price		
Kolkata	142793	1.99	134697	1.76	6.01	12.76
Guwahati	152553	1.68	142359	1.51	7.16	11.64
Siliguri	86235	1.59	87058	1.44	(-) 0.95	10.89
Amritsar	105	0.79	114	0.67	(-) 7.89	16.63
Jalpaiguri	163	1.60	282	1.39	(-) 42.20	15.30
North India	381849	1.78	364510	1.58	4.76	12.10
Cochin	57700	1.35	59064	1.20	(-) 2.31	12.46
Coonoor	37736	1.07	37392	1.06	0.92	0.99
Coimbatore	23723	1.15	23304	1.09	1.80	4.99
Tea Serve	13375	1.01	14802	1.02	(-) 9.64	(-) 1.23
South India	132534	1.20	134562	1.12	(-) 1.51	6.83
All India	514383	1.63	499072	1.46	3.07	11.48
Colombo	241998	2.51	265911	1.90	(-) 8.99	32.11
Chittagong	54475	1.17	50034	1.37	8.88	(-) 14.60
Jakarta	42357	1.33	35227	1.34	20.24	(-) 0.75
Mombassa	343363	1.66	281651	1.93	21.91	(-) 13.99
Limbe	17609	1.05	17372	1.23	1.36	(-) 14.63

Conversion rate :: 1 US \$ = IN Rs. 41.397 — 2007

IN Rs. 45.193 — 2006.



2.5 INDIAN TEA SCENE :

Production

During 2007 the production of tea in India was estimated at 944.68 M.Kgs as against 981.80 M.Kgs of 2006 indicating thereby a decline of 37.12 M.Kgs over previous year. The decline was mainly attributed towards the decline in North Indian crop to the extent of 28.55 M.Kgs whereas South Indian production has

declined by 8.57 M.Kgs during 2007 over 2006.

During the financial year 2007-2008 the estimated production of tea in India reached a level of 945.27 M.Kgs as against 973.07 M.Kgs of 2006-2007 indicating thereby a decline of 27.80 M.Kgs over the last financial year. The details of production of tea in India during the last five years are given below :

PRODUCTION OF TEA IN INDIA

(Figures in M.Kgs)

Calendar Year	North India	South India	All India	Financial Year	North India	South India	All India
2003	648.28	229.85	878.13	2003-2004	647.94	230.71	878.65
2004	662.19	230.78	892.97	2004-2005	673.57	233.27	906.84
2005	718.42	227.55	945.97	2005-2006	721.47	227.47	948.94
2006	753.24	228.56	981.80	2006-2007 (E)	748.43	224.64	973.07
2007 (E)	724.69	219.99	944.68	2007-2008 (E)	718.21	227.06	945.27

(E) – Estimated and subject to revision,

(P) – Provisional

2.6 Marketing:

a) Indian Auction :

The overall percentage of sale through auctions in India in relation to total production during 2006 was 52.20%. The percentage sale of tea through North Indian auctions in relation to total North Indian production during 2006 stood at 49.78% whereas the tea sold through South Indian auctions in relation to South Indian production was 60.06%.

b) London Auction :

The sale at London auction was totally closed down by the London Tea Trade with effect from 30th June, 1998.

c) Ex-Garden Sale :

The estimated ex-garden sale within the country during 2006 was worked out to 42.15% as against 39.44% in 2005. The overall picture of primary marketing of Indian teas by different channel is depicted below :

PRIMARY MARKETING OF INDIAN TEA

(Figures in M.Kgs.)

Year	Qty. of tea sold through Auction	Ex-garden export under forward contract	Ex-garden private sale
2005	510 (53.94)	52 (5.50)	384 (40.56)
2006	499 (50.83)	54 (5.48)	429 (43.69)
2007 (E)	514 (54.39)	45 (4.76)	386 (40.85)

Figures in bracket indicate percentage to total production.

(E) — Estimated.



2.7 Exports :

The export of tea from India during the complete calendar year 2007 stood at a level of 178.75 M.Kgs in quantum and Rs 1810.11 Crores in export earnings as against 218.73 M.Kgs. in quantum and Rs. 2006.53 Crores in export earnings in 2006 and thereby registered a decline of 39.98 M.Kgs in quantum in 2007 over 2006. The unit export price during 2007 stood at Rs 101.26 per Kg as compared to Rs 91.73 per Kg in 2006 which shows an improvement of Rs 9.53 per Kg over 2006.

During the financial year 2007-2008 the export of tea from India reached a level of 185.32 M.Kgs in quantum and Rs 1888.68 Crores in value realization as against 218.15 M.Kgs in quantum and Rs 2045.72 Crores in value realization, indicating thereby a decline of 32.83 M.Kgs in quantum and Rs 157.04 Crores in value realization over 2006-2007. The decline in exports of tea from India during 2007-08 was mainly attributable to the decrease in export to Iraq, Pakistan, Kenya and United Kingdom as compared to last year. Total exports of tea including instant tea from India during the last five years are given below :

EXPORTS OF TEA FROM INDIA

Calendar Year	Qty. (M.Kgs.)	Value (Rs.Crs)	U.P. (Rs/Kg)	Financial Year	Qty. (M. Kgs)	Value (Rs.Crs)	U.P. (Rs/Kg)
2004	197.67	1841.14	93.14	2004-2005	205.81	1924.71	93.52
2005	199.05	1830.98	91.99	2005-2006	196.67	1793.58	91.20
2006	218.73	2006.53	91.73	2006-2007	218.15	2045.72	93.77
2007	178.75	1810.11	101.26	2007-2008	185.32	1888.68	101.90

(E) — Estimated and subject to revision

2.8 DIRECTION OF EXPORTS :

During 2007-08 the export of tea from India to West European countries, Asian countries and South African countries registered a decline of 4.02 M.Kgs, 37.40 and 5.34 M.Kgs respectively over 2006-07. Amongst the CIS countries and North African countries the exports has registered an improvement of 6.35 M.Kgs. and 4.19 M.Kgs. respectively over 2006-2007. Exports of tea from India to Iraq, Pakistan, Kenya, United Kingdom and Afghanistan registered a decline of 34.87 M.Kgs, 8.57 M.Kgs, 5.09 M.Kgs, 4.92 M.Kgs and 2.63 M.Kgs respectively during 2007-2008 over 2006-2007 whereas, improvements was noticed in the export to Russian Federation (4.92 M.Kgs), Egypt (4.19 M.Kgs), Iran (4.13 M.Kgs), UAE (3.14 M.Kgs), Sri Lanka (1.78 M.Kgs), Germany (1.24 M.Kgs), Kazakhstan (1.13 M.Kgs) and USA (1.13 M.Kgs) during 2007-08 over 2006-07. Exports to Tunisia, Poland, Australia, South Africa, Canada and Israel has also registered an increase during the year. Decline in export was

noticed in Yemen, Netherlands, Indonesia, Malaysia and Japan etc during the current financial year over 2006-07.

2.9 PRODUCT DIVERSIFICATION :

Efforts were made to increase export of tea from India in bulk, value-added teas, organic and flavoured teas. During 2007-08 the exports of value-added teas has dropped to the level of 21.84 M.Kgs in quantum and Rs 421.60 Crores in value as against 25.20 M.Kgs in quantum and Rs 454.16 Crores achieved during 2006-2007. This shows a decline during 2007-08 both in quantum and export earnings to the extent of 3.36 M Kgs and Rs 32.56 Crs respectively over 2006-07. Whereas exports of tea in Tea Bags form during the year has registered an increase both in terms of volume and value by 1.32 M.Kgs and Rs 27.23 Crs respectively over 2006-07. The information on tea exports from India in the aforesaid forms can be seen from the following tables :

**(A) EXPORTS OF BULK TEA FROM INDIA :**

Year	Quantity (M.Kgs.)	Value (Rs.Crs.)	Unit Price (Rs/Kg)
2003-04	140.70	1037.31	73.72
2004-05	159.03	1312.86	82.55
2005-06	154.23	1243.10	80.60
2006-07	192.95	1591.56	82.48
2007-08	163.48	1467.08	89.74

(B) EXPORTS OF PACKET TEA FROM INDIA :

Year	Quantity (M.Kgs.)	Value (Rs.Crs.)	Unit Price (Rs/Kg)
2003-04	34.01	405.80	119.31
2004-05	35.73	353.65	98.99
2005-06	30.53	285.02	93.37
2006-07	14.77	179.91	121.83
2007-08	10.14	131.91	130.05

(C) EXPORTS OF TEA TEA BAGS FROM INDIA :

Year	Quantity (M.Kgs.)	Value (Rs.Crs.)	Unit Price (Rs/Kg)
2003-04	4.90	94.31	192.46
2004-05	7.09	142.91	201.43
2005-06	8.38	174.32	208.04
2006-07	7.34	168.00	228.98
2007-08	8.66	195.24	225.46

(D) EXPORTS OF INSTANT TEA FROM INDIA :

Year	Quantity (M.Kgs.)	Value (Rs.Crs.)	Unit Price (Rs/Kg)
2003-04	3.46	99.57	287.71
2004-05	3.96	115.29	291.35
2005-06	3.53	91.14	258.18
2006-07	3.09	106.24	343.27
2007-08	3.04	94.45	311.10

2.10 Internal Consumption :

Major share of the Indian tea production is consumed within the country. However, there is a

perception that the rate of growth of tea consumption in India has declined from the earlier level. In order to increase the domestic demand for tea the Tea Board has been advertising through media and also participating in fairs and exhibition within the country. The internal consumption of tea has been estimated at 786 M.Kgs. in 2007 as against 771 M.Kgs in 2006 showing an increase of 15 M.Kgs over 2006.

2.11 Taxes & Duties :

Cess at a rate 30 paise per Kg. levied on tea in India with effect from 1st April, 1997 except Darjeeling tea where it was levied at a concessional rate of 12 paise per Kg.

2.12 Excise Duty :

(a) Re.1 per kg on teas falling under heading 09.02 has been abolished w.e.f. 01.03.2003. Additional excise duty of Re.1 per kg has been introduced for development purposes w.e.f. 01.03.2003, which has been subsequently withdrawn in the budget 2005-06.

(b) 16 % ad-valorem on Instant Tea falling under heading 2101.20

2.13 Export Duty :

There is no export duty on tea exported from India at present

2.14 Import Duty

➤ Basic duty of 100% plus 10% surcharge on basic import duty plus special additional duty of 4% on basic duty and surcharge (w. e. f. 1st March, 2002).

➤ Concessionary rate of 7.5% basic duty plus other normal surcharges apply to imports from Sri Lanka up to a volume of 15 M Kgs per calendar year.

➤ Under the EXIM policy, the import of tea is continued to be allowed without payment of import duty under Duty Exemption Scheme and also for the purpose of re-export by Export Oriented Units (EOU), Export Processing Zone (EPZ) and Special Economic Zone (SEZ) units.



FINANCE

INTRODUCTION

As per Sections 25 and 26 of Tea Act the proceeds of tea cess levied and collected by Central Excise Department on all teas made in the country get credited to the Consolidated Fund of India and Central Government as deemed necessary provide non-plan funds to the Board under Annual Budget of Ministry of Commerce. The rate of cess has been enhanced with effect from 1st April, 1997 and at present is charged on Darjeeling and other than Darjeeling varieties of made teas @ Re. 0.12 per kg and Re. 0.30 per kg respectively in terms of the enabling provision contained in Section 25 of the Tea Act.

The other major sources of income of the Board are grants, subsidy and loan released to it by the Government of India under Section 26 A of the said Act. The Board also has some other minor sources of revenue such as fees on licenses, interest on loans and advances and miscellaneous receipts such as sales of liquid tea, sales of green leaves, sale of application forms and other publications etc.

Thus, all funds available to the Board under Sections 26 and 26 A of the Tea Act are routed through the medium of the Annual Union Budget. Such funds are then applied to the functions of the Board enshrined in Section 10 of the Tea Act subject to the delegation of financial powers of the Government and/or under the

provision of the Act and subordinate legislation thereto.

(As indicated above the Budget of the Board comprises of two constituent elements viz. Non-Plan and Plan.)

CESS PROCEEDS

(The estimated collection of cess during the year under review was Rs.2905.00 lakhs. During the year 2007-2008 an amount of Rs.1875.00 lakh was released by the Government towards proceeds of cess under Section 26 of the Tea Act, 1953 as non-plan contribution to the Tea Board.)

RESEARCH & DEVELOPMENT GRANTS

During the year 2007-2008, a sum of Rs.1400.00 lakh was received from Government towards Research and Development Grants for old and ongoing schemes and new schemes under Section 26A of the Tea Act.

SUBSIDY

A sum of Rs.6200.00 lakh was received from Government towards subsidy during the year 2007-08 under Section 26A of the Tea Act.

SPECIAL FUND (AED)

During the year an amount of Rs.1942.00 lakh was received from Government towards Grant-in-aid under Special Fund set up with collection of Additional Excise Duty (AED) on Tea.

LOAN CORPUS FUND

(During the year under review no amount was released by the Government under Section 26A of the Tea Act towards Loan Schemes. The expenditure was met from the revolving corpus fund.)

SPECIAL PURPOSE TEA FUND

(During the year an amount of Rs.1500.00 lakh was received from Government towards Capital cost and Rs.1500.00 lakh towards Subsidy under Special Purpose Tea Fund.)

Receipts during the year 2007-2008 under different heads of Non-Plan were as under :

**A. Receipts – Cess**

Rs. in lakh

Money received under Section 26 of Tea Act	1875.00
Fees realized on account of licenses/TMCO	13.87
Miscellaneous Receipts including sale of liquid tea, sale of green leaves, gain in foreign exchange, sale of publications etc.)	73.56
Interest on Advance	9.01
Registration fees realized on account of HACCP/ DCTM	3.50
TOTAL	1974.94

Expenditure during the year 2007-2008 were as under:

B. Expenditure - cess (non-plan)

(Rs. in lakhs)

Administration including Library	1274.00
Tea Promotion in India	139.19
Tea Promotion outside India	97.41
Pension	496.35
Works	17.01
Advances to employees (Net)	-9.94
Employer's contribution to New Pension Scheme	2.32
Payment of liability towards TMCO	0.03
TOTAL	2016.37

C. Expenditure - Research & Development Grants

(Rs. in lakhs)

Grant in aid to TRA	420.00
Grant in aid to UPASI	88.86
Research Grant to HPKV	3.50
Grant in aid to AAU	2.00
Darjeeling Tea Research & Dev. Centre, Kurseong	12.12
IT Component	53.21
IT Portal	61.48
Workshop/Seminar	4.13
Advisory Services	11.00
Study tour for small growers	5.18
Administrative Expenses	

Contd. - C

(Salary component of R&D staff)	328.72
Sundry	176.33
Demo Pruning	17.05
Bank Charges	0.13
TOTAL	1183.71

D. Expenditure - Subsidy

(Rs. in lakhs)

Plantation Development Scheme	279.63
Quality upgradation &Product	
Diversification Scheme	2723.54
Human Resource Development Scheme	400.89
Market Promotion Scheme	2177.89
TOTAL	5581.95

E. Expenditure - Special Fund (AED)

Rs. in lakh

Orthodox Production Subsidy Scheme	1400.23
Research	322.21
TOTAL	1722.44

F. Expenditure – Special Purpose Tea Fund (Subsidy)

Rs. in lakh

Special Purpose Tea Fund (Subsidy)	1601.39
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G. Expenditure – loan scheme

Rs. in lakhs

Revolving corpus fund for loan scheme	25.40
TOTAL	25.40

H. Expenditure – Special Purpose Tea Fund (Capital Contribution)

Rs. in lakhs

Expenditure	*1638.07
TOTAL	1638.07

> Out of Rs.1638.07 lakh, Rs.1500.00 lakh has been invested under Fixed Deposit as capital fund and operational cost was met from earnings viz. interest received on investment, sale of application and loan processing fee etc.

TOTAL EXPENDITURE ON PLAN DURING THE YEAR**(C + D + E +F)****Rs. 10089.25 lakhs**



TEA DEVELOPMENT

Introduction

One of the important functions assigned to Tea Board under the Tea Act includes formulation and implementation of development schemes aimed at increasing tea production and productivity of plantations, improvement of quality of tea, modernization of tea processing, packaging and value addition facilities and encouraging co-operative efforts amongst small tea growers.

The year under report (2007-08) marked the first year of the new five year plan period. The developmental activities pursued by the Board during the year were guided by the approach paper for XI Plan Period as

prepared by a Sub-Group constituted by the Planning Commission.

While preparing the approach paper due cognizance was to be given the oversupply situation that prevailed during major part of X plan period and to various studies made by Tea Board and FAO-Inter Governmental Group on Tea as to the demand supply situation. The assessments indicated that surplus of production over consumption was likely to persist during XI Plan period and beyond implying thereby that the world market prices for tea would be under downward pressure if a significant increase in demand does not take place. Accordingly it had been suggested for curtailment of unbridled expansion of tea area and to focus on enhancing the productivity in order to enhance returns, reducing the unit costs through productivity gains, building capacity of small growers, streamlining marketing channels and improving infrastructure.

For the purpose of determining the production and export targets, the studies conducted by Indian Institute of Management, Kolkata [IIMC] on behalf of Tea Board on the domestic consumption and the actual export performance during the last two plan periods have been taken into consideration. The approach during the XI Plan period would, therefore, be on balancing the production for meeting the domestic demand in full and retaining India's current share in the global market. The estimated supply-demand situation in India for the XI plan period may be seen at table 1.

Production and Export Targets for the XI Plan Period: Million Kgs Table - 1

Year	Production	Domestic Demand	Export	Total Demand	Net Import
2007-08	965	780	200	980	15.00
2008-09	985	797	203	1000	15.00
2009-10	1006	814	207	1021	15.00
2010-11	1027	832	210	1042	15.00
2011-12	1060	855	220	1075	15.00

Strategies proposed in the approach paper for the XI Plan period:

I. With the world supply position steadily increasing, the main thrust /approach should be on improving

productivity of the existing gardens rather than establishing new plantations at huge investments, value addition and marketability. The action to be taken to adopt this strategy should involve :



1. Vertical development measures such as replanting/rejuvenation pruning, infilling of vacancies with better varieties etc. & mechanization of operations.

2. Enhance the productivity of small gardens and reach of technological advances to smaller estates where potential for improvement is the greatest

3. Special emphasis on irrigation and drainage for combating the recurring drought and water logging.

II. In order to make Indian teas competitive the main thrust should be on 'QUALITY' To capture the growing niche markets and improving marketing capabilities, conversion to organic system of tea growing and production of other specialty teas are to be encouraged. The action to be taken to adopt this strategy would involve :

1. Modernization of the existing factories to ensure production of clean teas without any trace of foreign material in the end product.

2. Encourage Product diversification and creation of facilities for dual manufacture of tea (orthodox and CTC)

3. Ensure adherence to the prescribed international and domestic SPS (Sanitary and Phyto-sanitary) standards for tea.

III. A strong and vibrant internal market is necessary to create the required synergies for expanding export market. An intensive generic promotion campaign therefore needs to be taken up within the country so as to increase the per capita consumption and to arrest the declining trend in the domestic demand.

IV. The competitive advantage of tea industry depends primarily on the quality of people. Therefore, HRD inputs are critical to the future developments of the tea industry. Considering the amount of employment generated by the tea industry, it would be worthwhile to consider providing some relief under the plan schemes aimed at improving the health and welfare of the plantation workers and small growers. The assistance to be provided may be in the nature of complimenting but not replacing the statutory provisions of Plantation Labour Act.

V. Information technology should be given due emphasis during the plan period for making available ready information to the tea industry. The Geographic Information Systems (GIS) should be explored in collaboration with ISRO for creating a geo-data base covering all aspects of tea plantations :

VI. Focus on Technological and industrial Research :

During the previous plan periods, main thrust of the R&D was on improving the production and very little attention was paid to technological advancement particularly on tea engineering. It was noticed that there was a wide disparity between the energy consumed by the processing machinery and their output. It has therefore been suggested to have a re-look at the existing machinery and equipments used for processing, packaging, cleaning and blending and if necessary change the very method of processing the tea by availing the help of the institutions with proven capabilities in the engineering area. Eg. IIT Kharagpur.

Activities to be covered through the Plan Schemes during XI Plan

To give effect to the above strategies, it has been suggested to pursue the following activities during the XI Plan period through the plan schemes of the Tea Board:

➤ Enhancement of tea production through various development measures such as replantation, rejuvenation pruning and infilling of vacancies with improved planting materials. Besides regular subsidy for these activities as admitted during the X Plan period, an additional support by way of long term loan will be provided under the Special Purpose Tea Fund (SPTF) which was set up during the last quarter of X Plan period.

➤ Enhancement of productivity of small tea holdings and the quality of tea produced in the Bought leaf factories through encouraging small growers to organize themselves in to Self Help Groups/producer societies and establishing a direct linkage with the tea factories.

➤ Special emphasis on Irrigation and drainage for combating the drought and water logging conditions.

➤ Modernization of tea processing factories to ensure



production of quality and value added teas suitable for domestic and export market.

- Market Promotional activities both on domestic and export front.
- Special assistance for export of value added and specialty teas such as orthodox and Green Teas, etc
- Setting up of an IT Portal on tea for dissemination of information to all segments of the industry and trade and also creating a platform for electronic trading of tea.
- HRD programme for supplementing the welfare measures for the plantation workers particularly in the areas of health and hygiene, education support for the wards of the workers and training needs of the people associated with tea cultivation, processing and marketing.
- Implementation of ISO and HACCP and food quality standards as a part of quality assurance programme
- Stepping up of R & D measures.

XI. PLAN SCHEMES & Approved Outlay for the Plan period 2007-2012

Financial assistance for the above activities are extended by way of Long term loan, subsidy and grant in aid under the Plan schemes. Tea Board's role being that of a catalyst towards accelerating the overall development, the funds being provided under its various schemes are not meant for meeting the entire needs of the Tea Industry. Since the Industry is composed of units of different sizes and of varying economic strength, the developmental schemes are designed to cater to the necessities and requirements of different segments according to their financial capabilities.

The following five schemes as indicated in table-2. have been approved for implementation during the Eleventh Five Year Plan period (From 1st April 2007 to 31st March 2012). These schemes which were implemented during the Tenth Plan period as well have been approved for continuation during the XI plan period with certain modification and higher outlay:

Table - 2

SI.No	Name of the Scheme	Approved outlay Rs.crores		X plan expenditure
		XI Plan	X Plan	Rs.crores
1	Tea Plantation Development Scheme	316	98.59	112.85
2.	Quality Upgradation and Product Diversification Scheme	230	76.80	64.64
3	Market Promotion Scheme	119	98.60	90.53
4	Research and Development Scheme	85	70.00	79.72
5	Human Resource Development Scheme	50	6.01	5.69
	Total for regular schemes	800	350.00	353.43
6	Other ad hoc schemes	6.43*	146.25**	106.45**
	Total Budgetary support for 11 th Plan Period	806.43	496.25	459.88

* Rs.6.43 crores (US \$ 1.60 million) to be received over next three years from Common Fund for Commodities (CFC) on account of Organic Tea Development Project

** The ad-hoc schemes sanctioned during the X Plan:

crores

- i) Orthodox production incentive Scheme: Rs. 65.00 crores
 - ii) Additional Support to R&D Institutions: Rs. 28.00 crores
 - iii) Price subsidy scheme for small growers: Rs. 23.25 crores
 - iv) Capital contribution to SPTF Fund: Rs. 30.00
- Total Rs. 146.25**

Note : i.the orthodox subsidy scheme is being merged with QUPDS



The break up of the approved outlay for XI Plan period is as under :

Table - 3

	Name of the Scheme	Sanctioned Outlay	Govt. approval		Year wise allocation for the XI plan period					
			Rs. Crores	Sanction Order No	Date	2007-08	2008-09	2009-10	2010-11	2011-12
1	Plantation development Scheme (PDS)	55.73	T- 7014/1/2007-Plant (A)	12/10/07	2	11	13	14	15	55
2	Quality Upgradation and Product Diversification Scheme (QUPDS)	230	T- 17014/5/2007-Plant (A)	25/3/08	30	47	49	50	54	230
			For QUPDs		30	25	25	25	25	130
			For Orthodox Incentive		(**)	22	24	25	29	100
3	Market Promotion scheme (MPS)	119.50	T- 7014/3/2007-Plant (A)	1/2/08	25	26	26	21.50	20.50	119
4	HRD Scheme	50	T- 7014/4/2007-Plant (A)	8/10/07	5	10	11	12	12	50
5	R & D Scheme	84.6857	T- 7014/5/2007-Plant (A)	13/2/08	14	16.50	17.50	18.00	19.00	85
6	SPTF	394.27	T- 7014/3/2004-Plant (A)	17/1/07	30	40	65	66	60	261
	Subsidy component	333.27			15	25	50	50	60	200
	Capital contribution	61.00			15	15	15	16	0	61
Grand Total					106	150.50	181.50	181.50	180.50	800

ACTIVITIES SUPPORTED UNDER THE PLAN SCHEMES

1. Tea plantation development scheme – Outlay Rs.55 crores

This scheme provides for extending financial support

to tea gardens for undertaking below noted field oriented developmental measures aimed at increasing field productivity and decreasing cost of production.

ACTIVITIES ELIGIBLE FOR SUBSIDY :

For all the growers regardless of the size of their holdings :

Table - 4

1	Replantation/Replacement planting and Rejuvenation of old tea areas -.	For these activities financial assistance by way of loan and subsidy is provided. Applicants are required to submit a separate application under the Special Purpose Tea Fund –SPTF -Scheme)
2	Creation of Irrigation facilities	The subsidy for these three activities will be provided @25% of the actual cost subject to a combined ceiling limit of Rs.10,000 per ha for the XI Plan period of five years.
3	Creation of Drainage facilities.	
4	Creation of Transportation facilities	



Contd. Table - 4



- I) New planting in the hilly areas above 2500' above MSL
- II) For individual Small growers holding up to 4.00 ha under tea
- III) For Small Grower Self Help Groups

- I. Setting up Leaf collection Centers/Input Storage godowns
- II. Purchase of weighing Scales/ Leaf carry bags/ plastic crates
- III. Purchase of Transport vehicles
- IV. Purchase of field inputs -fertilizers & plant protection chemicals and implements – pruning machines, sprayers etc

Eligibility conditions and others terms and conditions for availing the subsidy, application format etc are given in the Plantation Development scheme manual.

PHYSICAL AND FINANCIAL TARGETS FOR XI PLAN PERIOD

ACTIVITY SPECIFIC ITEMS ELIGIBLE FOR SUBSIDY :

1. Creation of Irrigation facilities :

1. The items that are eligible for subsidy would include sprinkler equipments, drip irrigation system, pipelines, motors, pump sets with electric line connection and accessories and creation of irrigation sources such as check dams, tube wells etc.

2. Financial assistance in the form of subsidy would be provided @ 25% of the actual cost of the machinery and civil work subject to ceiling of Rs. 10,000 per hectare. The maximum amount of subsidy allowed per garden

for creation of irrigation facilities during the XI Plan period of five years is limited to Rs.10 lakhs.

2. Creation of Drainage facilities.

Year	Physical target (HECTARES)		Financial target (Rs. Lakhs)	Subsidy (Rs. Lakhs)
	New Planting	Common facilities for growers		New Planting
08/09	1000	1500	30	4.00
09/10	2000	1500	35	10.50
10/11	2000	1700	60	10.50
Total	7450	7900	125	36.25

LCVs /Tractors/ trailers for haulage of green leaf from field to factory and carrying inputs to fields and JCBs for the purpose of uprooting old Tea bushes.

2. The tractors and trailers shall be allowed at the rate of one vehicle of every 5000 kg of green leaf harvested in a day.

3. One JCB per garden is admissible.

4. Financial assistance in the form of subsidy would be



provided @ 25% of the actual cost of the Vehicles purchased.

Ceiling limit of subsidy:

The above noted three activities–viz : Irrigation, Drainage & Transport Vehicles have been grouped under one head of Account "Common Facilities". The combined outgo of subsidy during the XI plan period per garden on account of these three activities will be limited to Rs.10,000 per ha.

4 : New Planting in Hilly areas by Small Growers

1. Subsidy for new planting will be allowed only for small growers holding upto 4 ha and taking up planting in hilly areas with an altitude of above 2500 feet above MSL.
2. Financial assistance in the form of subsidy would be provided @ 25% of the unit cost to be notified from time to time. The current unit costs for various hilly regions and the rate of subsidy thereof may be seen at table-6

Table - 6

Sl. No.	Place	Unit cost Rs per ha.	Subsidy Rs. per ha.
1.	Darjeeling Hills	371210	93000
2.	N.E. Region	303284	76000
3.	South India	344600	86000
4.	H.P./Uttaranchal	255200	64000

5. Assistance to Small Grower Self Help Groups

1. Each SHG should have at least 50 small tea growers as members under its command. Individual growers holding tea area up to 10.12 hectares (25 acres) are considered as small growers.
2. Given the average size of the holdings being 0.4 ha, the minimum command area of the SHG should not be less than 20 Ha.

For each SHG financial assistance will be provided for the below noted "Common Facilities" with a ceiling limit of Rs. 5 lakhs (five lakhs) per SHG .

Table - 7

Sl. No	Component	Unit Cost	Rate of Subsidy	Ceiling Limit
1	Transport Vehicles- Trucks, Tractors, trailers for haulage of green leaf from field to factory, and carrying inputs to fields.	Actual cost as notified by the vehicle manufacturers	50%	LCV shall be allowed @ one vehicle for every 2000 kg. green leaf handled per day (during June to September)
2	One year input cost per ha as revolving corpus: i) fertilizer(NPK) ii) pesticide +weedicide iii) sprayers(proportionate cost)Total of I+ii+iii Input storage godown One time capital grant	Rs. 4500 Rs. 5000 Rs. 500	100%	one time grant @ Rs.10,000 / ha as a revolving corpus
		Rs.10,000 Rs.50,000		one Input storage godown /SHG
3	One time capital grant			
	i. Leaf collection sheds	Rs.30,000	100%	One leaf collection shed for every 5000 kg leaf harvested in a day. Subsidy will be limited to 100% of the actual cost subject to a ceiling limit Rs.30,000/- each shed.
	ii. Leaf weighing scales	Rs.3000	100%	Two weighing scales / SHG. Subsidy will be limited to 100% of the actual cost subject to a ceiling limit Rs.3,000/- for two scales.



Contd. table - 7

Special purpose tea fund scheme : Outlay Rs.261 crores

The Special Purpose Tea Fund Scheme was notified by the Govt. of India on 16.01.2007. Objective of the scheme is to encourage tea garden owners to take up large scale uprooting and replanting of old tea bushes for improving production and productivity for competitive sustenance. Under this scheme, it is envisaged to cover 2.12 lakh hect. of uneconomic tea areas over a period of 15 years commencing from 2007. The target set for the XI Plan period is 40992 ha comprising of replantation in 32560 ha and rejuvenation in 8432 ha. Rejuvenation pruning is allowed only in hilly areas.

The region wise targets for 15 years and the XI Plan period are given in table 8.

The scheme provides for extending long term loan (50% of the unit cost) and subsidy (25% of the unit cost). Considering the prevailing cost of planting in various tea growing regions rates of loan and subsidy would differ from region to region as noted in table 9

Table - 8

	15 Years Area (Ha)	XI Plan Area (Ha)	
Replantation Program			
Assam Valley	81,815	15634	
Cachar	16,155	3087	
Tripura	2,258	431	
Dooars & Terai	44,955	8591	
Darjeeling	3,456	699	
Diff. Plastic crates/nylon leaf bags	Rs.210/crate	Rs.210/crate	
South India	14,850	2799	100%
Other Areas	6,900	1319	
Total	170,389	32560	
Rejuvenation Program			
Darjeeling	10,967	2190	
South India	3,258	6242	100%
W. Pruning Machine	Rs.35,000		
Total	42,217	8432	
Total Aggregate	212,606	40992	

Rs. per hectare Table - 9

Region	Unit cost	Loan @ 50% of unit cost	Subsidy @ 25% of unit cost
Activity : Replantation and Replacement planting			
Assam Valley	303284	151642	75821
Cachar	283685	141842	70921
Tripura	202070	101035	50517
Dooars & Terai	298020	149010	74505
Darjeeling	371210	185605	92802
South India	344600	172300	86150
Other areas	255200	127600	63800
Activity: Rejuvenation			
Darjeeling	95000	47500	23750
South India	95000	47500	23750



Loan is payable upfront i.e. Prior to commencement of planting/ rejuvenation pruning and subsidy is back ended i.e. payable after completion of planting/pruning in three installments. The tenure of loan period is 13 years with a moratorium on principal for first five years. The rate of interest on the loan would be based on prevailing

10 year G.Sec Rate plus 1.5%. The minimum rate of interest applicable would be 9.5%

A sum of Rs. 261 crores comprising Rs.200 crores towards of subsidy and Rs.61 crores for maintaining a default reserve fund has been sanctioned for the XI Plan period.

Table - 10

Eligibility conditions and others terms and conditions for availing the subsidy, application format etc are given in the Special Purpose Tea Fund scheme manual.

The scheme has been well received by the tea industry. During the period under report, a total of 577 nos. of applications covering 7533.16 hectes were received. This comprised 516 applications for Replanting /replacement planting involving 7263.00 hect. and 61 nos. of applications for rejuvenation pruning and consolidation involving 270.16 hect. During the current year sanctions were accorded for 122 applications covering 1628.27 ha involving loan component of Rs. 24.51 cores. Subsidy amounting to Rs. 19.36 crore was also sanctioned in respect of 663 cases covering 4677 ha.

While the average rate of area replanted in the past 25 years was 2864 hect per annum, in the very first year of introducing the SPTF scheme, the area developed was 4624.23 hect. which is about 62% increase. A sum of Rs. 14.30 crore was disbursed for replanting/replacement planting and rejuvenation pruning activities out of Rs.15.00 crore sanctioned during the year.

PHYSICAL AND FINANCIAL TARGETS FOR PRINCIPAL Diversification Scheme (QUPDS) : Outlay Rs. 230 crores

A/c year	Physical Targets Hectares	Financial Target Capital Contribution	Sub Com
2007-08	4840	15.00	1
2008-09	4592	15.00	3
2009-10	5102	15.00	4
2010-11	3073	0.00	5
2011-12	9353	0.00	6
Total	32560	61.00	20

Budgetary Allocation & Rates of Subsidy :

The gross approved outlay for the QUPDS for the 11th plan period (i.e. 2007-12) is Rs. 250.50 crores of which Rs 20.50 crores is to be met from Special Fund created out of the proceeds of Additional Excise duty during the X Plan period. The rates of subsidy for various activities, and the applicable ceiling limits are shown in table - 11



Table - 11

Rs crores

	Activities supported
1	<p>1. Modernisation of the processing factories by replacing worn out machinery : (Subsidy @ 25% on the actual cost of machinery subject to a ceiling of Rs.25 Lakhs per factory per annum).</p> <p>2. Procurement of processing machinery for orthodox tea factories and</p> <p>3. Setting up of new factories by the Self Help Groups of tea growers (item 2 & 3 subsidy @ 40% would be provided subject to a ceiling of Rs.25 Lakhs per factory per annum).</p>
2	<p>1.Value addition by way of creating additional infrastructure for blending, colour sorting, packaging etc. (Subsidy @ 25% on the actual cost of machinery subject to a ceiling of Rs.25 Lakhs per factory per annum).</p> <p>2.In case of machinery for orthodox tea in 100% CTC factories (Subsidy @ 40% would be provided subject to a ceiling of Rs.25 Lakhs per factory per annum).</p>
3	Quality assurance certification for ISO/HACCP and Organic (Subsidy @ 50% of the certification fee subject to a ceiling of Rs.25 Lakhs per certificate including renewals per annum).
4	Setting up of new factories for production of green tea, specialty teas etc (product diversification) – (Subsidy @ 40% of the cost subject to a ceiling of Rs.25 Lakhs per annum).
5	Incentive for orthodox tea production – Subsidy @ Rs.3/- per kg of actual production of leaf grades up to 100 kg for dust grades and an additional incentive @Rs.3/- per kg of incremental volume over the previous year.
	Total



*Rs.20.50 crores to be met from Additional Excise Duty (AED) Funds.

Note: Machinery: The subsidy is limited to 25% of the total cost (basic cost of the machinery items, admissible taxes, freight, insurance and cost of commissioning) subject to a ceiling limit of Rs. 25 lakhs per factory/ blending packaging unit.

COMBINED TOTAL

Table - 12

Activity	Physical Target	Financial Target Rs. Crores
1. Modernization of the processing factories by replacement of old and worn out machinery	349 units	87.25
2. Value addition by way of creating additional infrastructure for cleaning and blending and packaging facilities.	147 units	36.75
3. Quality assurance certification – ISO/HACCP and Organic Tea Certification	100 units	1.00
4. Product diversification – production of green tea and specialty teas	20 units	5.00
5. Incentive for orthodox tea production	380 m.kg	100.00
Total		230.00

PHYSICAL AND FINANCIAL TARGETS FOR XI PLAN PERIOD

Year	Physical Target (No. of Units)				Financial Target (Rs. Crores)	
	C-1*	C-2	C-3	C-4	C-1	C-2
2007-08	60	36	25	6	5.00	9.00
2008-09	80	32	20	4	20.00	8.00
2009-10	80	32	20	4	20.00	8.00
2010-11	70	25	20	3	7.50	6.00
2011-12	59	22	15	3	4.75	5.00
Total	349	147	100	20	87.25	36.75

*C-1,2,3 & 4 refer to

1. Modernization of the processing factories by replacement of old and worn out machinery

2. Value addition by way of creating additional infrastructure for cleaning and blending and packaging facilities.

3. Quality assurance certification – ISO/ HACCP and Organic Tea Certification

4. Product diversification – production of orthodox tea, green tea and specialty teas etc



Physical and Financial Target for Orthodox tea production Table - 14

Year	Production -Million kg		Incentive payable Rs.crores		Total
	Actual	Incremental	Actual	Incremental	
2007-08	65	5	19.50	1	20.50*
2008-09	70	5	21.00	1	22.00
2009-10	75	6	22.50	1.2	23.70
2010-11	80	6.5	24.00	1.3	25.30
2011-12	90	10	27.00	2.0	29.00
Total XI Plan	380	32.5	114	6.5	120.50
*The first year's requirement would be met from the residual funds available out of the original allocation made for this activity under the AED fund scheme.					

Eligibility conditions and others terms and conditions for availing the subsidy, application format etc are given in the QUPD scheme manual.

Human Resource Development Scheme: Outlay Rs.50 crores

Primary objective of HRD activities supported under this scheme aims at induction of professionalism in plantation management, improve labour productivity, skills improvement at all levels from workers to managers through extensive training and carrying out plantation labour welfare measures aimed at filling in critical gaps in the welfare of tea garden workers, particularly in health and education which will be in the nature of complimenting but not replacing the statutory provisions of Plantation Labour Act.

The productivity of the workers is interlinked with the environmental conditions of the work place including

sanitation, hygiene, education and sports facilities for their wards etc. Keeping this in view, it is proposed to consider providing some relief under the instant scheme aimed at improving the health and welfare of the plantation workers – Sanitation, availability of drinking water, providing educational stipends to the wards of the plantation workers for pursuing higher studies and sports activities etc In order to augment the interactions amongst the plantation managers it is proposed to establish Planters Productivity Councils in all the major plantation districts.

The total Outlay sanctioned for this scheme is Rs.50 crores. All activities under labour welfare have been clubbed under two broad heads viz: Health and Education with an outlay of Rs.25.50 crores for health and Rs. 12 crores for education. The remaining Rs.12.50 crores has earmarked for the training of which 60% will be used for imparting training to plantation workers.

The year wise allocation for the Scheme during XI Plan :

(Rs.in Crores)

Table - 15

Year	Improving the health of workers	Education for wards of workers	Training programmes	Total
07-08	2.55	1.20	1.25	5.00
08-09	5.10	2.40	2.50	10.00
09-10	5.61	2.64	2.75	11.00
10-11	6.12	2.88	3.00	12.00
11-12	6.12	2.88	3.00	12.00
Total	25.50	12.00	12.50	50.00



Main and Sub components of Human Resource Development Scheme

Table - 16

Sl. No		Phy tar
A. Labour Welfare measures		
I. For improving the Health of Workers:		
1	Drinking water (One water point source with hand pump and platform)/Ring well for every 200 workers)	50 ur
2.	Sanitation (one unit of sanitary latrine for every 100 workers)	10 U
3	Capital grant for extension of medical facilities and purchase of medical equipments and accessories	25
4	Capital grant for construction of clinics and hospitals	20
5	Assistance to disabled persons dependent on tea garden workers	4 wo
Total for improving the Health of Workers		
II. For education of wards of workers		
1.	Educational stipend for the wards of workers for pursuing higher studies	25 stud
2	Capital Grant for extension of school buildings and construction of hostels	25
3	Capital cost for construction of schools	20
4	Book and Scholl Uniform grant	25 stud
5	Assistance to Scouts and Guides and sports activities	
Total for Educational support		



Table - 17

B	Training programmes	Target		
1.	Short term training programmes for growers/workers and plantation managerial staff The financial assistance for training would be in the ratio of 60:40 for growers / workers: managers		6.50	
2	Training of Trainers (Extension service providers for small growers): The growers are scattered in various districts. It is difficult to extend technical support to them. Although, they are encouraged to organize themselves into Self Help Groups, still it would call for large number of technical officers in the rolls of Tea Board for providing technical support. As there is limited scope of creating additional posts, it is proposed to impart training on technical aspects to selected number of small growers to minimize the dependency of the SHGs for technical help from outside sources. It is proposed to train them for a period of six months at Tea Research Stations. 100% grant is proposed towards the course fee and the boarding and lodging charges for the training period. On completion of the training, the trained members are expected to provide technical support to at least 50 growers in a village in respect of maintenance of the fields, organizing plucking at regular intervals, application of inputs in time and collection of green leaf and its transport to tea processing factory in good condition etc. For this service, an honorarium of Rs.500 per month per person shall be paid for a period of 1 st six months after the training period. Thereafter, the small growers are expected to provide suitable remuneration for the services availed from the extension service providers on a pro rata basis of the green leaf handled .	2500 trainers	4.75	Course fee for six months payable to TRA/UPASI TRF: Rs.10,000/trainee Boarding and lodging during the training period Rs.6000/trainee Honorarium @Rs.500 per month/trainer for first six months of post training period.
3	Setting up of Plantation Productivity councils in all the plantation districts, seminars and conferences and National Commodity information Grid		1.25	To be organized in collaboration with NPC and IIPM
Total for Training programmes			12.50	
Total HRD (A + B)			50.00	



Physical targets in respect on health and education

Table - 18

Sl.No	Activities	2007-08	2008-09	2009-10	2010-11	2011-12	Total
I.	HEALTH						
1	Drinking Water- No. of Units	00*	1000	1200	1400	1400	5000
2	Sanitation : No. of units	00*	2000	2500	2500	3000	10000
3	Capital grants to hospitals/ clinics/ health center for construction/ extension of buildings and for purchase of medical equipments No. of Units	5	10	10	10	10	45
4	Assistance to disabled persons dependant on tea garden workers/ medical assistance for tea plantation workers and reservation of beds No. of Persons	80	80	80 persons	80 persons	80 persons	400 persons
II.	EDUCATION						
1	Stipends/scholarships/ vocational Training/ Book and school Uniform grant for wards of tea plantation workers. No. of students	5000	5000	5000	5000	5000	25000
2	Capital grants to schools/colleges for construction/ extension of buildings No. of Units	5	10	10	10	10	45
3	Bharat Scouts and Guides and sports activities in teas gardens No. of persons	1100	1100	1100	1100	1100	5500

Meetings of the Development Committee :

During the year under report, the Development Committee of the Board comprising of following members closely monitored and guided the implementation of the various developmental programmes:

- Chairman, Tea Board, Ex-officio, Chairman of the Committee.
- Shri Tarini Kanta Roy, MP (Rajya Sabha), Member, Tea Board
- Shri J.L. Butail, Kangra Valley Tea Growers' Association, Kangra, Himachal Pradesh, Member, Tea Board.
- Shri Vijay Jagannath, M/s. Mcleod Russel India Ltd., Kolkata, Member, Tea Board.
- Shri J.K. Thomas, Managing Director, Malankara Plantation Ltd. Kadimatha, Kottayam-686 039, Member, Tea Board.
- Shri P.A. Joseph, President, Indian National Plantation Worker Federation, Kerala,
- Shri Peter Mathias, Chairman Tea Committee, Upasi, Coonoor (Invitee)
- Shri Shashank Prasad, President TAI, Kolkata. (Permanent special invitee)



The Development Committee met four times on the following dates during the year under the report :

Table - 19

Meeting No.	Date of Meeting	Place
107	23/06/2007	Jorhat
108	27/09/2007	Kochi
109	17/12/2007	Darjeeling
110	26/03/2008	Kolkata

Financial and Physical achievement under the ongoing Schemes during 2007-08

I. Financial Achievements during 2007-08: Rs. Crores

Table - 20

	Name of the Scheme	XI Plan Outlay	2007-08 TARGET	2007-08 ACTUALS	% + or (-) over target	% Utilisation of XI Plan Target
1	2	3	4	5	6 (5/4)	7 (5/3)
1	i. Tea Plantation development Scheme	55.00	2.00	2.80	140 %	5 %
	ii. SPTF - Subsidy	200.00	15.00	16.01	107 %	8 %
	iii. SPTF - Capital	61.00	15.00	15.00	100 %	25 %
2	i. QUPD Scheme	130.00	30.00	27.24	91 %	21 %
	ii. Orthodox production incentive	100.00	00.00	00.00	---	---
3	Market Promotion	119.00	25.00	21.78	87 %	18 %
4	R & D	85.00	14.00	11.21	80 %	13 %
5	HRD	50.00	5.00	4.01	80 %	8 %
	Total	800.00	106.00	98.05	93 %	12 %
6	AED Funds being carried forward to XI Plan period					
	i. Orthodox production Incentive	15.72	15.72	14.00	89 %	89 %
	ii. Additional support to R&D	18.02	3.70	3.22	87 %	18 %
	Sub Total	33.74	19.42	17.22	89 %	51 %
	Grand Total	833.74	125.42	115.27	92 %	14 %



II. Physical Achievements during 2007-08

Table - 21

	Name of the Scheme	XI Plan Targets	2007-08 TARGET	2007-08 ACTUALS	% + or (-) over target	% Achievement of XI Plan Target
1	Plantation Development Scheme					
	1 New Planting	7450 ha	250 ha	183.84	74 %	2.5%
	2 Irrigation & Drainage	7900 ha	1200 ha	1564.95	130%	20%
	3 SHGs of small growers	212 nos.	20 nos.	45 Nos.	225%	21%
	4 Replanting (SPTF)	32560 ha	4840 ha	3196.69	66 %	10%
	5 Rejuvenation (SPTF)	8432 ha	810 ha	1427.54	176%	17%
2	QUPD Scheme					
	a) Factory Modernization	349 units	60 units	106	176%	30%
	b) Value Addition	147 units	36 units	2	6%	1.4%
	c) Quality certification	100 units	25 units	27	108%	27%
	d) Product Diversification	20 units	6 units	--	--	--
	e) Orthodox tea production	380 m. kg	65 m. kg	72.94	112%	19%
3	Market Promotion Scheme					
	a) Transport subsidy (ICD Amingaon)	128 m. kg	25 m. kg	27.33 m. kg	109%	21%
	b) Fairs & Exhibitions	100 Nos.	20 Nos.	19 Nos.	95%	19%
4	HRD Scheme					
	1. Improving the health of workers :					
	a) Capital grant to Hospitals / clinics located in plantation Districts including reservation of beds	45 units	5 units	7 units	140%	15.5%
	2. Education of Wards of workers :					
	a) Educational stipend / uniforms /book grants etc	25000 students	5000	665 + 20086*	13%	3 %
	b) Capital grant to schools & hostels	45 units	5 units	10 units	200%	22 %
	c) Assistance for organizing Bharat Scouts and Guides & sports activities in plantation Districts	5500 students	1100 Students	995 students	90 %	18%

Development Grant under Research and Development Scheme :

This scheme provides for extending financial support by way of capital grant for Research and Developmental activities. The particulars of research activities for which financial assistance was extended are reported separately under the chapter dealing with the activities of Research Directorate. The development grant component of the scheme was used mainly for meeting the developmental

needs of the small tea growers who account for nearly 20% of all India tea production. The activities supported for the benefit of the small growers include extending advisory services, setting up of tea nurseries for supply of good quality planting materials, organizing study tours and workshops and maintaining closer interface with small growers in non-traditional areas.

During the year under report a sum of Rs. 262.76 lakhs was disbursed as per the break up of particulars as noted below:



Development grant disbursed during 2007-08

Table - 22

SI No.	Particulars	Amount Rs.lakhs
1	Advisory service – grant in aid provided to TRA/UPASI/AAU & IHBT Palampur	11.00
2	Study tours and workshops	5.18
3	Strengthening of Zonal & Regional offices of the Tea Board	53.21
4	Demonstration Pruning in small holdings in Nilgiris, Tamil Nadu	17.04
5	Others (miscellaneous)	176.33
	Total	262.76

Orthodox tea production subsidy scheme

This Scheme was launched in 2005 and it provides for extending subsidy @ Rs.3/- per. Kilogram of Orthodox leaf grade teas and @ Rs.2/- per Kilogram orthodox dust grade teas. An additional incentive @ Rs.2/- per. kg. is provided for the incremental volume of tea produced over and above the volume of tea produced during the previous year. For computing the eligible amount of

subsidy, the orthodox tea produced from 1st January 2005 has been taken into account. For the purpose of comparing the incremental volume, the total orthodox tea produced during the corresponding period of year 2004 (January to December) was taken into account. The details of the claims received amount of subsidy released and the volume of production covered during the three period since inception of the scheme are as under :

Year	No. of claims	Volume of Production in million kgs covered by the subsidy	Amount of Subsidy disbursed Rs. Crores
2005	321	81.18	24.35
2006	323	78.33	23.42
2007	351	88.19	25.45
Total		247.70	73.22

Price Stabilization Fund Scheme

This Scheme was introduced w.e.f 1.4.03 by the Ministry of Commerce and Industry for the benefit of small farmers growing tea, coffee, rubber and tobacco. The scheme aims to provide some compensation as and when the prices of the four commodities fall below a certain level. For this purpose, a Price Stabilization Fund with a corpus of Rs.500 crores has been set up by the Government.

For determining the level of compensation to be provided, an annual Price Spectrum Band for each commodity is fixed based on the seven year international moving average of the price for the concerned commodity by PSF Trust.

Small growers holding up to 4.00 Ha are eligible to join the scheme. The maximum membership allowed for tea growers is 42619. Growers desirous of joining the scheme are required to pay onetime joining fee of Rs.500 and open a savings bank account with any nationalized bank. Besides annual compensation the growers are also entitled for a Personal Accident Insurance Policy cover, without paying any extra premium. Based on the annual Price Spectrum Band, the given year is categorized as good, normal and distress period. As far as tea is concerned, all the years from 2003-04 to 2007-07 have been categorized as normal years. So far 15282 small growers have enrolled under the scheme as per the break up given below :


Particulars of small growers enrolled under the Price Stabilization Fund Scheme :

State	Maximum permissible membership	Enrolment during					Total enrolment since inception
		2003-04	2004-05	2005-06	2006-07	2007-08	
N.E, States	15277	1576	1044	199	52	323	3194
Kerala	2250	11	1	Nil	Nil	Nil	12
Tamil Nadu	23245	184	11691	Nil	Nil	11	11886
Himachal-Pradesh	1380	34	8	3	Nil	13	58
West Bengal	467	56	76	Nil	Nil	Nil	132
Total	42619	1861	12820	202	52	347	15282

Revolving Corpus for Loan Schemes

During the 9th plan period, a revolving corpus was set up from the amount of loan that was drawn from the Government during the previous plan periods for operating the loan schemes and that was outstanding as on 1st April 1998 (i.e. Rs. 51.94 crores).

The objective of setting up of the revolving corpus was to enable the Board to continue its loan schemes without any fresh budgetary support from the Government. Since 1998-99, the Board has been extending long term loans to the tea industry from the

revolving corpus for undertaking new planting, replanting and replacement planting, creation of irrigation facilities, replacement of tea processing machinery and procurement of transport vehicles etc. The particulars of loan disbursed from the Revolving Corpus from 1st April 1998, Amount recovered from the loanees, and the amount due for payment to Government are given in below noted tables.

In compliance with the Government's directives, no fresh sanction was accorded during the year under report for extending loan to the Tea industry.

Loan disbursed from the Revolving Corpus from 1st April 1998 to 31st March 2008

(Rs. in Lakhs)

Sl.No	Year	Machinery	Plantation	Irrigation	Total
1	1998-99	607.83	137.94	413.45	1159.22
2	1999-00	385.61	57.08	591.72	1034.41
3	2000-01	316.58	59.10	289.38	665.06
4	2001-02	287.54	25.96	257.15	570.65
5	2002-03	572.03	1.85	104.53	678.41
6	2003-04	163.00	484.00	54.00	701.00
7	2004-05	60.80	242.24	9.26	312.30
8	2005-06	14.00	53.58	0.00	67.58
9	2006-07	Nil	52.85	Nil	52.85
10	2007-08	Nil	20.56	---	20.56
	Total	2407.39	1135.16	1719.49	5262.04



Loan amount recovered from the loanees from 1st April, 1998 to 31st March, 2008

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Loan Amount re-payable to the Government from 1st April 1998 to 31st March, 2008.

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Sl No.	Year	Principal	
1	1998-99	686.25	299.55
2	1998-99	733.92	382.88
3	2000-01	717.91	253.79
4	1999-00	509.41	
5	2001-02	556.64	249.48
6	2000-01	546.17	
7	2002-03	589.66	318.29
8	2003-04	343.20	516.70
9	2004-05	504.73	
10	2004-05	416.32	516.10
11	2002-03	481.00	
12	2005-06	506.83	474.75
13	2003-04	381.00	
14	2006-07	475.46	409.86
15	2004-05	322.00	
16	2004-05	444.00	3421.43
17	Total	5008.19	3421.43

Important decisions taken by the SPTF APEX Committee, Development Committee and the Board with regard to operational aspects of the ongoing Development Schemes during the year under report:

1. SPTF Scheme :

During the year under review, the Apex Committee held two meetings on 01.05.07 and 04.01.08. Screening Committee held five meetings.

Major policy decisions taken during the meetings were as under:

1. Upward revision of indexed unit cost for replanting
2. Amendment of scheme provision in respect of rejuvenation pruning to include all tea growing areas above 2500 ft from mean sea level
3. Waiver of mandatory membership of the Tea Research Institutes as a precondition to avail benefit of scheme



4. Increase of height of rejuvenation pruning
5. Relaxation of the norm of minimum and maximum qualifying area for availing the benefit
2. Other Schemes
1. The Board had accorded approval for inclusion of Tripura State Central Soil Testing Laboratory attached to the Department of Agriculture Government of Tripura, as an approved Soil testing laboratory under Board's Tea Development Scheme.
2. The Board admitted the proposal of Assam Agriculture University for setting up of a Mini Tea factory with dual manufacturing facility for imparting training to small growers.
3. The Board has accorded considered the proposal of Assam Agricultural University for continuation of the Small Tea Growers' Advisory programme during 11 Plan period (2007-12)
4. The Board accorded approval for adoption of a standard package for recovery of long pending outstanding dues from defaulter Tea companies by way of (i) monthly installment with initial down payment and (ii) extension of interest rebate facility for payment in lump sum.
5. The Board accorded approval to the proposal submitted by Institute of Plantation Science & Management under University of North Bengal for imparting training to the small tea growers in North Bengal & Kishangunj dist of Bihar.



TEA RESEARCH

According to the provision in the Tea Act, Tea Board is promoting, conducting and coordinating tea research activities mainly through three tea research institutes, namely Tea Research Association (TRA), United Planters' Association of Southern India -Tea Research Foundation (UPASI-TRF) and Darjeeling Tea Research and Development Centre (DTR & DC).

Major financial supports are given to two institutions, TRA and UPASI-TRF which are conducting basic and applied researches on tea cultivation, plant protection, breeding, biotechnology, quality aspects and in other related areas. Tea Board has its own research centre (DTR & DC) located at Kurseong, Darjeeling which is engaged in R & D activities to cater the need of the tea estates in the hilly regions of West Bengal.

TRA is having its laboratory infrastructure at Jorhat with seven advisory centers in the entire North East for transfer of technology to the tea estates. Similarly, UPASI-TRF is having its head quarter at Valparai with seven advisory centers in South India. Both the institutions are granted financial support to the extent of 80% of the expenditure of certain identified items of the respective research institutes as grant-in-aid (49%) along with additional support from the additional excise duty (AED) fund (31%). This financial support helped both the institutes to meet their recurring expenditure. Special research schemes were also granted by Tea Board to Himachal Pradesh and Uttaranchal for R&D works to give

support to the respective tea industry.

Grant-in-Aid

With the increased financial support from the Tea Board since last three years upto 80% of their recurring expenditure, TRA and UPASI-TRF are now engaged in generating more scientific/technical information on tea cultivation, protection and manufacturing of tea; and also in intensive transfer of technology to the gardens by way of increasing number of visits, organizing training programmes, seminars, conferences at the local areas. Fundamental research activities including biotechnological intervention in tea for development of basic information to identify genetic markers for enhancing the speed of conventional breeding programmes for the development of superior tea cultivars, identification of biochemical parameters relating to quality and tea manufacture. Research areas also covered in product diversification in tea like development of technologies for chemical extraction, tea colas, and tea tablets etc.

Research activities at the laboratory and field covering both basic and applied aspects level in both the institutes have been strengthened. Different package of practices have been developed. Ongoing research at the field level included tea cultivation, cultural operations, updating of nutritional dose, bio-control and development of biocides like neem products and microbial formulations. Plant protection measures have been changed in the recent years updating to integrated pest management (IPM) system to reduce the pesticide residue contents in tea. From the findings of recent experiments on application of pesticides and residue contents, the IPM system has been further strengthened.

The budgetary support to TRA on account of grant-in-aid and AED was given to the extent of Rs.686.00 lakhs during 2007-08 including arrear amounts. Similarly, UPASI was also granted Rs.145.07 lakhs as grant-in-aid and AED during 2007-08. For the current financial year (2008-09), provision of Rs. 888.10 for TRA and Rs 159.58 for UPASI-TRF are made. The financial support from AED to TRA and UPASI-TRF was granted for five years effecting 2004-05, to be concluded in 2008-09. The increased financial



support for the ongoing research activities in the traditional tea research institutes helped to strengthen their in-house research programmes to a great extent during the last three years. Tea Board also granted recurring expenditure upto Rs.2.00 lakhs to Assam Agriculture University for the tea technology course at the graduate level.

Plan Schemes

10th Plan research projects have been completed in March, 2008. These schemes helped the traditional tea research institutes, namely TRA and UPASI-TRF for developing some infrastructural facilities. Eleven research schemes, six for UPASI and five for TRA which were completed recently had both capital and recurring expenditure, granted out of Board's Plan budget. The outlay for these projects were Rs.974.09 lakhs for the tenth plan period, of which Rs.972.88 lakhs have been released by Tea Board upto March, 2008 to the host institutes.

The scheme implemented by the institutes helped in building network infrastructure through V-SATs in the North East and South India for creating data bank on garden information to help in transfer of technology. The direct linkage between the head quarter and advisory centers of TRA and UPASI-TRF has helped in speedy disposal of technical information upto the grass root level. The Plan support helped for the establishment of chain of quality testing laboratories by both TRA and UPASI-TRF. The garden samples are now tested for quality at the field level and the reports are made available easily. The up gradation of quality in tea received a boost out of this network programme. During the plan a special programme has been launched on product diversification in tea. Other programmes during the 10th Plan included studies on the general soil health aspects of North Bengal tea gardens which are opting for large scale replantation under the special package. Remote sensing technology has also been applied in data generation on underground water reserves and to find out effective drainage system in the problematic areas where overflowing of water is a major problem. The Uttaranchal state has received financial support for establishment of a small tea experimental firm at Kausani

tea areas through the G.B. Pant Institute of Agriculture, Pantnagar.

Under tenth plan scheme studies on biotechnology and bio control for blister blight in South India has also progressed well. A survey on the factory conditions and quality manufacture of tea in South India revealed the situations of tea manufacture and the need of up gradation of factory conditions to a great extent.

Tea Board has also released some fund for transfer of technology to different organizations like TRA which has received Rs.5.0 lakhs during 2006-07.

Salient achievements of 10th Plan schemes which were completed recently (March, 2008) are given below:

TRA

1. Establishment of chain of quality testing laboratories and strengthening of existing analytical facilities at regional centres and Tocklai.

- For the assessment of quality of made tea as per PFA specifications, some of the important biochemical parameters viz., TF/ TR, Total polyphenol, total soluble solid, Total ash content, Iron filings, Pesticide residue, Heavy Metal etc. were standardized by using different techniques as per ISO specifications.
- Totally 539 CTC black tea samples were collected from North-East India covering Brahmaputra Valley, Barak Valley and Dooars region. And the total number of samples analysed were 5122.
- Significant variations were observed among all the biochemical parameters, and the interesting observations noted was the variation among the Valleys. The most significant variation was found in case of thearubigin (TR) content.
- With regard to catechin contents in Black tea it was observed that, EGCG content was found to be highest in green leaf in general, however, in made tea samples the EGCG content was found to be lower compared to other catechins and higher catechin content is inversely correlated with the DF content.
- Well marked variation of iron filling was observed among different gardens and in different regions.
- The level of pesticide residue of all the gardens of different regions was found to be below MRL



2. Networking of advisory centres for better communication between TRA and its members

- The above mentioned project was undertaken by TRA with the major objective to develop better communication between TRA and its members. For the first time all the TRA advisory branches are connected via broadband VSAT through ERNET backbone using INSAT 3C for facilitating better communication using digital pathway.
- Dynamic website www.tocklai.net with web mail facilities for all TRA officers has been developed and is constantly being updated to add more features for its use by a wider clientele.
- A TRA forum is set up within the TRA websites with special features for communication between TRA scientists at Head Quarters (Tocklai), its branches and its members. The forum has been done using a blog concept. With its three communication levels (Intra TRA-within TRA, where TRA personnel can communicate their views on various subjects; TRA members to TRA – TRA members can put in their problems and TRA scientists can respond; Scientists (global) to TRA Scientists – where discussion can take place on various subjects and can be visualized as open e-discussions.
- A software Integrated Data Analysis system (IDAS) has been developed to process and establish an online connection for real time transfer of information between the advisory (extension) branches of TRA and Tocklai Experimental Station at Jorhat.
- This project has provided a very important platform in the shape of digital information (data) exchange between TRA and its members for better communication and for making quality decision for management of Tea gardens.

3. Development of technology for product diversification and value added items of tea :

- This project aimed to develop and standardize the methodology for production of different by products and value added products.
- Tea tablets of different taste and flavour was prepared with different ingredients (diluanta, binders and sweeteners etc) using compression and granulation

methods. Chewing and sucking tablets from both green and black tea were prepared.

- Canned tea (soft drinks) from different sources and flavour were prepared for commercial use. Soft drink from apple, lemon and orange flavour were developed for commercialization.
- Flavoured instant tea was developed using different binders alongwith tea concentrates. Herbal tea was prepared using different types of herbs. Decaffeinated tea was also developed using Super Critical Fluid Extractor.

Confectionary items like tea toffee and candy, tea biscuits, tea cakes were also prepared.

Tea flavour was prepared using steam distillation and super Critical Fluid Extraction method. Similarly crude tea catechins were extracted from tea using differential solvent extraction method. Most of the technologies developed are ready for commercialization

4. Development of catchment-wise integrated drainage system through remote sensing and GIS towards solving water logging at macro level-pilot area:

The study was made on different pilot areas and the findings were given accordingly.

- **Tingrai Basin (Upper Assam)** – Super imposition of satellite images on SOI map (1970) shows that many drainage channels have become extinct or in the verge of extinction which have ultimately resulted in severe water logging. Suggestions were made that extinct streams should be restored to be original width and be deepened to 2-2.5 meter depths as per relief of the land to ensure easy flow of water thereby improving drainage of the area.
- **Madura Basin (Cachar)** – Fertile top soil is getting eroded every year and slop map indicated that majority of the T.Es are located on moderate and gentle slops. The gardens lying in the upper catchments are prone to soil erosion due to steep slopes. The T.Es are suffering from acute water scarcity in dry months and need irrigation supplementation. Suggestions made were deforestation at the hills must be carved to control the occurrence of landslides to minimize the effect of drought; water harvesting structures should be



constructed. As a remedial measure against erosion, tea gardens (lower scale erosion) could use the locally available materials such as bamboos, broken fragment of trees etc. as retards besides bunds to reduce the velocity of flow.

- **Chotta Rongit (Darjeeling)** – Severe landslide erosion has been observed in the basin. At various places soil sinking has been observed and many times it was coupled with landslides. Suggestions made were afforestation over open slopes/sensitive areas, construction of retaining walls and only control planting should be allowed.

5. Influence of soil organic matter on productivity of tea under north Bengal conditions :

- Soil morphological features showed that variations between sides were presence of gravels, occurrence of mottle and colour of soil.
- Soils within 2.25 - 2.75% organic carbon were better correlated with yield. Most of the soil parameters were found to be optimum in this group of soil organic carbon.
- Organic carbon content was found to be correlated with available moisture content, clay content, excess acidity, excess aluminium, average sulphur and acid phosphatase activity.
- Polyphenol content in soil increases with increasing organic carbon content with a concomitant decrease in number of colonies of either bacteria or fungi.
- Significant increase in yield was observed on application of exogenous organic matter.
- N-K interaction was obtained in respect of high and low level of organic matter upto a level of 135 kg N/ha.

UPASI-TRF

1. Establishment of a chain of quality control laboratories in the regional centers of UPASI – TRF and strengthening of existing analytical facilities at TRI.

- According to the PFA Act requirements quality parameters, lime sulphur, dolomite, organic matter etc. were done at the laboratory of Vandiperiyar and Gudalur throughout the year from the samples received from the member tea gardens.
- A total of 5,209 estimations had been carried out

on the tea samples, soil amendments, fertilizers and agrochemicals received from various members' estates.

- Other quality parameters like caffeine, lipid, catechin fractions, iron filings, volatiles flavor compounds were also estimated (1200 numbers)

- With the establishments of two quality control labs in the regional centers and also with an increase in the capacity to handle more number of analytical samples, the overall analytical process was expedited and the results were conveyed to the member estates in time.

- Assay of pectinase in the crop shoots had been standardized and this can be used as an index for quality assessment in tea.

2. Networking of Regional Centres of UPASI TRF with TRI and tea gardens for better communication.

- The electronic net working system in the UPASI – TRF and other regional centres has been created using the V-SAT for better communication. This has helped the planters in obtaining the recent development in tea research.

- A web site has been created with all the information relating to the research activities and other information on the TRF. This web site has the options of receiving frequently asked questions through which planters could clarify their doubts and also about recent recommendations.

- A software on "Weed management" has been developed incorporating different types of weed and their management which is useful to the planters.

- Automatic Weather Station (AWS) with logger installed at TRI and Regional Centers automatically recorded the weather parameters. The meteorological data downloaded is sent every day to all member estates through E-mail.

3. Studies on the residues of insecticides, fungicides, weedicides and heavy metals in south Indian tea.

- Standardized the analytical methodology for the estimation of residues of fenprothrin, fenazaquin, fenpyroximate, tebuconazole, profenofos, hexythiazox, paraquat and 2-4-D in made tea.

- Three large scale surveys were completed to study



the status of pesticide residues and heavy metal content in South Indian tea.

- Multi-location field trials were completed for the studies on degradation of fenpropathrin, fenazaquin, flufenazine, paraquat and 2-4-D during processing and storage.
- Data on residues of fenpropathrin had been submitted to Codex for fixing MRL in tea.
- Studies were also carried out on residues in tea liquor to establish realistic MRL of some of the pesticides (fenpropathrin, fenazaquin, flufenazine, etc).
- The analytical methodology for heavy metals like lead, cadmium, arsenic, copper, nickel and chromium in tea were validated and accredited by NABL.
- Tea samples from different parts of South India were sampled to determine the level of chromium and to assess the extent of Cr contamination during CTC manufacturing.

4. Studies on different irrigation systems and critical evaluation of secondary and micronutrient status in tea soils of South India.

- Water requirement for sprinkler and drip irrigation was determined for different agro climatic zones (Wayanad, Nilgiris, Vandiperiyar Karnataka etc.).
- Soil application of secondary and micro nutrients increased the quality of tea.
- Soil application of 35 Kg. zinc sulphate showed a significant increase in thearubigins, total liquor color, highly polymerized substances and caffeine while theaflavins content was high only in standard treatment.
- Based on infusion, color, strength and briskness of tea liquor the foliar application of chelated zinc @ 1.5 Kg./ ha./yr. was the best in terms of total marks and price realized followed by standard practices.
- The critical limits of iron, manganese and aluminium were determined (mg /Kg.) in plant materials (Iron :Root-570, Stem-547, Leaf-1140; Manganese : Root-584, Stem-892, Leaf-4784; Aluminium : Root-2328, Stem-5182, Leaf-11572).

5. Optimization of processing parameters to maximise use the quality of South Indian black teas.

- Sixty-three factories have been surveyed in Nilgiris, High Range, Vandiperiyar, Wayanad and Anamallais region to generate information on the variation in manufacture.
- The manufacturing technique was standardized by identifying the optimum processing parameters for each stage of manufacturing.
- Studies have been carried out to maintain the quality of CTC black tea and the biochemical stability was found to be seven months under normal storage condition.
- Comparative studies on drum, drum cum floor and CFM fermentation have been made. Drum cum floor treatment was found to be the best in terms of theolepins and total liquor colour.
- Studies on oxygen addition during fermentation have been carried out and optimized.
- Studies to improve the brightness of the south Indian teas have been made and standardized.

6. Biotechnological and bio-control studies on tea blister blight pathogen.

- cDNA library was constructed and sequencing of cDNA clones from the said library were done. The same was submitted to dbEST of GeneBank.
- One sequence was identified having homology with heat shock protein of many plants.
- SCAR markers were developed to identify blister blight tolerant / susceptible tea clone.
- Pathogenesis related proteins in leaf samples of tea have been identified.
- A protocol has been standardized for the isolation of high molecular weight genomic DNA from *Exobasidium vexans* spores.
- Phylogenetic relationship have been established through RAPD marker analysis amongst the different blister blight pathogen colored from different tea growing region of South India.
- Biochemical and anatomical characterization of eight tea clones (four each tolerant and susceptible to blister blight disease) were done.
- Certain bacterial strains have been isolated and



identified as potential bio-control agents against tea blister blight pathogen.

DTR & DC

Tea Board is giving full financial support to DTR & DC, Kurseong which is engaged in research activities on plant physiology, soil and agronomy, biochemistry and extension services. Tea Board made an expenditure of Rs. 5.86 lakhs during 2007-08 for all these activities in the centre. In the current year similar financial supports are also granted. Some of the salient achievements of research conducted a DTR & DC during the period under report are mentioned below:

In an experiment for the determination of suitable pruning cycle of old chinary tea bushes, it was observed that the maximum yield was noted in the four year pruning cycle than three year and five year cycle and the differences were significant. In another experiment a study was made to understand the response of soil and foliar application of some micro-nutrients in Darjeeling tea. It has been observed that the treatment T2 (2% Zinc+2% Magnesium+1% Boron) increased yield to 14.6 % over the control which was followed by the treatment T5, Phytonol-G (25 kg/ha) and the difference was not significant. Efficacy of IMO certified organic manure (Organomax) was tested for the study of Carbon mineralization, Nitrogen release properties and yield of some popular young tea clones of Darjeeling. The yield data were recorded for the last two years and therefore it is too early to give any conclusion at present. However, the yield response of two popular clones (T-383 and AV2) to organomax were found to be superior.

During 11th Plan period, DTR & DC, Tea Board's own research institute will be upgraded with regard to infrastructural facilities including laboratory building, manpower and equipments. There will be few new initiatives which comprise of new areas of research including genomics and breeding, improvement and sustainability of quality of Darjeeling tea and organic tea research.

CSK Himachal Pradesh Krishi Vishavidyalaya, Palampur

Title : Integrated research and extension activities for the development of tea industry in Himachal Pradesh

- Department of Tea Husbandry and Technology in

collaboration with Technical Officer (Tea), Department of Agriculture, Govt. of Himachal Pradesh has organized training camps at different factory zones to render the technical guidance to the growers on the spot i.e. at planters field.

- Various packages of practices were developed for the tea cultivation in traditional and non-traditional areas and specific training camps were organized to educate tea planters of Himachal Pradesh tea industry.
- Technical guidance was provided to revive sick tea industry of Himachal Pradesh and abandoned gardens.
- Demonstration was made to disseminate technology to the planters for rejuvenation of neglected and abandoned tea gardens and for development of model tea garden.
- Different cultural practices were applied to some new tea areas and improvement was achieved for the overall growth and development of that specific areas/region.
- Demonstrated the use of compost and vermicompost in the tea planters field for the improvement of tea plantation of Himachal Pradesh
- Standardized the technique of organic tea cultivation G.B.Pant University of Agriculture and Technology, Pantnagar Title: Establishment of Tea Research Centre at Uttarakhand

Different types of experiments were conducted at this centre which included studies on bringing up of young tea into early production, studies on pruning cycle for mature tea, effect of plucking intervals on quality and yield of made tea, effect of foliar feeding of secondary and micronutrients on the growth and yield of mature tea plants, response of soil water regimes and fertilizer doses on quality and yield of tea and effect of inorganic fertilizers and bio-fertilizers on cultivation of tea under modified climate in an agro forestry system. Results obtained in the above areas of research were initially analyzed aiming towards mainly improvement of yield and quality aspects which in many cases were successful. However, repetition of experiments and multi-location trial to see the variation according to different agro-climatic regions and with the change of cultivations are required to be tested for the long term



benefit to the industry. A survey was conducted in different tea growing localities of Uttarakhand to understand the biodiversity of insect pests and their natural enemies. The tea aphid, thrips and leaf folder were recorded as the prevalent species of insect pests. New insects of minor importance were also reported during the survey and were identified at Zoological Survey of India, Kolkata. Observation on the population density of major pests associated with tea crop viz, aphid, thrips, grasshopper and leaf folders were recorded during the period 2007-2008 in the experimental field of Tea Research centre, Kausani.

Technological Support

Tea Board is playing an important role to give essential technical support to the tea industry by way of circulation of technical standards from different tea importing nations as well as from the Govt. of India. The tea standards are generally developed and modified by the Bureau of Indian Standard (BIS) in consultation with Tea Board and tea research scientists. The Ministry of Health is notifying quality standards under the provisions of Prevention of Food Adulteration Act, 1955. The quality standards are regularly updated at various stages for which Tea Board is giving technical data along with the views of the tea industry. The industry is regularly monitoring updating of such standards for production and promotion of Indian tea.

New Rules on Food Hygiene stipulating in EU.

India is attempting to harmonize few standards on SPS with the national regulations. This is hard to adopt such hygienic practices without in-depth study for practical purposes of utility. Hygiene regulations under the EU are effected from 01.01.06. Tea Board is playing crucial role in interactions with various Tea Councils in the West and also with the European Commission on these issues. The support materials as practicable for the tea industry are collected by the Tea Board both from the point of view of technicality and acceptability in the tea estates in India. The training and awareness programmes on the new regulations are going on with the support of the Tea Board by which the tea industry is largely benefited to cope up with the liberalization steps in export of tea.

Pesticide Residue Standards

Major works during the year were at the field level in

conducting trials to generate residue data by TRA and UPASI-TRI and Institute of Himalayan Bioresource Technology. Joint programmes financed by the National Tea Research Foundation and Tea Research Institutes in conducting trials during the last five (5) years helped to generate data at the field level for many of the new compounds applied in tea. Such data were compiled for computing MRL. The Ministry of Health submitted proposals to Codex for fixation of MRLs in the last few years for several compounds. These efforts are remarkable to indicate that by now India's data on residue in tea helped to formulate MRL at the Codex and also to suggest such steps to be taken at the PFA level for fixing national MRLs in tea.

The list of MRL at the Codex is increasing every year through submissions of Indian data. So far India submitted data for two compounds in 2004, one compound in 2005 and two compounds in 2006 to the Codex. MRLs for all these compounds are at different steps in the Codex procedures. More data are under consideration for submission. Data for two old compounds have been compiled for toxicological considerations.

The efforts of India through the data generation process on residue by the Inter Governmental Group on Tea (IGG)—Working Group on Pesticide Residue, coordinated by Tea Board India and trials conducted by different tea producing countries has helped to propose MRLs to the IGG and to Codex. This is a remarkable achievement. The IGG is progressing in data generation at different countries as coordinated by India.

The developments on MRL at Japan on its positive list have been worked out to resolve to satisfy the importers.

Evaluation of tea research institutes:

During the period under report, a five member evaluation committee has constituted by the Ministry of Commerce & Industry, evaluated three tea research institutes, namely TRA, UPASI and DTR & DC through visiting the institutes and interacting with the scientists. Committee members also interacted with the tea industry executives in both South India and North-East India including Dooars, Terai and Darjeeling. A report was submitted in March, 2008 to Tea Board, which was forwarded to the MOC & I, Govt. of India.



TEA PROMOTION

6. Introduction

Exports of Tea were lower in 2007-2008 in terms of quantum as compared to the previous year to the extent of 32.83 m. kgs. The value realization also registered a decline during 200-2008 as compared to 2006-2007 to the extent of Rs.157.04 crores. The unit export price realization has shown an improvement of Rs.8.14 per kg.

Exports to Russia, Kazakhstan, Ukraine, U.S.A, Canada, Germany, Poland, Sri Lanka, Saudi Arabia, Egypt, UAE, Iran and Australia registered an increase. Very low offtake by Iraq has been largely responsible for the dip in exports during 2007-08.

Several developments affecting Indian tea in the domestic and international market places required new initiatives from Tea Board and Industry for meeting the new challenges. Markets such as Russia/CIS, UK, A.R.E. (Egypt), UAE, Pakistan etc. continued to be of vital importance. In keeping with the requirements of the export and domestic markets there was a focus on quality in a sustained manner. Quality control projects continued to be actively pursued along with implementation of ISO 3720 Standards and HACCP (Hazard Analysis & Critical Control Points). Efforts continued to persuade producers to increase production of exportable quality good teas of orthodox variety.

There was a slow-down in the rate of domestic tea consumption, as a result of increasing competition from other beverages, particularly soft-drinks. To arrest the declining trend in domestic demand, tea promotion within India assumed greater importance and Tea Board continued organizing several promotional activities in the country. They were mainly aimed at the youth projecting tea as a lifestyle beverage and at young housewives, propagating health benefits of tea. The domestic generic campaign that was launched in the last quarter of the financial year 2005-06 and continued during 2006-07 was on a low key during 2007-08. For projecting the quality image of Indian tea and supporting trade activities, Tea Board's modernized and re-oriented Tea Centre-cum-Trade Information Centre at Mumbai continued to show good results.

In the world scenario, the effects of the liberalised regime of imports under WTO obligations and freeing of tea imports among SAARC countries apart from India's Free Trade Agreement with Sri Lanka on preferential Tariff terms (thereby allowing import of Sri Lankan teas at concessional duty rate), increased competition in international markets, developments affecting Indian exports in countries such as Russia, Libya, Iran, Iraq etc., continued to provide a serious challenge to the Indian tea industry, during the year under review. With the reduction of import duty in Egypt there is now a greater prospect of increasing Indian exports to Egypt.

The activities of the Tea Promotion Directorate were considerably enhanced and upgraded through various pro-active activities and through continuation of Scheme to tea exporters towards meeting additional transport and handling charges incurred for teas exported through I.C.D., Amingaon. During the year under review the transport subsidy was continued with the rate of Rs.1.50 per kg. In keeping with Ministry's MDA guidelines some nominal promotional assistance was provided to exporters. Regular promotional activities of the Board were also carried out including through participation in various trade and consumer Fairs and Exhibitions internationally.



The table below gives position of Indian tea exports over the last 3 years.

(E) — Estimated and subject to revision

The Board's export promotion work is carried out from Head Office and through its foreign offices located at London, Moscow, & Dubai .

The present jurisdiction of the Board's Foreign offices is as under :

LONDON	UK, Ireland, Norway, Sweden, Denmark & Finland. Since the closure of Hamburg Office from July 2002, the following countries have come under the jurisdiction of London Office :- Belgium, Luxemburg, Netherlands, France, Germany, Italy, Spain, Portugal, Greece, Austria, Switzerland, Malta, Cyprus, Poland, Yugoslavia and its breakaway Republics such as Bosnia Herzegovina, Croatia and Slovenia.
Moscow	Russia and CIS countries
Dubai	West Asia and North Africa comprising Kuwait, Iran, Iraq, Bahrain, UAE, Saudi Arabia, Oman, Qatar, Yemen, Jordan, Syria, ARE, Libya, Sudan, Tunisia, Algeria, Morocco, Turkey and also South Africa.

Promotional activities in countries other than those covered by the Overseas Offices are undertaken from the Board's Head Office in Kolkata with the help and co-operation of respective Indian Missions abroad.

The work of promotion is carried out at various levels :-

a) Generic promotion through Tea Councils to increase overall consumption of tea including activities to

communicate the health aspect of tea. India is a member of the Tea Councils of UK, Germany, Canada and USA.

- b) Promotional programmes for Indian tea are carried out by the Board's foreign offices to enhance demand for Indian tea and increase market share. Activities geared towards facilitating trade through these offices include participation in Fairs and Exhibitions, trade facilitation by way of arranging Buyer-Seller meets and visits by trade delegation, etc.
- c) Market development activities include market Surveys, market analysis and tracking of consumer behavior. This also includes making all relevant information available to exporters/importers and through an information dissemination plan.
- d) In order to enhance the equity of Indian Tea and its various sub-brands, efforts are on to register the Board's logos in various markets as well as to popularise the usage of these logos and to prevent misuse by unauthorized users.

Year	Qty. (MTs)	Value (Rs. Cr)	U.P. (Rs/Kg)
2005-2006	196.67	179.58	91.20
2006-2007	218.15	204.72	93.77
2007-2008	189.32	188.68	101.91

The Director of Tea Promotion in the Board's Headquarters coordinated the activities of the Overseas Offices to ensure proper monitoring of their promotional programmes and smooth functioning. Activities during the year 2007-2008 included the following:

- a) Organising the Board's participation in Trade Fairs and Exhibitions not covered by the Overseas Offices.
- b) Arranging the visit of the Board's representatives, tea delegations to foreign countries to participate in International Meetings, Fairs/Exhibitions and Buyer-Seller Meets.
- c) Organising the visits to India of tea delegations/buyers and media representatives from abroad, including arranging their meetings with tea trade, visits to tea areas etc.
- d) Maintaining liaison work with the tea trade, attending to trade enquiries, shipping and warehousing difficulties, keeping the tea trade informed of developments related to exports, as well as, dissemination of market and trade information.



- e) Registration of producers, exporters, traders of Darjeeling tea under Darjeeling CTM Protection Process.
- f) Issuance of Certificate of Origin for all exports of Darjeeling tea based on invoice-wise tracking of garden tea production.
- g) Processing and disbursement of various assistance to trade/ industry under Market Promotion Scheme of Tea Board.
- h) Maintenance of accounts and budgeting on various allocations against activities under Market promotion Scheme.

Exporter Rating System

Exporter Rating System had been launched under ACCENTURE recommendation to assign performance ratings to the exporters based on their credibility and also the level of the customer's satisfaction based on a range of parameters. A reputable Consultant Agency CSMM (a member of the IMRB group) had been appointed for the exercise on a tender process. The Project remained unfinished despite continued efforts and follow up by Tea Board because of non submission of essential information by the participant exporters. The extent of feedback from importers was also poor despite persuasive efforts by CSMM. Efforts were initiated to rake up the issue with CSMM and explore possibilities to revive the ERS, but no response was available from CSMM.

Information Dissemination

As part of information dissemination the trade enquiries received at various fairs and exhibition as well as those received from time to time from various sources, were passed on to the industry members through the revamped website.

Market consolidation and Diversification of export market portfolio.

Efforts are on to consolidate position in markets where India has a significant share of the tea market, and also to enter new markets. The Geographic market portfolio needs to be diversified in order to reduce the dependence on the few major importing countries and create a more balanced basket. Efforts are now being

focused on tapping the potentials in the far east and ASEAN region as well as Egypt and Pakistan. Tea Board's participation in events in China are now showing results. Tea Board's promotional activities in Australia are also showing good and promising results.

Niche segment opportunities

Value-addition and targetting niche segments in specific markets has been a priority area. Efforts were on to increase orthodox production. 40% of the world's consumers drink orthodox teas whereas 91% of Indian tea produced is CTC. Industry has taken initiatives to increase orthodox production, as well as quality improvement and cost reduction. Speciality teas like Darjeeling have been branded as top end products and protected in terms of Intellectual Property Rights.

Darjeeling tea registered as a geographical indication and IPR achievements :

The quality, reputation and characteristics of Darjeeling tea are essentially attributable to its geographical origin-It possesses a flavour and quality which sets it apart from other teas, giving it the stature of a fine vintage wine. As a result it has won the patronage and recognition of discerning consumers worldwide for more than a century. Any member of the trade or public in ordering or purchasing Darjeeling tea will expect the tea to be the tea cultivated, grown and produced in the defined region of the District of Darjeeling and to have the special characteristics associated with such tea. Consequently, Darjeeling tea that is worthy of its name cannot be grown or manufactured anywhere else in the world. Darjeeling tea cannot be replicated anywhere.

DARJEELING TEA – Protection and Promotion :

Under international law, geographical indications mean indications which identify a product as originating in the territory of a member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the product is essentially attributable to its geographical origin.

Darjeeling tea is India's treasured Geographical Indication and forms a very important part of India's cultural and collective intellectual heritage. It is of



considerable importance to the economy of India because of the international reputation and consumer recognition enjoyed by it.

In the legal sphere, countries are seeking to protect Geographical Indications as geographical indications, collective marks or certification marks.

To assist the Tea Board in its role of authenticating regional origin of Darjeeling tea, it has developed the following logo – known as the DARJEELING logo



(Darjeeling logo)

At a legal level, Tea Board is the owner of all intellectual property rights in the DARJEELING word and logo both in common law and under the provisions of the following statutes in India:

- (i) The Trade Marks Act 1999 : DARJEELING word and logo are registered certification marks of Tea Board;
- (ii) The Geographical Indications of Goods (Registration and Protection) Act, 1999 : DARJEELING word and logo were the first Geographical Indications to be registered in India in the name of the Tea Board;
- (iii) The Copyright Act, 1957 : The DARJEELING logo is copyright protected and registered as an artistic work with the Copyright Office.

IPR achievements

The Tea Board has continued its objectives to protect and preserve its various tea names and logos as India's treasured geographical indications and icons of India's cultural and collective heritage.

DARJEELING

1. DARJEELING word was accepted for registration in Australia as a certification mark.
2. Application filed for registration of DARJEELING word as a Regional Collective Mark in Japan.
3. Applications filed for registration of DARJEELING word and logo marks in Taiwan as certification marks.
4. An online Darjeeling Tea Trade Supply Chain Integrity

System (a trade chain management system) for surveillance and monitoring the supply chain and address the traceability issue in the Darjeeling tea trade chain was introduced. The system entails computerized collection and validation of the production and sales figures. For the purpose, two computerized data collection centers have been setup, one in Darjeeling and the other Kolkata, which are connected through Internet enabled services. All plantation and processing related data are collected and validated at the collection center situated at Darjeeling.

5. An independent certification agency, was asked to develop a capsule or blueprint such that trade chain audits could be conducted. This design was structured to check and validate the authenticity of the data collected through the online Darjeeling Tea Trade Supply Chain Integrity System. The system of the audit has been devised on the basis of the Organic supply chain certification system.
6. Application filed for registration of DARJEELING as a Protected Geographical Indication under European Council Regulation 510/2006. (This application is a very important step in the protection of DARJEELING as once registered, DARJEELING will be protected, inter alia, against any misuse, imitation or evocation or use accompanied by expressions such as "style", "type", "method", "as produced in", "imitation" or similar).
7. Chairman, Tea Board led a delegation comprising representative segments of the Darjeeling interests to the UK and France and held extensive discussions with representatives of UK Tea Counsel, French Tea Board and Comité interprofessionnel du vin de Champagne (CIVC).

The objective of the interactive process with the UK Tea Council was not only to sign a Memorandum of Understanding to protect the interests of Darjeeling tea but also exchange of information as to how the UK DARJEELING certification system ought to be made responsive to the dynamics of market realities. The revised certification scheme has been sent to the UK Tea Council.

Besides the process of consultation with the respective tea associations, the delegation met with representatives



of CIVC, the association charged with the protection of the well known geographic indication Champagne, with a view to gain an insight into the protection of Champagne to enable Tea Board to strengthen its schemes in preserving the integrity of Darjeeling tea.

ASSAM & NILGIRI

Tea Board filed applications for ASSAM (orthodox) and ASSAM (orthodox) logo & NILGIRI (orthodox) and NILGIRI (orthodox) logo as geographical indications under The Geographical Indications of Goods (Registration & Protection) Act, 1999. The applications have been examined and after meeting with the GI Registrar and Experts from the Consultative Group, the applications have been accepted subject to Tea Board filing certain documents and information.

INDIA TEA Logo

The application for India Tea Logo as a certification mark was advertised. The application is expected to mature to registration shortly.

In addition to the above, the Tea Board continued to challenge, through available means, instances of attempted registrations and misuse of three tea names and logos as well as the India Tea Logo both at the domestic and international level.

Participation in International Fairs /Exhibitions from Head Office.

During the period under review, participation in the following Fairs and Exhibitions was organized from Head office :

1. Tea & Coffee World Cup, 3rd to 5th June 2007
Geneva, Switzerland
2. World Tea Expo, Atlanta 9th to 11th June 2007
3. Africa's Big Seven 2007 15th to 17th July 2007
Johannesburg, South Africa
4. Incredible India Show, 23rd to 26th Sep. 2007
New York, U.S.A
5. Fine Food Sydney, Australia 24th to 27th Sep.2007
6. South Asian Countries 28th to 30th Dec. 2007
Commodity Fair,
Beijing, China

7. Tea & Coffee World Cup. 10th to 12th Jan. 2008
Florida, U.S.A
8. Foodex, Tokyo, Japan 14th to 17th March 2008

Generic promotion of tea in India

As part of the generic promotion of teas in India, Tea Board participated in the following events during the year under review :

1. Health & Beauty, Coonoor, April, 2007
2. Ganga Utsav, 2007. Kolkata, August, 2007
3. All India Women's Conference, Kolkata, September, 2007.
4. 11th National Expo , Kolkata, September, 2007.
5. UPASI Annual Conference, UPASI, Coonoor, September 2007.
6. 1st International Kaziranga Fair, Guwahati, September, 2007.
7. Arogya, New Delhi, October, 2007.
8. Orissa Expo, Bhubaneswar, November, 2007.
9. Kolkata Film Festival, November, 2007.
10. Goa Film Festival, November, 2007.
11. World Food Annapurna, Mumbai, November, 2007.
12. Sonapur Mela, Sonapur, Bihar, November, 2007.
13. Indian Organic Bangalore, Bangalore, December, 2007
14. 2nd Himalayan Expo, Siliguri, December, 2007.
15. Konarak Dance Festival , Konarak, December, 2007.
16. Food and Drink Festival, New Delhi, December, 2007.
17. Sampark, Tezpur University, Tezpur, January, 2008.
18. Digha Sea Bach Fair, January, 2008.
19. 2nd North Bengal Industrial Fair, Jalpaiguri, February, 2008
20. Panacea, Mumbai, February, 2008.
21. Surajkund Craft Fair, Haryana, February, 2008.
22. Tea & Tourism Fair, Udhagamandalam, February, 2008.



23. Tourism Fair, Kolkata, February, 2008.
24. Enterprise North East, Guwahati, February, 2008.
25. Health Care Expo, Mumbai, March, 2008.

Indian tea advertisements, with articles in some cases, were released in a number of national and other magazines, newspapers, supplements etc, highlighting tea as health and lifestyle beverage.

India International Tea Convention

Tea Board, jointly with industry members organized India International Tea Convention in Guwahati in November 2007. India was projected as a 'one-stop-shop' for tea requirements of the international buyers. The event showcased the varied range of teas the country could offer.

6.2 Production of Publicity Materials and Gift Items.

The Directorate continued its regular functions of production and printing of promotional literature/items, catering to the request for publicity materials, tea caddies, etc., from the Board's foreign offices and Indian Missions abroad, interacting with the general public, domestic and foreign press and other VIPs/Government Officials, prospective tea buyers, etc.

6.3 Tea Promotion in India.

With the slow down in the rate of domestic consumption of tea, increasing competition from other beverages and developments in the global arena, such as, the liberalized regime of imports under WTO obligations, there has been a revised focus of the Board on tea promotion in India.

The Board continued to maintain four Tea Bar/ Buffets at Parliament House, Yojana Bhawan, Udyog Bhawan and North Block in New Delhi, a Tea Nook in Tirumala and Tea Room at Tamil Nadu Secretariat, Chennai, which presently function mainly as public relations platforms and serve high quality Indian teas at such venues, frequented by VIPs, foreign visitors and other guests. A new Tea Centre opened at Chennai Mofussil Bus Terminus (CMBT) has been functioning since April, 2004.

For running Board's Tea Center in Mumbai, M/s Basu Media who was appointed as Management

Consultant from 1st June 2002, continued to manage the Tea Centre on behalf of Tea Board.

Dainik Bhaskar, the newspaper with the largest circulation in Madhya Pradesh, celebrated their 25 years in Indore in unique way. Instead of the usual celebration through a lavish party, Dainik Bhaskar decided to do something different. They organized the World's largest tea party, which was a fund raising event for the welfare of Indore, as well as a Guinness World Record event. An unprecedented 32,681 people, excluding organizers, sponsors and volunteers gathered in the Nehru Stadium to drink tea together and set new Guinness World Record. Tea Board was pleased to be a part of the event by being a co-sponsor.

6.4 Delegations/Visitors from abroad.

The Board endeavours to maintain and improve trade relations between exporters and importers by direct contact and discussions. In bound delegations have been encouraged. During the year 2007-08 the Board received and organized the visit of the following delegations :

A 10 member Iranian tea delegation consisting of the officials from the Ministry of Health, Islamic Republic of Iran and members from Association of Tea Traders and Distributors, Iran visited India during 5th – 8th September, 2007. The Mission was to assess the health and hygienic conditions maintained in tea manufacturing/packaging and blending together with the certifying parameters of various quality certifying agencies before deciding on the imposing of the Plant Master File stipulation.

Tea Board hosted the visit of the overseas speakers for the India International Tea Convention in November 2007.

6.5 Delegations/Deputations from India.

1. Mr. B. Banerjee, Chairman, Tea Board led a tea delegation comprising members of three leading Indian tea Producers and Exporters Association to Pakistan during 20th to 27th April 2007.
2. Dr. P. Sakil Ahmed, Director of Tea Promotion, Tea Board (Moscow) and Mr. S. C Biswas, DDTP, Tea Board, Kolkata were deputed to Almaty, Kazakhstan



- to organise Board's participation in 'Food Expo' Almaty, Kazakhstan from 25-28 April 2007.
3. Mr. S. Mitra, DDTP, Tea Board, Kolkata was deputed to Saudi Arabia to organize Tea Board's participation in 'Food, Hotel & Propac Arabia 2007' in Jeddah from 13-17 May, 2007 in coordination with Board's Dubai Office.
 4. Mr. A. K. Kala, Special Officer (NWI) was deputed to France to organise Tea Board's participation in Cannes Film Festival 16th to 27th May 2007. Ms. Aditi As Rout, Director, MoC was also deputed for the event for the last 4 days.
 5. Mr. K. K. Phull, Under Secretary, Deptt. Of Commerce, MoC, was deputed to Iran to organise jointly with DTP Dubai Tea Board's participation in the 14th International Food, Beverages and Hospitality Trade Fair "Iran Agro Food 2007" in Tehran from 22nd to 25th May 2007.
 6. Mrs. Rupali Datta, DTP, Tea Board was deputed to Switzerland to organize Tea Board's participation in the 'Tea & Coffee World Cup' exhibition in Geneva from 3rd to 5th June 2007.
 7. Mr. R. D. Nazeem, Executive Director, Tea Board, Coonoor and Mr. S. Mitra, DDTP, Tea Board, Kolkata were deputed to U.S.A to organize Tea Board's participation in the 'World Tea Expo' Atlanta from 9-11 June, 2007.
 8. Mrs. A. Ray, DDTP, Tea Board, was deputed to South Africa to organise Tea Board's participation in 'Africa's Big Seven 2007' in Johannesburg from 15th to 17th July, 2007.
 9. Mr. G. Boriah, DTD and Mrs. R. Datta, DTP were deputed to Sri Lanka to attend International Tea Convention, Colombo, Sri Lanka from 28th August to 1st September 2007.
 10. Mr. B. Banerjee, Chairman, Tea Board was deputed as a member of delegation led by Mr. K. S. Money, Chairman APEDA to visit GCC Countries from 7th to 13th September 2007.
 11. Mr. B. Banerjee, Chairman, Tea Board led a nineteen members high level tea delegation to Moscow from 19th to 24th September 2007 for a BSM coinciding with 'World Food Moscow' Russia.
 12. Mrs. A. Ray, DTP, Tea Board, was deputed to U.S.A to organise Tea Board's participation in 'Incredible India Show' in New York from 23rd to 26th September, 2007.
 13. Mrs. R. Sen, Deputy Chairman and Mrs. Rupali Datta, DTP were deputed to Australia to organise Tea Board's participation in 'Fine food Australia' Sydney from 24th to 27th September 2007.
 14. Mrs. R. Datta, DTP, Tea Board was deputed to Turkey to organise jointly with DTP, Dubai Tea Board's participation in GIDA International Food and Beverage Exhibition in Istanbul from 31st October to 3rd November 2007.
 15. Mr. B. Banerjee, Chairman, Tea Board accompanied by Mr. Rajesh Pandey, District Magistrate, Darjeeling led a trade delegation to visit UK and France from 12th to 17th November 2007 for IPR related discussions.
 16. Mr. M. Paramanatham, Controller of Licensing, Tea Board was deputed to Egypt to organize Tea Board's participation in Made in India Show, Cairo during 20-23rd November, 2007 under the aegis of Confederation of Indian Industries.
 17. Mr. R. D. Nazeem, Executive Director, Tea Board, and Mr. S. C. Biswas, DDTP, Tea Board, Kolkata were deputed to China to organise Tea Board's participation in South Asian Countries Commodity Fair, Beijing from 28th to 30th December 2007.
 18. Mrs. R. Sen, Deputy Chairman was deputed to Sri Lanka to attend Comprehensive Economic Partnership Agreement between India & Sri Lanka, Colombo 2nd to 4th January 2008.
 19. Mr. B. Banerjee, Chairman, Tea Board led a trade delegation for a BSM coinciding with 'Tea & Coffee World Cup, Florida from 10th to 12th January 2008' and Mrs. N. Datta, Publicity Officer, Tea Board was deputed to U.S.A to organise Board's participation in the event. Mr. Raj Singh, Director, MOC also attended the event.
 20. Mr. B. Banerjee, Chairman, Tea Board was deputed to U.A.E to attend 2nd Global Dubai Tea Forum Dubai 19th & 20th February 2008



21. Mr. B. Banerjee, Chairman, Tea Board led a Indian Organic tea delegation to Germany coinciding with Tea Board's participation in Bio Fach Exhibition in Nuremberg during 21st to 24th February 2008. Mrs. A. Ray, DTP Board was deputed to organise Board's participation in the event.
22. Mr. C. Saikia, Executive Director, Tea Board, Guwahati and Mrs. N. Datta, Publicity Officer, Tea

Board were deputed to Japan to organise Board's participation in Foodex Japan from 11th – 14th March 2008.

23. Mr. P.K. Lahiri, Secretary was deputed to Egypt to attend Board's participation in Cairo International Fair' 2008 ,Cairo organised by Board's Dubai Office during 18th to 28th March 2008.

6.6 Overseas

Export of tea from India to some major destinations.

Name of the Country	2007-2008			2006-2007		
	Qty (M. Kgs.)	Value (Rs. Crs.)	UP (Rs. Kg.)	Qty (M. Kgs.)	Value (Rs. Crs.)	UP (Rs. Kg.)
Russia	44.22	377.54	85.39	39.36	322.21	81.86
Kazakhstan	10.81	111.05	102.71	9.69	104.67	108.07
Ukraine	1.46	11.03	75.52	1.15	8.75	76.15
Uzbekistan	0.07	0.81	114.44	0.22	1.65	73.76
Other CIS	0.35	7.13	202.11	0.21	3.06	149.56
Total CIS	56.91	507.56	89.19	50.63	440.34	86.98
UK	17.94	166.51	92.83	22.86	214.09	93.66
Netherlands	2.69	46.04	171.39	3.12	48.00	153.60
Germany	5.74	97.27	169.37	4.51	89.02	197.46
Ireland	2.15	38.56	179.78	2.37	46.73	196.84
Poland	4.45	38.09	85.68	3.94	35.00	88.81
U.S.A.	9.90	135.19	136.61	8.76	138.99	158.61
Canada	1.22	14.61	119.27	0.92	12.50	135.25
U.A.E.	25.91	253.89	97.99	22.77	231.22	101.55
Iran	14.04	154.70	110.15	9.91	105.79	106.73
Iraq	0.05	0.41	87.96	34.92	180.76	51.77
Saudi Arabia	1.99	17.13	86.04	1.12	11.04	98.91
A.R.E.	7.59	49.66	65.40	3.40	25.32	74.39
Turkey	0.06	0.70	111.87	0.20	1.27	64.39
Afghanistan	6.80	36.82	54.11	9.44	51.76	54.83
Singapore	0.38	6.96	181.28	0.47	7.22	154.41
Sri Lanka	4.86	39.82	81.98	3.08	29.14	94.72
Kenya	3.28	16.61	50.67	8.37	46.45	55.52
Japan	2.37	50.34	212.13	2.60	61.83	237.43
Pakistan	5.49	30.21	55.04	14.06	90.67	64.48
Australia	5.08	96.24	189.45	4.49	89.05	198.30
Other Countries	6.42	91.36	142.33	6.21	89.53	144.05
TOTAL	185.32	1888.68	101.91	218.15	2045.72	93.77



Board's overseas Offices play a strategic role in developing markets and promoting Indian tea in these countries. The aim is to increase sales, exports and market share of Indian teas by building long-term and mutually beneficial relationships between Indian exporters and overseas buyers for commercial advantage to the Indian tea industry

London office

Tea Board's London Office looks after the publicity and promotion of India tea in UK, Ireland, Scandinavia, European countries and Poland

Tea Board's London Office participated in the following events /activities :

1. In the International Social services Spring fair at Kensington Town Hall on 15-16 May 2007 at the request of Mrs. Babli Sharma, Chairperson of the India High Commission's Ladies Association. The Tea Board set up a stall at the charity event and served several hundred cups of Assam, Darjeeling and Nilgiri Tea to the attendees. Promotional material such as Tea Board calendars was also handed out. The Fair was attended by the cream of London society and Indian tea won wide appreciation.
2. The Tea Board of India was one of the sponsors of the Tehelka Challenge of India Summit 2007 held at the Royal society of Arts, London on 7th -8th June 2007 as well as of the Art of Freedom Auctions held at Bonhams and Asia House on 30th May, 7th June and 11th June. The Tea Board logo figured on all the invitation cards, posters and summit leaflets which were distributed among the attendees at the various events as well as to the press. The speakers and the attendees at the Tehelka event included distinguished leaders from the political, business, academic and social arenas.
3. In the celebrations of the 60th Anniversary of India's Independence, at the request of the High Commissioner's office, a Tea Board stall was set up at the High Commissioner's residence on the morning of 15th August 2007 which served piping hot Darjeeling tea (black as well as with milk) to guests. The gathering included over 500

distinguished persons from all walks of life. The occasion provided the Tea Board an opportunity to showcase the flavour and aroma of the finest Indian tea and reinforce its presence amongst the UK elite.

Fairs & Exhibitions

In the absence of a regular Director of Tea Promotion in London for a prolonged period, activities of London Office were limited. The following two events in countries under the jurisdiction of London Office were organized from Head Office:

Tea & Coffee World Cup. Geneva, Switzerland
3rd to 5th June 2007

Bio Fach, Nurenberg, Germany
21st to 24th February 2008.

UK

UK is the 2nd largest importer of tea and accounts for around 9% of world imports. Kenya and Malawi account for over 49% of imports while India, Indonesia, Sri Lanka and China account for another 16%. In value terms, these 6 countries account for 74% of imports. India realises the highest unit price per kg vis-à-vis Africa and Indonesia. Tea has the highest per capita consumption (3 units/head), compared to other beverages. 69% of the population over age 10 drinks tea daily. UK imports an average of 156 mn kgs tea valued at USD 273 mn, India exported 17.94 mn kgs of tea to UK in 2007-08.

Product quality, as defined by the end consumer, is tea color and liquor strength. Compared to other suppliers, Kenya supplies the best quality teas at the least cost. Hence Importers prefer Kenyan teas in blends. However, the end consumer perceives higher brand equity in Indian (Assam, Nilgiris and Darjeeling) and Ceylon teas. Teas of African origin have low consumer mind share, as they go into blends, not stand-alone brands. Indian tea, because of seasonal availability, increases working capital costs of blender importers.

Germany

Tea imports into Germany in the last few years have



increased gradually. The import figure for 2006 stood at 46.6 m.Kgs. Germany is one of India's top five markets. It is a quality conscious premium market. India derives a substantial premium compared to other origins. India exported 5.74 mn kgs of tea to Germany in 2007-08. Germany consumes about 55% of imports and re-exports the remaining 45%. Germany is mainly a cold beverages market, and within hot drinks, tea accounts for ~ 11%. Coffee and new tea forms like herbal & fruit tea are the major threats to tea. However, tea is perceived to be a premium product, and consumer tastes are sophisticated.

Black tea accounts for 85% of Germany's imports. Most of the tea is orthodox / leaf variety. Indian tea enjoys high brand equity. India, Sri Lanka, China and Indonesia account for 71% of imports.

Unlike the rest of Germany, tea is the national drink of East Friesland (located in North Germany) for over 300 years. Per capita consumption of tea in East Friesland is about 3 kg. This is substantially higher than the German average of 250 gm. Consumers drink a minimum of 3 cups of tea, on each occasion. This region has the highest per capita consumption of Assam Tea.

France

France imports around 16 mn kgs of tea. The main exporting countries are China, Sri Lanka and UK and Benelux countries, the last two being non producing re-exporting countries. This indicates that there is scope to develop direct exports especially in the value added format. France has also been indicated as a focus market for Darjeeling and is included in the global promotion plan for Darjeeling tea. The French are inclined towards consumption of healthy food and drinks. While tea bags and convenience products are the most favoured forms amongst consumers, tea drinking is expected to grow.

U.K. Tea Council

DTP (London) participated actively in all the meetings

of the U.K. Tea Council to further the interests of Indian tea and safeguard Darjeeling CTM as well as on various issues relating to tea trade and market promotion.

German Tea Association / Tea Council

DTP (London) participated actively in the meetings of the German Tea Council. On the pesticide residue issue India's views were stressed.

Moscow office

Office of the Director Tea Promotion, Moscow continued to cover the entire region of the Russian Federation, CIS countries that include Ukraine, Byelorussia, Kazakhstan, Armenia, Azerbaijan, Turkmenistan, Uzbekistan, Kyrgyzstan, Tajikistan, Georgia and Moldova and the Baltic countries of Latvia, Estonia and Lithuania. The activities during the year were centered on the more important markets of Russia, Kazakhstan, Ukraine, and Uzbekistan.

Fairs & Exhibitions

During the year under review, Board's Moscow office participated in the following exhibitions :-

1. World Food Moscow (18-21 September, 2007)
2. World Food Ukraine, Kiev (29th October to 2nd November 2007)
3. Prodexpo, Moscow 2007 (11-15 February 2008)

Participation in 'Food Expo' in Almaty Kazakhstan was from Head office while DTP Moscow was undergoing orientation and training.

Russia

Russian Federation with a market size of about 173 Million Kg is the biggest market of Indian tea exports (in volume terms). Assam orthodox teas are competing as well as the Sri Lankan orthodox teas on the quality front. Assam CTC teas are also doing equally well with the growth of the tea bag segment. Russia has been enjoying unprecedented economic prosperity for the last decade, driven by their political



stability and booming oil, gas and metal sectors. The affluence at least in the urban centers has translated into high purchasing power of the Russians. The Russian consumer is now becoming more quality conscious, demanding and is ready to pay a higher price for the product of choice. This has meant an increase in the demand for better quality Indian tea in attractive packets. There is a gradual shift from the modest quality South Indian teas (Nilgiris) to the better quality North Indian tea (Assam and Darjeeling).

Challenges that Indian tea faces in Russian market differ from segment to segment. In the orthodox teas-premium segment, Indian teas are losing to Sri Lanka on the physical appearance and image front as the average Russian consumer still perceives the Sri Lankan teas to be of better quality than the Indian teas. In the orthodox teas- economy segment, Indian teas both North and South Indian have not been able to match the cheaper prices offered by Indonesia and Vietnam where teas are plucked and processed in a non plantation nature of industry and thus there are cheaper labor wages against the high social overheads which plantations have to cope up within India. In the CTC tea segment (used in tea bags), Kenyan teas are competitively priced and of good quality due to their lower labour wages and younger tea bushes.

Indian tea export to Russia showed an upward trend from 39.36 million Kilograms (322.21 Crores) in 2006-2007 to 44.22 Million Kilograms in volume (377.54 Crores) in 2007-2008.

Dubai office

The Dubai office of Tea Board looks after the promotion of Indian tea in the West Asia and the North African region. The region covers the countries of UAE, Saudi Arabia, Iraq, Iran, Syria, Jordan, Morocco, Algeria, Tunisia, Libya, Sudan, Kuwait, Qatar, Bahrain, Oman, ARE, Lebanon Turkey Yemen and South Africa Pakistan and Afghanistan had been added to the responsibility of the Dubai Office in the last financial year. The Board's Dubai office

carried out the following activities to promote Indian tea, enhance demand of Indian tea and increase market share : -

- a) The field promotion and
- b) Media campaign

Field promotion activities include participation in Fairs & Exhibitions, organizing buyer-seller-meets, market survey including collection of tea prices & statistical data for the benefit of exporters & respective Govt. agencies, regular interaction with tea importers, keeping constant touch with Indian Missions in different countries for logistic support, analyzing the customers' choice of tea and its price, etc.

Media campaign includes creating awareness about the different "Logos" of Indian tea, and the distinct varieties of tea which are available in India.

In addition, Tea Board being the trade promotional organization also participates in the different meetings/workshop of Indian Business & Professional Council/Dubai Chamber of Commerce. Continuous contact is maintained with the importers, both locally and in other countries of the region. The office serves as an interface between the buyer and seller of Indian tea, deals with trade enquiries for supply of Indian tea and has available information regarding auction prices and the Indian tea traders for the convenience of buyers.

Tea Board Dubai co-ordinated with the Head Office the visit of a 10-member Iranian Tea Delegation to India from 5th to 8th September, 2007. This was in the context of the proposed Plant Master File requirements imposed by the Iran Governments on all imports of tea.

Board's Advertisements

On the occasion of India's Independence on 15th August 2007 Dubai office released advertisements in two leading newspapers of UAE – Gulf News and Khaleej Times. Subsequent to these advertisements, Dubai Office received a number of enquiries which



were circulated to the exporters. An article on Indian tea by Mrs Priya Kumar, DTP, Tea Board Dubai also appeared in Gulf News and Khaleej Times.

On the occasion of Indian Republic Day, 2008, Tea Board's advertisement was released in the special supplement of the leading newspaper of UAE, The Gulf News. An article written by DTP Dubai on Darjeeling tea was published in the supplement.

Tea Board Dubai also released colour advertisements in Middle East Food Magazine (bi monthly English and Arabic), Du Smart Yellow Pages, 2008 and Dubai Commercial Directory, 2007.

Fairs & Exhibitions

During the year under review, the following fairs were held in the countries under Dubai office jurisdiction.

1. Iran Agro Food 2007, Teheran, Iran- 22th May-25th May 2007
2. Food, Hotel & Propac Arabia (13-17th May, 2007)
3. GIDA Istanbul, Turkey, 31st October-3rd November, 2007
4. 'Made in India' show Cairo, 20-23rd Nov, 2007.
5. Gulf Food 2008, Dubai, UAE- 24th-27th February 2008
6. Cairo International Fair, Cairo, Egypt- 18th-28th March 2008

Other events :

A 10-day long tea festival at the Qanat Al Qasba in Sharjah from 27-12-07 to 5-1-08. The event titled "Tea World" was a tea fiesta which sought to bring together the teas from different origins as well as the blends consumed in some of the major consuming countries.

Tea Board participated in the 2nd Global Dubai Tea Forum held in Dubai on 19-20 Feb'08. This biennial industry event is aimed at addressing the new developments and key issues in the tea industry, and focuses on sharing industry-specific knowledge and best practices for improving tea production and marketing worldwide.

Indian tea was a special focus during this edition of

the Global Dubai Tea Forum. Tea Board of India was a special events sponsor at the Forum.

To take advantage of the presence of the global tea industry representatives at the Forum, in order to showcase the best of Indian teas, Tea Board, in collaboration with the Darjeeling Tea Association and UPASI, organized two special sessions on Darjeeling Tea and the UPASI TGLIA-STC 2008 at the Forum.

Buyer-Seller Meets/Tea Delegations :

As a part of its efforts to target major consuming nations Tea Board organised a delegation of the leading Indian tea producers and exporters to Pakistan during 21st to 27th April, 2007. Mr Basudeb Banerjee, Chairman, Tea Board led the tea delegation comprising members of the Indian Tea Association (ITA), Indian Merchant Tea Exporters Forum (IMTEF) and UPASI. Pakistan is one of the highest tea consuming markets in the world. Indian tea industry's

efforts to make inroads into this market for the last few years is now showing positive results.

Type of teas imported by WANA countries :

- (a) Middle East: Largely orthodox but now CTC is also gaining acceptance in countries like Saudi Arabia and Iran. In UAE, domestically CTC is popular due to the large expatriate population from India and Pakistan.
- (b) Egypt : CTC Dust and Broken.
- (c) Libya : Black Tea-Orthodox and Green Tea.
- (d) Tunisia : Orthodox-Black & Green Tea.

Competition :

Middle East market is very competitive in terms of price and quality. Tea is drunk largely without milk and the appearance and colour of tea is the yardstick of first choice. Being a major tea consuming area, stiff competition is faced from Sri Lankan teas besides increasing popularity of Kenyan teas. African teas are finding their way into the market due to their price competitiveness and quality, besides the year round availability of supply.



Country wise export :

At-a-glance -Export of Indian Tea to WANA Countries :

Saudi Arab	1991	171310	1117	110449	1266	124872
Sudan	34	4053	10	1199	-	-
Syria	200	11412	45	3479	116	7918
Tunisia	839	46105	294	13693	11	835
Turkey	63	7048	198	115	1018	
U.A. E.	25911	2538929	22769	2812155	26783	2668721
Yemen	104	8134	723	47946	75936	49659546
Total	52505	5049765	74664	5850824	169941	5448228

Name of the Country	2007-2008		2006-2007	
	Qty (Th.Kgs)	Value (Th.Rs.)	Qty (Th.Kgs)	Value (Th.Rs.)
A. R. E.	47946	75936	3403	253191
Bahrain	5850824	169941	160	31882
Iran	14045	1547045	9912	1057899
Iraq	4044	4044	34015	1207556
Israel	578	04879	239	61240
Jordan	39	2746		
Kuwait	304	2271		13348
Lebanon				1533
Libya				521
Morocco				
Muscat				141
Qatar	295	588	279	58750

UAE

UAE follows a very liberal trade policy with no protective tariff or non-tariff barriers on imports and there is an absence of corporate tax, sales tax and personal tax. Besides, the region's food and beverage industry is one of the fastest growing worldwide, particularly since over 90% of the Gulf's food is imported. Dubai is the hub of tea trade in UAE. Large volumes of tea are currently transacted through Dubai, both physically cleared into Dubai and re-exported as well as trans-shipped through Dubai ports. Tea is re-exported to markets like Iran, Iraq and Saudi Arabia, besides other Middle East and CIS countries

The UAE market is largely dominated by Lipton, which

the small population, the market as a centre for tea re-exports is very large. This market is largely a CTC market preferring mainly the Assam CTCs among Indian teas. However, while in packet tea, pure Assam CTCs are available, the tea bag market comprises largely blends of Indian and Kenyan teas or pure Sri Lankan tea. The main problems facing



Indian tea in this region is the quality of tea and the inconsistency of supply through the year due to seasonality of production. This has enabled other origins like Kenya besides Sri Lanka, to find increasing acceptance in this market.

Dubai Tea Trading Centre :

The Dubai Tea Trading Centre (DTTC), a subsidiary of the Dubai Multi Commodities Centre (DMCC), located in Jebel Ali, has created another international hub in the region for trading in tea. Dubai's links with African tea producers received a boost this year with the largest producers of tea in Kenya and Rwanda becoming members of the DTTC. The DTTC announced that the Kenyan Tea Development Agency (KTDA) and OCIR, the official Rwandan Tea Authority had joined as active members of the centre. DTTC is also upgrading its facilities and has announced the launch of a centralized tea storage, blending and packing facility, as part of its expansion plans to accommodate the growing activities of the Centre. At present teas from 13 producing countries, including India, are being processed through DTTC. Some Indian tea exporting companies have also become members of DTTC. It is estimated that nearly 40% of the tea transacted through DTTC is Indian tea. The Centre, continues to remain a platform that puts buyers and sellers together.

Arab Republic of Egypt :

The Arab Republic of Egypt has traditionally been one of India's most important trading partners in the African continent. It is also one of the major tea consuming countries in the WANA region, importing more than 78 million kgs of tea annually for consumption. Indian tea exports to Egypt increased from 3.40 m kgs in 2006-07 to 7.59 m kgs in 2007-08.

The per capita tea consumption in Egypt is nearly 1 kg per annum. CTC teas are preferred in this market, mainly the Dust grades. The country has been a big market for Indian teas in the past, with exports of

Indian tea crossing 18 million kgs in the 1980s. However, with Egypt becoming a member of COMESA in 1998-99, the duty structure of 30% for Indian and other origin teas vis-à-vis free import of Kenyan and African teas, led to a substantial decline in the quantity of Indian teas exported to this market.

Import duty on tea in Egypt was reduced to 5% in 2004 and Indian tea started re-entering the market with 367,000 kgs being exported in 2005 as per Tea Board figures. Dubai office made persistent efforts by participating in fairs, organizing buyer-seller meets, renewing contacts with major importers, meeting Government authorities, arranging media publicity, in an attempt to reestablish the presence of Indian tea in this market. In February 2007, import duty on tea was further reduced to 2%. This augurs well for Indian tea. Attempts are being made to have an Indian Tea Centre in Cairo. An Indian tea packet called "Rawaa Tea" has also been launched by an Egyptian company in Egypt.

Public Sector imports account for a substantial share of the total tea imports into Egypt. Nearly 24,000 MT are imported annually by the Government of Egypt for public distribution purposes. The General Authority for Supply Commodity (GASC) is the body responsible for deciding the quantity of tea required by the Govt. and the same is procured through two public sector organizations viz. M/s El Nasr Export & Import Co. and M/s Misr Export & Import Co. These companies import about 2000 MT each month. Due to the COMESA arrangement, Govt. of Egypt had specified public sector buying of tea only from Kenya and other African countries. This restriction was lifted in March 2007 and Indian tea is also now permitted for Govt. procurement.

Iran

Iran is a major consumer of tea, consuming more than 100 million kgs annually. It is also a tea producing country having about 34,000 hectares under tea plantation. While approximately 58 million kgs of tea was produced per annum, the production



has been declining in recent years and is expected to come down to about 10-15 million kgs with some tea factories shutting down.

As per ITC statistics, in 2006, legal imports of tea into Iran stood at 45 million kgs. This however, does not include the substantial amounts of tea which are smuggled into the country. While import of packet teas less than 10 kg in weight is banned, an import duty of 30% is levied on bulk tea imports. A concessional duty of 4% is charged for imports of tea against purchase of domestic tea. Sri Lanka is the main supplier of tea to this market. India exported about 11.28 million kgs to Iran in 2007. Iran prefers orthodox tea, specially the Assam Second Flush teas, however, there is also a growing segment of CTC teas. Already Kenyan tea packets are becoming visible in the market and some importers feel that the Kenyan CTC is better than the Indian CTC in colour and strength and the fact that it is available throughout the year. They also feel that Kenyan tea retains its flavour even after two years while Indian tea loses it within months.

Recent developments in the import policy with regard to tea have been of concern to the Indian tea industry. A new quality requirement, viz. the Plant Master File Requirement, which is basically GMP/HACCP, has been imposed by Iran which requires each supplier of tea to register with the Health Authorities after filling in the designated form and paying a one time registration fee of US\$ 6000 plus \$ 1000 per product. A communication reference no. D/1/1/13082 dated 25-09-2007 from the Ministry of Health, Treatment & Medical Education, Islamic Republic of Iran announced requirement of certain procedures and documents for registration of Indian tea exporters with the Iran Health Ministry. Such documents/procedures are too elaborate and complicated in nature which the Indian exporters would find very difficult to comply with.

Several discussions were held between the officials of the two countries to resolve the issue. A number

of issues however still remain unresolved even as the Iran Health Ministry's registration requirements have been enforced since October, 2007.

Payment Problems

A large part of tea export payment realization from Iran is conducted against irrevocable Letters of Credit under the ACU mechanism denominated in US dollars. Vide circular No. 125/2007-08 dated 1st November, 2007 the State Bank of India informed that the US OFAC decided to cut off three Iranian banks from the US financial system Accordingly, State Bank of India declared that they would not undertake any fresh transaction with these banks. In view of this, the situation became complicated for the Indian tea exporters exporting to Iran, as they faced problems in negotiating the shipping documents and incurred substantial financial losses due to delayed payments.

Tunisia

Republic of Tunisia is a small country sandwiched between Algeria and Libya with a total population of about 10 million people. Tea drinking along with coffee is a popular pastime. Tea is drunk without milk but with plenty of sugar and with a hint of mint. It is consumed both in green and black varieties. The Tunisians prefer strong tea with flavour which are medium grown. Sometimes they brew tea more than once from the same leaf. Tunisia imports about 10-12 million kgs annually with 8 million being black tea and 2 million being green tea. Office du Commerce de La Tunisie (OCT) is the sole tea importing agency in the country. They import in bulk and have their own packaging plant where tea is packeted in their brand for local consumption. Some tea is also packeted by private companies for the local market. However, the tea used in these packets is imported by OCT for the local companies when there is a requirement. These are largely fannings for tea bags and amounts to a very small quantity of about 45 MT only.



OCT procures about 10 million kgs of tea annually of which 8 million kgs are black and 2 million kgs are green. The types of tea bought by OCT are OP, BOP, FBOP I and FBOP II. They float two tenders during a year for purchase of tea- once in November and once in April/May. These tenders are circulated to exporters registered with them. In order to register with OCT, the exporter has to send them all details of their company, including company profile, production/exports done for the last five years, credit worthiness from the bank and the certificate of registration with Tea Board of India. Once they receive all the documents, they conduct their own enquiry regarding the company. There is a Procurement Committee, comprising of members of different ministries including Finance Ministry, Central Bank etc., which meets to decide on which exporters to register after considering the documents. The tea specifications for the tender are then sent to the registered exporters to sign. Presently only three-four Indian companies are registered with OCT. Most of the others registered with them, have since been blacklisted due to quality issues. OCT has indicated their willingness to register more Indian companies who approach them with necessary documents.

Morocco

Morocco, is an important tea consuming country in the region, being one of the main consumers of green tea, with little consumption of black tea. The country imported more than 50 million kgs of tea in 2006 of which more than 99% was green tea. India too has exported some small amounts of tea to Morocco in the past. Until 1993, the import of tea into Morocco was totally in the hands of the Government through Office Nationale de The et du Sucre (ONTS). ONTS was importing tea from China, Indonesia, Sri Lanka and India. Since liberalization in 1993, ONTS has ceased to import tea from India and Indonesia. At present the primary source of tea import is from China. 49 million kgs of tea was imported from China in 2005. Best grades of green tea are gunpowder followed by chumnee and then

soumee variety of tea. Revival of Indian tea exports to Morocco has been taken up with the DG of SOMATHES (previously ONTS) through the Indian Embassy in Morocco. It is learnt that though China has a monopoly in tea export to Morocco, SOMATHES is keen to find alternative sources of supply. The Govt. is also in the process of privatizing SOMATHES, and M/s Tata Tea is one of the companies which have shown interest in taking over SOMATHES.

Yemen

Yemen was a coffee exporting country for many years, but due to qat (a narcotic substance) cultivation in rural areas, the export and the popularity of Yemeni coffee dwindled and drinking of tea has become very popular. Yemen is another big tea consuming country in this region, importing about 10-12 million kgs of tea annually importing mainly from Kenya, India and Sri Lanka . A large quantity of tea is re-exported from UAE too. The tea consumed is mostly the dust grades. There is no restriction on import of tea into Yemen. The customs tariff on tea includes customs duty of 15% Ad Valorem CIF, defence tax 5% and statistical charge 2%. With about 20 million population growing at the rate of 3.7%, this market has potential.

Other countries

Increase in exports of Indian tea has been witnessed in countries like Egypt and Iran while exports to other countries have fluctuated. In countries like Sudan and Morocco there have been virtually no exports of Indian tea in 2005 and 2006. While Morocco consumes green tea, Sudan is largely the result of the COMESA Arrangement which gives an advantage to Kenyan teas. Quality issues, payment problems, depreciation of Dollar against Rupee, seasonality of supply, cost considerations and increasing competition from Sri Lanka and Kenya are some of the factors affecting exports of Indian tea. It has however, been noticed that in some countries preferring Orthodox teas like Iran, Syria, Saudi Arabia, there is a growing segment for CTC teas which India can target if we overcome the



challenges of cost and quality.

Market Analysis

1. Major buyers of tea in the Middle East want a very different product from what is demanded in Europe and the West. Teas demanded in different markets of the WANA region range from cheaper CTC dust grades and broken to higher quality Assam Orthodox tea. Export trade has to cater to very different markets and requirements. The market however, remains very price sensitive and it is price, quality and appearance which determine demand rather than origin.
2. Most of the important markets like Iran, Libya, Egypt, Iraq and Morocco are undergoing a process of economic liberalization and the role of their respective Government buying & distributing agencies are getting marginalized. Private importers and distributors are playing progressively bigger roles. Private trade in tea is now possible even in countries like Libya and Iraq which were totally dependent on Government buying. Even countries like Iran which otherwise do not allow import of packet teas into the country, allow the same in their Free Zone for re-export. Opportunities offered in Free Zones in Turkey, Iran, Kuwait, UAE etc. provide a possibility of joint ventures which Indian tea companies can explore.
3. Retail loose tea sale in the WANA region is gradually coming down. Packet teas and Tea bags are becoming popular. CTC segments are emerging even in those countries like Iran and Syria, which traditionally preferred orthodox teas.
4. Green Tea is also becoming popular due to increasing health consciousness of the consumers. In UAE, Lipton launched its Green Tea pack with aggressive publicity and even the new brand Alokozay launched last year includes Green Tea in its range.
5. Most of the countries in this region are becoming progressively brand conscious. In the supermarkets and the departmental stores and in the perception of consumers the competition is more among

different tea brands rather than in terms of different countries of origin. However, in some countries like Syria, Saudi Arabia, Turkey, etc. origin still matters.

6. Setting up of free trade zones like the Jebel Ali Free Zone has encouraged value addition and large tea companies are setting up operations in the Middle East. In UAE, tea bags that were once sourced entirely from the UK are now being produced in the Jebel Ali Free Zone (JAFZA). UAE has in fact even started exporting it in the region and has become one of the big producers of teabags in the world. Platforms like the Dubai Tea Trading Centre (DTTC) which is upgrading its facilities to include centralized tea storage, blending and packing facility, facilitates multi-origin teas being available in one place and are also encouraging packeting operations to be centralized in Dubai.
7. Private entrepreneurs in countries like Egypt, Saudi Arabia, Jordan, Oman & Syria are also setting up their own blending and packaging facilities to produce their own brands of tea. Even in Iran, Lipton has set up a packaging factory while brands like Alokozay too are reported to be setting up packaging facility in the country. Such developments encourage blending of teas of different origins. It also affects consumer tastes as the range of products increases and value added products like tea bags, flavoured teas etc. gain acceptance.

USA and Canada

The jurisdiction of the Board's erstwhile New York Office covered USA, Canada and South America. With the closure of Board's New York Office in July, 2004, promotional activities have been handled from Head Office.

Tea Consumption Pattern

The tea consumption pattern in the USA is mostly in the form of ice tea. However, in the recent years, there has been some changes towards the consumption of hot tea also. Trend of overall consumption of tea in USA has also improved



because of the health benefits, associated with tea. Tea consumption in Canada has declined a little. India's share of the tea market in the USA is small but is increasing gradually. Assam and Darjeeling teas as speciality teas are becoming popular in this market where flavoured teas play a vital role. Export of teas from South India is also registering a gradual increase. Canada is a hot tea market. About 60% of the population in Canada consumes hot tea unlike USA. The volume of Indian tea export to Canada though low has registered a small increase. However, the silver lining is that even though the volume of export was low, the unit value realization was high thereby indicating that speciality teas are becoming popular and is poised for growth.

US Tea Council & Association

India being a founding member of this Council took part in all the deliberations of different meets.

Tea Council of Canada

India has played an active role in the Council's meetings in promoting tea as a health beverage.

Australia

Tea promotion in Australia is handled from Head Office. Though Australia is primarily a coffee drinking nation, the British habit of tea drinking also prevails. Australia's total import of tea from all sources is 14-15 m. kgs. A small quantity of around 1550 m. tons is produced in the country. The country re-exports approx. 0.9 m. kgs tea. This market is now being viewed more positively as the new destination that has great potentials for penetration and expansion. Tea Board's promotional efforts over the last several years are now showing good results. Exports from

India to Australia have registered an increase of more than 400% from 1.41 m. kgs. in 2002-03 to 5.08 m. kgs. in 2007-08. The growth has been in volume and value realization. Indian tea exports have been in the form of Instant Tea, Tea Bags & Packet teas.

Participation in Fine Food Exhibition in Australia has become one of the regular features of Tea Board's activities in Australia.

Japan

Japan produces 85-90 m. kgs. of green tea per annum which is consumed mainly within the country. Japan also imports black tea. Japan is a market for quality Darjeeling teas. Apart from the high quality leaf grade teas, the market has gradually cultivated the use of Assam CTC teas, used either in Tea Bags or for the production of canned milk teas, a favourite of the younger generation.

The promotional work for 'India tea' in Japan is carried out mainly through the Embassy of India in

Types of tea	Developing countries	Developing countries	Others
Embassy participated in 'Foodex' Japan, 2008 from 14 March 2008	2.5%	Nil	12.0%
Instant tea structure for exports to Japan are as under:	17.0%	17.0%	17.0%
Green tea			



LICENSING BRANCH

7.1 Introduction

The Licensing Branch is a vital wing of the Board for implementation of various statutory and regulatory orders issued by the Government from time to time. In addition, Licensing Branch provides necessary clarification and guidance to the Tea Industry and trade in relation to fiscal policies and different legislation concerning tea. The tea related issues under different Bi-lateral and Regional/Multilateral Agreement and its implementation on Indian Tea Industry are being examined by the Board time to time in order to formulate policy decision by the Govt. of India. The different statutory activities performed by the branch during 2007-2008 are enumerated below :

7.2 Exporter's Licence

In accordance with the provisions of the Tea (Distribution & Export) Control Order, 2005 any person desiring to carry on trading in tea as an exporter needs an Exporter's Licence. The period of validity of Exporter's Licence has been made effective for 3 (three) years from the date of its issue and every business licence once renewed shall also remain valid for a further period of three years from the date of its renewal unless the business licence is suspended or cancelled during the validity period. Every licensee being an exporter, desiring to convert

his business licence into a permanent business licence, shall make an application, in duplicate, to the Licensing Authority in Form B before 3 (three) months of the expiry of the validity of business licence. The Licensing Authority shall on receipt of such application convert the Licence into Permanent Licence if :-

- The business licensee is an exporter,
- Such licensee has not violated any of the provisions of the Tea Act, 1953 or Tea Rules, 1954 or Tea Board Bye-laws 1955 or any order made under the Act and
- The volume of export of tea by the exporter holding the valid business licence during the last three years was not less than 1,00,000 kgs. annually.

Such Permanent Licence is granted in Form G. A fee of Rs. 2500/- is to be paid by the applicant for conversion of Exporter's Licence into Permanent Licence.

The total number of tea exporters registered with Tea Board under the Tea (Distribution & Export) Control Order with valid exporter's licence stood at about 1035 as on 31.3.2008 as against 938 as on 31.3.2007. The total amount collected during the year 2007-2008 was Rs.1,62,000/- against issue of 162 fresh/temporary exporter's licence compared to issue of 192 fresh /temporary exporter's (licence) during the year 2006-07 amounting to Rs.1,92,000/-. During the period from 1.4.2007 to 31.3.2008 3 Exporter's Licence were converted into Permanent Licence. The total number of Permanent Exporter's Licence granted by the Tea Board till 31.3.2008 is 470 against 467 till 31.03.2007.

7.3 Distributors' Licence

Under the Tea (Distribution and Export) Control Order 2005, Govt. of India has introduced Tea Distributors' Licence with effect from 1.4.2005. It is issued to all the tea exporters who hold valid exporter's licence for importing tea for re-export or internal sale. Fees for the distributor's licence is Rs. 2,500/-. Number of Distributor Licence issued during the year 2007-2008



is 8 and the fees collected against the licences amounts to Rs. 20,000/-.

7.4 Tea Waste Licence

The granting of Tea Waste Licence and Renewal thereof are considered in accordance with the provisions of the Tea Waste (Control) Order 1959. The main objective of the Tea Waste (Control) Order, 1959 are to check any misuse of tea waste as also to regulate disposal of tea waste for certain gainful purposes. Accordingly, licences are granted only to the bonafide persons including buyers and sellers of the tea waste after proper investigation and scrutiny of the application. Under this order no person shall purchase, hold in stock, sell or offer for sale any tea waste except under and in accordance with the terms and conditions of a licence granted by Tea Board in this regard. Tea waste is generally used by the caffeine and instant tea manufacturers.

For caffeine manufacturers, tea waste is used in denatured form, while instant tea manufacturers, tea waste is used in undenatured form, Undenatured tea waste is also being used by the manufacturers of Bio-nutrient and Bio-fertilizer. Tea waste Licence remains valid up to 31st (December) of the year of issue, unless suspended or cancelled earlier and is renewable every year. During the year 2007-08 total amount of Rs. 7,200/- collected against issuance of 72 fresh tea waste licences and renewal of 1109 licences and the amount collected was Rs. 55,450/-. 72 fresh tea waste licences were issued and 1109 renewed against total amount collection of Rs. 62,650/- during the year 2007-08.

In order to fulfill the objectives of promulgation of the Tea Waste (Control) Order 1959 by the Government of India it is necessary to keep an eye over the availability and disposal of tea waste so that misuse is checked and disposal is regulated. For this, a limited number of (Inspectors) of the Board are posted in important tea growing regions and Tea Trading Centers. The activities of Tea Board in this direction are supplemental in nature. In fact, checking adulteration of tea as one of the food

items comes under the purview of the Prevention of Food Adulteration Act, 1954 (PFA), implemented by the respective state (governments) having bigger machinery at their disposal. Nevertheless, Tea Board with its limited strength of (Inspectors), detected cases of contravention of the provisions of Tea Waste (Control) Order, and action were also launched against such offending persons.

In accordance with the amendment made on 31.8.2001, Tea Board's regional office located in Coonoor and Guwahati are issuing and renewing Tea Waste Licences in case of receipt of applications by the respective office. As per amendment effected from 5/3/2002, there should be a minimum volume of tea waste and made tea at the ratio 2:100 Kgs. when processed out of the tea leaves, buds and tender stems of plant *Camellia Sinensis* (L) O Kuntze in a factory.

7.5 Registration-Cum-Membership Certificate (RCMC)

Every registered exporter of bulk tea, packet tea, tea bags and instant tea is required to be registered with Tea Board for obtaining registration cum membership certificate under the export import policy of the Government of India with a view to availing import/export entitlement benefits. The issue of such Registration cum Membership Certificate to the registered exporter is done free of charge. The number of such registered exporter who have obtained Registration cum Membership Certificate from the Tea Board during the period from 1.4.2007 to 31.03.2008 was 19 being the total number to 868.

7.6 Tea (Marketing) Control Order

In accordance with the provisions of the Tea (Marketing) Control Order 1984, no person shall carry on the activities of manufacturing tea except under valid registration granted by the Tea Board in respect of tea manufacturing unit owned or controlled by him.

Under the provision of the Tea (Marketing) Control Order 1984 share holders like manufacturers, auction



organizers and brokers were required to obtain registration /licence from the Tea Board before manufacturing tea and /or participating /conducting auctions. But the major share holder namely buyers who were one of the important players in the primary marketing channel were not within the purview of registration under the said Order. Therefore, there was no statutory provision for obtaining any information on purchase of tea from the buyers who are buying tea from auctions or directly from the gardens. In order to establish transparency in the total transaction (tea auction and direct purchase) at the primary level, it has been felt necessary to get buyers registered with the Tea Board.

There was no provision in the TMCO 1984 in relation to quality adherence for tea as well as sharing of sale (proceeds) between the manufacturers and the tea leave suppliers. So, aiming at above benefit promulgation of TMCO 2003 in super season of TMCO 1984 was made on 1st January, 2003 containing the following main features.

- a) Registration of buyers and manufacturers of bulk tea with earlier provisions for registration of manufacturers of loose tea licensing of brokers and auction organizers.
- b) Cancellation /suspension of registration of buyers with earlier provision for cancellation of registration of manufacturers;
- c) Adherence to quality standards of tea as laid down under PFA Act 1954 by manufacturers /buyers and brokers.
- d) Fixation of price sharing formula for sharing of sale proceed between the manufacturers and tea leave suppliers based on sale proceed of made tea.
- e) Provision for sale of made tea out side public auction by registered manufacturers to registered buyers (including consignee or commission agent) except sale through own retail outlet or brokers directly to consumers.
- f) Provision for drawing of sample from suspected tea to ensure its conformity to the PFA standard.

Clause 13 of TMCO enables Licensing Authority to issue direction to auction organizers, brokers for improving efficiency of the public auction system. The Tea Board follows discussion at the level of Secretary, Ministry of (Commerce) and Industries, Government of India appointed consultant to undertake study on primary marketing of tea to suggest the following :

- a) Need to preserve the auction system as main vehicle for primary marketing of tea;
- b) Need for auction reform and implementation priorities;
- c) Creating variety in auction (including promoting electronic auction).
- d) Post reforms issues.

Based on the recommendations of the consultant, Tea Board has issued directives on 06.01.2003 to all the public tea auction organizers under the provisions of clause 13 of Tea (Marketing) Control Order, 2003 for implementation of following auction rule to improve the efficiency of the auction system.

- a) Catalogue closing time,
- b) Introduction of ex-estate sale,
- c) Rate of advancement of bidding,
- d) Reprinting of bids,
- e) Prompt date
- f) Drawing of sample quantity per lot,
- g) Reprinting unsold lots as well as sample quantity for reprinting lots,
- h) Divisions of lots,
- i) Proxy bidding,
- j) Withdrawal of lots,
- k) Sale of unsold lots,
- l) Payment of warehouse charges.

The directive issued by the Tea Board on (a) Catalogue closing time (b) Introduction of ex-estate



sale, (c) Rate of advancement of bidding (d) Reprinting of bids (e) Prompt date (f) Drawing of sample quantity per lot (g) Reprinting of unsold lots as well as sample quantity for reprinted lots are for reduction in transaction time and cost and for enhancing the speed of auction.

The norms for (h) Division of lots, (i) Proxy bidding are aimed at ensuring competition in the auction system and also to encourage participation of maximum under of sellers and buyers particularly small and medium sellers and buyers.

Norms relating to (j) Withdrawal of lots are aimed to encourage buyer's participations in the auction, as it will prevent seller to withdraw their lots from the auction after cataloging. Withdrawal of lots act as a disadvantage to the buyers to buy their required tea from the auction as it permitted seller to withdraw the lots before sell.

Norms relating to (k) Sale of unsold lots were acting as a deterrent to the market price discovery as it aimed at one to one sale and not open for competition from buyer members.

Norms relating to (l) Payment of warehouse rent is aimed at to ensure the receipt of warehouse charges payable to warehouse owner by the manufacturer (seller) with the service of the brokers attached to auction. It is no way adversely effecting the buyers, as the buyer's payment as per auction sale to seller shall be paid by the brokers deducting the warehouse charges. The system was prevailing 4/50 years ago and reintroduction of the same system will benefit the warehouse owners without affecting the buyer's interest.

Subsequently Government of India has amended the Tea (Marketing) Control Order 2003 vide Notification No. S. O. 247(E) dated 28/2/2003 and No. S. O. 430 (E) dated 10/4/2003 for the following purposes :

1. To register manufacturer and buyer within 90 days from 1.1.2003 instead of 60 days stipulated earlier.
2. To reduce the licence fee/ registration fee by 50%.

3. To change the periodicity for the submission of return by buyers form monthly to quarterly. Government of India has further amended the Tea (Marketing) Control Order 2003 vide Notification No. S. O. 270 (E) dated 27/2/2004 specifying the procedure relating to search and seizure and modifying the para 30 of TMCO towards fixation of price sharing formula and its compliance.

7.7 Registration of Tea Manufacturing Unit

While under the provision of TMCO 1984 there was no registration fee to be paid by the intending applicant, TMCO 2003 stipulates a provision of submission of registration fee by the tea manufacturing units for the purpose of obtaining registration from Tea Board. During the year under review, Tea Board granted 23 such registration in favour of tea manufacturing units. The total amount collected during the period i.e.2007-08 from registration of

Tea Manufacturing units was Rs57,500/-. The total number of Manufacturing Units is 1886 registered as on 31.3.2008.

7.8 Registration of Auction Organiser / Auction Brokers

Clause of the TMCO 2003 stipulates that no organizer or tea auction shall carry on the business of organizing, holding or conducting public tea auction under its control /auspicious except under a licence obtained from Tea Board. Such licence is renewable every year and this valid up to 31st December each year. During the year under review, Tea Board renewed licence in respect of 9 Auction Organizers and issued no fresh licence in favour of new auction organizer. The total amount collected during the period under review Rs.4500/-.

Clause 10 of TMCO 2003 stipulates that no person shall carry on the business of broker of any public tea auction except under a licence obtained from the Tea Board. Such licence is also valid up to 31st December of each year and is renewable each year. During the year 2007-08, Tea Board renewed licence in favour of 24 brokers and no fresh licence was issued in favour of broker. Total amount collected during the year was Rs.12,000/-.



7.9 Registration of Buyers

Clause of TCMO 2003 stipulates that no buyer (with a place of business in tea in India) shall carry on the activity of buying tea from any public tea Auction licensed by the Tea Board or directly from the manufacturer of tea except under a valid registration obtained from Tea Board.

The registration certificate once granted by the Tea Board remains valid unless cancelled. During the year 2007-08 under review 256 buyers obtain registration from the Tea Board. The total amount collected was Rs.6.40,000/-. The total number of buyers registered with Tea Board under T.M.C.O., 2003 as on 31-3-2008 comes to 5462.

7.10 Registration of Manufacturers of tea with Added Flavour:

The sale of flavour tea in the domestic market remain banned for a long time. Following a directive from the Supreme Court in the case of Nilgiris Tea Emporium –Vs-Union of India and others, the Government of India examined the matter relating to sale of flavoured tea in the domestic market in consultation with the expert of Central Committee for Food Standards for allowing additional flavour in tea for domestic market.

Consequently, Government of India, Ministry of Health and Family Welfare, issued Notification No. GSR 847(E) dated 7th December 1994 amending the PFA Rules 1955. As per the provisions of these amendments, the condition for sale of flavour tea has been notified as follows :

- i) Flavoured tea shall be sold or offered for sale only by those manufacturers who are registered with Tea Board, Registration No. shall be mentioned on the level.
- ii) It shall be sold only in packed condition with level declaration, v i z. I) FLAVOURED TEA common name of permitted flavour/percentage /Registration No. Initially only one flavour viz. Vanillin flavour up to maximum extent of 8.5% by weight has been allowed for sale of flavoured tea in the domestic market.

Subsequently, Government of India vide notification No. GSR/698 (E) dated 26/10/1995 allowed few more flavours in addition to Vanillin flavour and their respective percentage in flavoured tea are as follows :

Flavour	% by weight (Max)
Vanillin	8.5
Cardamom	2.8
Ginger	1.0
Bergamot	2.0
Lemon	1.6
Cinnamon	2.0
Mixture of flavour of with each other	The level of individual shall not exceed the quantity indicated above

Ministry of Health and Family Welfare, Government of India amended further the PFA Rules by Notification No .GSR 694 (E) dated 11/10/1999 which has been effective from 11/4/2000. The said notification was aimed allowing all natural flavours and natural flavouring substances singly or combination. The definition of "Natural flavour and Natural Flavouring Substance" is indicated in sub-rule (A) or rule 63 of PFA Rule. The other condition which has been stipulated in the said notification is that "Flavoured Tea manufacturers shall register themselves with the Tea Board before marketing Flavour Tea".

In addition to the above condition laid down in notification dated 1.10.1999, Directorate General of Health Services, Government of India vide letter No. P-1501/5/97PH-(Food) dated 18/2/2000 stipulates the following conditions.

- a) Methodology for estimation of flavours in tea shall be supplied by the manufacturer to Tea Board.
- b) The methodology supplied by the manufacturer will be tried in Central Food Laboratories for verification.
- c) The manufacturers will be registered thereafter only.

The amendment dated 11.10.1999, in fact, short to enlarge the scope for use of flavours in tea by linking it to an existing and altered definition as mentioned in rule 63 of PFA Rules which was applicable to all food items including tea. While the definition as mentioned in rule 63 of PFA Rules may lead to confusion of using flavours of animal origin in any food item, it is not possible for use flavour of animal



origin in the flavour tea because of the condition of registration by Tea Board and Tea Board's reservation of allowing such flavour.

However, to avoid such confusion Ministry of Health and Family Welfare, Government of India further amended the PFA Rule by issuing notification No. GSR770 (E) dated 4/10/2000. It aims at to use only those "Natural Flavours and Natural Flavouring Substances" which are obtained exclusively by physical process from materials of plant origin in their natural state or after processing for human consumption.

Till 31st March, 2008 the Licensing Branch granted registration in flavour of 79 Manufacturers of tea with added flavour. During 2007-08, 14 manufacturers of flavour tea registered with Tea Board.

7.11 Extension / Replacement Planting Permit

Permit for Extension and Replacement planting of tea are issued to the existing tea estate by the Licensing Branch. Permit for planting of tea to new comer are also issued. Such permits are issued within the frame work of the Tea Act and Tea Rules.

The Position of Permit issued during 2007-08

Region	Extension Permit		Replacement Permit	
	Number	Area in Hect	Number	Area in Hect.
North India	14	370.00	46	856.03
South India	Nil	Nil	6	76.65
Total all India	14	370.00	52	932.68

Permission for Planting Tea :

Licensing Branch is granting permission for planting tea in flavour of tea estates as New Comer along with recording of the change of ownership of the tea estate. The position during the year 2007-08 (till 31.03.08) is as follows:

Item	North India		North India		South India	
	No.	Area in Ha.	No.	Area in Ha.	No.	Area in Ha.
Number of fresh licence issued	20		17		3	
Change of ownership						
Number of Licence renewed			65			
2. Permission as New Comer in Non-Traditional area of North India	1	43.08			-	
3. Permission as New Comer in other than Non-Traditional tea Growing area of (Estates up to 10.12)	85	128.571			-	
4. Permission as New Comer in other than Non-Traditional area (Estate above 10.12)	8	456.16				

7.12 Tea Warehouse Licence

Licensing Branch looks after the issuance of Tea Warehouse Licence under the Tea Warehouse (Licensing) Order 1989. Position of issuance renewal of Tea Warehouse Licence during the year 2006-07 is indicated below :



STATISTICS

8.0 Introduction :

Functions of Statistics Branch of Tea Board are to design and develop Management Information System which could provide required information relating to Production, Export, Prices, Labour etc., in respect of Indian Tea Industry as well as in the perspective of its International Scenario. It provides necessary inputs in decision making process of the policy matters of the Board, the Government and the Industry. The matters like Central Excise, State Sales Tax, Central Sales Tax, Export Incentives, Export-Import Policy, Foreign Direct Investment, Tea (Marketing) Control Order, 2003 etc; are also examined in the Statistics Branch.

8.1 Publication :

Statistics Branch publishes Tea Board's Annual Publication viz., **"Tea Statistics"** which provides a data base on tea industry, both National and International. In addition, the Statistics Branch publishes another Annual Publication viz., **"Tea Digest"** incorporating up-to-date statistical data on tea.

8.2 Techno-Economic Survey :

The Techno-Economic Cell was established in 1972 in the Statistics Branch of the Tea Board on the very recommendations of the Estimate Committee of Parliament, with the objective to undertake techno-economic study into the problems of Tea Industry in different tea growing regions and also to suggest suitable remedial measures for the overall growth of the industry. All together eighteen techno-economic surveys were conducted in different tea growing States/ regions of India.

Presently, the Cell is involved in studying the economic health of different tea companies covered under the compulsory cost audit by the Government of India.

8.3 Monitoring of Tea Prices :

The Branch has been monitoring and providing the information on weekly auction prices to Ministry of Commerce and Ministry of Consumer Affairs, Food & Public Distribution on regular basis in connection with the meeting of the High Powered Price Monitoring Board on Prices. The work relating to monitoring of retail prices of tea at different cities/towns has been entrusted to the Statistics Branch as well. The Statistics Branch of Tea Board has also been providing the weekly auction prices to Ministry of Agriculture and Ministry of Industry on regular basis in connection with the construction of Wholesale Price Indices of Plantation Crops etc.

8.4 Library :

The Board's Library attached to Statistics Branch keeps published newspapers, reference books, journals and documents and also provides facilities to research scholars, Board's officials and officials of other institutions for undertaking research work on tea.



LABOUR WELFARE

9.0 Introduction :

The Welfare Branch of the Tea Board undertakes some welfare programmes and schemes for the benefit of tea plantation workers and their dependants. The labour welfare activities undertaken by the Board are supplemental and cover such areas not specifically addressed by the Plantation Labour Act and the rules framed thereunder.

9.1 Objectives :

The labour welfare activities of the Board are funded through the Human Resource Development Scheme. The HRD Scheme aims at achieving improvements in the living conditions of the Tea Plantation labourers and their dependants. The activities are categorized in three broad heads, as Health, Education and Training Schemes. While the Health related activities/schemes aims to improve the general health of the tea plantation workers and their dependants, the Education related schemes and activities aims at encouraging wards/dependants of tea garden workers and their dependants to achieve not only basic education but also higher education. Assistance is also given even for undertaking professional qualifications. Under the training schemes the workers /labourers, office and managerial staff, managers etc., were given training with a view to improve their skill and

ultimately the productivity. There is a provision to give vocational training to wards and dependants of tea garden labourers with a view to equip them for alternate employment outside the tea areas.

9.2 HEALTH

Under the Health related activities, financial assistance is given by the Board to Hospitals located in tea gardens and also General Hospitals, Clinics in areas contiguous to tea gardens. Assistance is also given to Health Clinics, Charitable Institutions and NGOs like Indian Red Cross Society, St. John Ambulance, Bharat Sevashram Sangha for extension of health centres, hospital etc. For transportation of patients belonging to tea garden population assistance is provided for purchases of Ambulance with accessories. Financial assistance is also provided to plantation workers and their dependants for undergoing treatment on critical diseases like cancer, cardio-vascular diseases, kidney ailments etc. A sum of Rs. 24,384/- has been disbursed on this scheme during the year under review.

The Board also provides capital grant to the institutions that are running rehabilitation and therapy center for the physically challenged persons amongst tea garden population towards expenditure for construction of building, purchase of equipments and accessories. No application was received under this scheme during the year.

A scheme of financial assistance for disabled plantation workers and their dependants for purchasing crutch (wooden) calipers, shoes, artificial limb (wooden), hearing aids, wheel chairs and tri-cycle with hand paddling system is also in operation. However, maximum pay out under this scheme is restricted to Rs.2500/- per person. No amount was disbursed under this scheme during the year.

Financial assistance is also provided to different Tea Associations and others for the purpose of family welfare education programme.

The details of assistance provided to various institutions during the year are as under :-



(i) S. B. Dey Sanatorium :

The Board reserved 5 beds at S.B. Dey Sanatorium, Kurseong, Darjeeling for treatment of tea plantation workers and their dependants suffering from T.B.. The beds were allotted in favour of Tea Producers' Associations in North Bengal who share 1/3rd of maintenance charges. The balance 2/3rd shares are being borne by the Board. A sum of Rs. 13,334/- was disbursed under the scheme during the year under review.

(ii) Ramalingam T.B. Sanatorium :

In the year 1956-57, the Board reserved 15 free beds in the Ramalingam, T.B. Sanatorium, Perundurai, Tamil Nadu permanently for the benefit of tea garden workers and their dependents suffering from T.B. against a capital grant of Rs. 92,124/-. Since 15 free beds reserved by the Board at the Sanatorium were found to be inadequate to cope with the demand, since 1962 the Board has been maintaining 17 additional beds at the sanatorium on payment hospital stoppages at the rate of Rs. 16/- per patient per day against the actual occupation of bed. This stoppage charge was revised to Rs.30/- by the Board at its meeting held at Bangalore on 24-5-88, and subsequently to Rs.50/- at its meeting held in Kolkata on 29-9-1993. Thereafter, Board at its meeting held at Bangalore on 29-12-1999 enhanced the rate of hospital stoppages to Rs. 75/- per patient per day against actual occupation w.e.f. 01-01-2000. No payment was made during the year under review.

(iii) Kalimpong Sub-divisional Hospital :

The Board continued to reserve 3 beds in the leprosy wing of Kalimpong Sub-Divisional Hospital for the treatment of leprosy patients of tea garden workers and their dependants on payment of Rs.12,000/- per bed per annum. A sum of Rs. 36,000/- was disbursed during the year under review.

(iv) Family Welfare Educational Programme :

The Board continued to provide financial assistance to different Tea Associations for the purpose of development of family welfare educational programme amongst the tea plantation workers and

their dependents since 1984. A sum of Rs. 5,72,000/- in favour of "Indian Tea Association" and Rs. 1,75,000/- in favour of "Institute for Plantation Agricultural and Rural Workers, Jalpaiguri" were disbursed for this purpose during the year under review.

(v) Civil Hospital, Palampur :

The Board at its meeting held at Darjeeling on 17-12-2007 had sanctioned capital grant of Rs. 2,54,545/- towards purchase of O.T. table in favour of the said hospital. A sum of Rs. 2,54,545/- being the full payment of the cost of O.T. table was released during the year under review.

(vi) Red Cross Society, Silchar, Assam :

The Board at its meeting held at Jorhat 23-6-07 had sanctioned a capital grant of Rs. 2,78,880/- towards purchase of medical equipments and accessories in favour of Red Cross children's Hospital, Park Road, Silchar, Assam. A sum of Rs. 2,78,880/- being the final payment of the grant was released during the year under review.

(vii) Mangorange Hospital, Nilgiris :

The Board at its meeting held at Jorhat on 23-6-07 had sanctioned a capital grant of Rs. 80,500/- towards purchase of medical equipment in favour of the said hospital under Parry Agro Industries Ltd., Nilgiris. A sum of Rs. 79,100/- being the full and final payment of the grant was released during the year under review.

(viii) Shiekalmudi Garden Hospital, Coimbatore :

The Board at its meeting held at Jorhat on 23-06-2007 had sanctioned a capital grant of Rs. 1,57,850/- towards purchase of medical equipment. A sum of Rs. 1,44,480/- being the full payment of the grant was released during the year under review.

(ix) Goodricke Group Hospital, Jalpaiguri, W.B. :

The Board at its meeting held at Jorhat on 23-06-07 had sanctioned a capital grant of Rs. 3,60,597/- towards purchase of medical equipments & accessories. A sum of Rs. 3,60,597/- being the full



payment of the grant was released during the year under review.

x) IPARW, Jalpaiguri, W.B. :

The Board at its meeting held in Kolkata on 23-12-2004 had sanctioned a capital grant of Rs. 5.00 lakhs towards construction of Health Care Centre, Dash Darga, of IPARW, Jalpaiguri, W.B. A sum of Rs. 3,75,000/- being the 1st & 2nd installment of the grant was released during the year under review.

9.3 EDUCATION :

Under the educational stipend schemes, the wards of tea garden workers are given grant for prosecuting studies from primary level in schools, colleges, universities and also in professional institutions. Actual tuition fees restricted upto Rs. 20,000/- per annum and 2/3rd of hostel charges restricted upto Rs.20,000/- per annum are paid to children of persons directly employed in registered tea estates provided the monthly wage and income of parents do not exceed Rs.10,000/- per month. This benefit is provided to only 2(two) children per worker. The Board also provide lump-sum grant in the name of "Nehru Award" @ Rs.2,000/- and Rs.2,500/- as prize money to a few selected wards of tea plantation workers (on merit basis) who secured at least 75% marks in the Class X (Madhyamik or equivalent) and Class XII (Higher Secondary or equivalent) examination and thereafter undergoing studies for Class XI (Higher Secondary) and Degree/professional courses. This is applicable to wards of tea plantation workers whose annual income does not exceed Rs.1,20,000/-. A sum of Rs. 73,55,587/- was disbursed under the scheme in respect of educational stipend and Nehru Award during the year 2007-08.

The details of the beneficiaries are as under :



Financial assistance is also given to schools/colleges for construction and extension of school/ college buildings in the tea garden areas with a view to provide additional seats to tea garden community.

9.3.1 The following institutions were provided with financial assistance during the year :

(i) Lahowal College, Lahowal, Dibrugarh, Assam.

The Board at its meeting held at Munnar on 30th May'2003 had sanctioned a capital grant of Rs. 7,24,560/- towards construction of college building of Lahowal College, Dibrugarh, Assam. A sum of Rs. 1,81,125/- being the 3rd installment of the grant was released during the year under review.

(ii) Borhat B.P.B. Memorial College, Sivasagar, Assam:

The Board at its meeting held at Jorhat on 23-6-07 had sanctioned a capital grant of Rs. 7,45,500/- towards construction of college building of Borhat B.P.B Memorial College, Borhat, Sivasagar, Assam. A sum of Rs. 3,72,750/- being the 1st instalment of the grant was released during the year under review.

Area	Total	Male	Female
Assam (including Tripura)	1	36	25
West Bengal	88	117	71
Kerala	202	88	114
Karnataka	1	0	1
Tamil Nadu	213	120	93
Total	665	361	304

The Board at its meeting held at Jorhat on 23-6-07 had sanctioned a capital grant of Rs. 8.00 lakhs towards construction of college building of Golaghat Commerce College, Golaghat, Assam. A sum of Rs. 4.00 lakhs being the 1st installment of the capital grant was released during the year under review.

(iv) Lakhimpur Girls' College, Lakhimpur, Assam :

The Board at its meeting held in Kolkata on 27-12-2002 had sanctioned a capital grant of Rs. 6,25,416/- towards construction of the said college building. A sum of Rs. 1,56,354/- being the 3rd & final installment of the grant was released during the year under review.



- (v) **Chariali H.S. & M.P. School, Assam :**
The Board at its meeting held in Kolkata on 19-9-2003 had sanctioned a capital grant of Rs. 5,23,007/- towards construction of the said school building. A sum of Rs. 1,30,752/- being the 3rd & final installment of the grant was released during the year under review.
- (vi) **Kurseong Adarsaha Vidyalaya H.S.School, Kurseong, Darjeeling :**
The Board at its meeting held in Kolkata on 30-12-2005 had sanctioned capital grant of Rs. 5,68,182/- towards construction of said school building. A sum of Rs. 1,42,045/- being the 2nd installment of capital grant was released during the year under review.
- (vii) **Chaiduar College, Sonitpur, Assam :**
The Board at its meeting held in Kolkata on 17-3-2007 had sanctioned a capital grant of Rs. 10,79,400/- towards construction of the said college building. A sum of Rs 5,39,700/- being the 1st installment of capital grant was released during the year under review.
- (viii) **Hemoprobha Borbora Girls' College, Golaghat, Assam :**
The Board at its meeting held in Kolkata on 29-03-2006 had sanctioned a capital grant of Rs. 8.00 lakhs towards construction of the said college building. A sum of Rs. 4.00 lakhs being the 1st installment of the grant was released during the year under review.
- (ix) **Kalipado Ghosh Tarai Mahavidyalaya, Darjeeling, W.B. :**
The Board at its meeting held in Kolkata on 30-12-2005 had sanctioned a capital grant of Rs. 8.00 lakhs towards construction of the said college building. A sum of Rs. 8.00 lakhs being the 1st, 2nd & 3rd installment of the grant were released during the year under review.
- (x) **Talap Balibazar High School, Tinsukia, Assam :**
The Board at its meeting held at New Delhi on 18-09-2004 had sanctioned a capital grant of Rs. 4,36,000/- towards construction of the said school building. A sum of Rs. 1,09,000/- being the 3rd & final installment of the grant was released during the year under review.
- (xi) **Melamora College, Golaghat, Assam :**
The Board at its meeting held in Kolkata on 27-09-2005 had sanctioned a capital grant of Rs. 6,83,200/- towards construction of the said college building. A sum of Rs. 1,70,800/- being the 3rd & final installment of the grant was released during the year under review.
- (xii) **Sekhar Sankaradev Mission H.S. School, Assam :**
The Board at its meeting held at Coonoor on 29-12-2001 had sanctioned a capital grant of Rs. 4,83,000/- towards construction of the said school building. A sum of Rs. 1,20,075/- being the 3rd & final installment of the grant was released during the year under review.
- (xiii) **Griffiths H.S. School, Darjeeling, W.B. :**
The Board at its meeting held in Kolkata on 29-12-2006 had sanctioned a capital grant of Rs. 12.00 lakhs towards construction of the said school building. A sum of Rs. 6.00 lakhs being the 1st installment of the grant was released during the year under review.
- (xiv) **Machkhowa Degree College, Dhemaji, Assam :**
The Board at its meeting held at Jorhat on 23-6-07 had sanctioned a capital grant of Rs. 7,84,945/- towards construction of the said college building. A sum of Rs. 3,92,472/- being the 1st installment of this grant was released during the year under review.
- 9.3.2 Admission in Jalpaiguri Polytechnic Institution:**
Since 1979-80, the Board has been maintaining three reserved seats in the Jalpaiguri Polytechnic



Institute, Jalpaiguri, W.B. for the wards of tea garden employees for admission during each academic year in diploma courses. During the period under review, three wards of tea garden employees were selected against these reserved seats on merit basis.

9.3.3 Scouting and Guiding :

The Board has been granting financial assistance to the State Association of Bharat Scouts & Guides, in West Bengal, Kerala, Tamil Nadu Tripura, and Assam for the last 45 years. The purpose of this scheme is to inculcate a sense of discipline, self-reliance, self-respect, freedom from fear and development of scouting and guiding activities amongst the tea plantation workers. The financial assistance includes (i) salary and conveyance allowance for district Scouts/Guide Organizers in tea plantation area, (ii) charges for holding various training camps; (ii) uniform grant for the tea garden scouts/guides/cubs and bulbul and (iv) financial assistance for holding rallies, rally-cum-camps, camporee, jamboree etc. The scheme of granting financial assistance towards scouting and guiding in the tea plantation area is renewed on a year to year basis. During the year under review the Board has disbursed a sum of Rs. 5,61,615/- for scouting and guiding activities.

9.3.4 Sports :

In order to improve physical fitness and mental upliftment amongst the tea plantation workers, the Board has a scheme for rewarding the District level /State level/National level sports personalities from amongst the tea plantation workers or their wards and provide assistance as provided to in the Board's scheme.

9.3.5 Grants for tea plantation workers of closed tea gardens :

During the year under review a special grant on humanitarian grounds was given to 20086 tea plantation workers of closed tea estates in West Bengal and Kerala amounting to Rs. 2,01,53,385/- @ Rs.1000/- per head under the provision for education of wards of workers and assistance to disabled persons dependents on tea garden workers.

9.4 Training :

The details of expenses incurred on training of tea garden workers/ staff/ managers are provided under the chapter "Tea Development". No application was received from institutions for vocational training course for wards of tea garden community during the year.



HINDI CELL

0 Introduction :

With the enforcement of the constitution on 26 January, 1950, Hindi became the Official Language of the Union of India according to Article 343(1) of the constitution of India. Govt. of India was entrusted with the duty to promote the propagation and development of the Official Language Hindi, so that it may serve as a medium of expression of all the elements of the composite culture of India. It was natural to make continuous efforts for the use of Hindi Language. Right from its inception, Hindi Cell of the Board has been looking after the Implementation of Constitutional provision pertaining to Official Language Act 1963 and Rules 1976 made there under.

1. Purchase of hindi books :

In order to create a favourable atmosphere for implementing of official language and to make reference literature for Hindi teaching available, a Hindi Library is being maintained by the Hindi Cell. Books worth Rs. 20,000/- were bought for the Head Office as well as the Regional Offices. Among these reference materials and Glossaries/Dictionaries are included.

2. Implementation of sec.3(3)of o.l.act 1963 :

All relevant documents etc as mentioned in sec.3

(3) of O.L. Act 1963 were issued bi-lingually, i.e. in Hindi & English simultaneously in the year under review.

3. Correspondence in hindi :

All letters received in Hindi were invariably replied to in Hindi itself during the year under review. Target specified in the Annual Programme was adhered to in different regions viz. "A", "B", "C".

4. Report in hindi :

Various reports like Annual Administrative Report, Annual Accounts, Annual Audit Report of the Board were prepared in Hindi for submission to the parliament. Apart from this, Quarterly progress Report and Annual Assessment Report regarding progressive use of Hindi, were prepared in Hindi and sent regularly to Ministry of Commerce, New Delhi.

Efforts are being made to send the Quarterly Progress Report and Annual Report through internet to the Commerce Ministry in the future and this will be ensured very soon.

5. Organising hindi workshop :

During the year the officer/employees who have got working knowledge or proficiency in Hindi were nominated for attending Hindi Workshop. Faculties from different Government Offices conducted the classes. This resulted in a favourable orientation and inclination amongst personnel towards functional Hindi.

6. Hindi training :

With a view to achieving the prescribed target for imparting training to the untrained staff of the Board, some of the employees were nominated for PRAVEEN & PRAGYA course.

7. Organising hindi week :

With a view to create awareness regarding Official Language and accelerate its use in Official work, Hindi week was organized in the month of March, 2008. During the course of the week, several competitions were held and there was active



participation whole heartedly amongst all. Similar programmes were organized in regional offices of the Board in India.

8. Publication of in-house journal :

Since 1987, two issues of Hindi in-house journal "CHAI AUR BHARAT" are being published every year. This year also, Tea Board continued its publication in Hindi related to in the direction of tea Welfare special article related to tea in addition to the regular reports in Hindi were published. As a consequence there was considerable literary inclination in the office. The copies of this journal were sent to the regional offices in India as well as abroad offices of Tea Board.

9. Annual programme for transacting the official work of the union in hindi :

In pursuance of Official Language Resolution, 1967, Department of Official Language issues programme every year to speed up propagation and development of Official Language Hindi and also to accelerate its progressive use for Official purpose. The Annual programme of the year 2007-2008 is a continuation of this, whereby considerable progress has been made in the use of Hindi in the Official transactions. The prescribed target has been achieved to some extent. However English continues to be in use in the Board.

10. Meeting of olic of the board :

The meeting of Official Language Implementation Committee (OLIC) were held in each quarters where-by useful decisions were taken.

11. Provision for bilingual computer :

During the year bilingual software were made available to all the computers of the Board's office.

12. Incentive scheme for use of hindi in official work :

Tea Board promoted and propagated the incentive scheme in Head Office as well as regional offices in India in order to accelerate the use of Hindi. The Official and the employees were benefited by these Schemes. 14 employees participated and 05 employees were awarded with cash prize.

13. Quarterly progress report :

All regional/sub-regional offices controlled by Tea Board, Head office, submitted quarterly progress reports regarding progressive use of Hindi in the proforma. All reports were reviewed and action were taken to remove the deficiencies.

14. Inspection of regional offices :

During the year 2007-08 some of the departments of Tea Board's, Head Office were inspected.

15. Inspection of parliamentary committee on O.I. :

Efforts to comply with the assurances given to the Parliamentary Committee on O.L. were taken up.

16. Special achievements :

The process of creating bilingual website is continuing and all the computers are being made available with the bilingual softwares.



HUMAN RESOURCE DEVELOPMENT

Tea Board's Human Resource Development Cell is to arrange for various types of training programmes, workshops, seminar etc. from time to time for the employees and officers of the Tea Board as a part of its activities.

During the year 2007-08, altogether 10(ten) officials of the Board was provided training on various matters pertaining to Tea Board. For the purpose of such workshop, training programme etc., necessary expenditure towards payment of fees to the concerned Institutions are made from HRA (Plan) Fund.



SUPPLY

The main functions of the Supply Branch, Tea Board, Kolkata is to render assistance to the Tea Industry in the matter of procurement, movement and distribution of various inputs, viz., Fertilizers (especially Urea, Purulia Phos and Rock Phosphate) etc.

I. FERTILIZER :

Fertilizer for the Tea Industry is allocated by the (Ministry) of Agriculture, Government of India under the Essential Commodities Act on the basis of the requirements indicated by the Board through the respective State Government. Allocation of Fertilizer to Tea Gardens is done on half-yearly basis—one for Kharif Season (i.e., from April to September) and the other for Rabi Season (i.e., from October to March).

As per the information available with the Board, the controlled fertilizer (i.e. Urea) which is used in Tea Gardens as one of the important fertilizers was supplied to Tea Gardens of Assam and West Bengal under by the manufacturers, viz., (1) Brahmaputra Valley Fertilizer Corporation Limited (BVFCL), (2) Nagarjuna Fertilizers and Chemicals Limited (NFCL) and (3) Kribhco Shyam Fertilizer Limited .According to the information received from M/s. BVFCL , M/s. NFCL and M/s KSFL the quantity of Urea supplied by each of them to Tea Gardens of Assam (i.e., under N.E. Zone) and West Bengal (i.e., under East Zone) during the period from April, 2007 to March, 2008 is given hereunder in a tabular form :

(Figures in M.T.)

Name of the Manufacturer/supplier	QUANTITY OF UREA SUPPLIED DURING THE YEAR 2007-08					
	ASSAM		WEST BENGAL		TOTAL	
	Fert.	Nutrient	Fert.	Nutrient	Fert.	Nutrient
BVFCL	17719.50	8150.97	972.12	447.12	18691.62	8598.09
NFCL	-	-	10808.00	4971.68	10808.00	4971.68
KSFL	-	-	6358.00	2924.60	6358.00	2924.60
TOTAL	17719.50	8150.97	18138.12	8343.40	35857.62	16494.37



Another important Fertilizer which is commonly known as Purulia Phos is also used in Tea Gardens. Purulia Phos is supplied by M/s West Bengal Mineral Development & Trading Corporation Ltd., (W.B.M.D.T.C.L.). The supply of

Purulia Phos to the tea garden in Assam under N.E. zone and tea garden in West Bengal under East zone during the year 2007-2008 is given below :

(Figures in M.T.)



Besides the controlled fertilizer Supply Branch is also looking after problems of short supply of de-controlled fertilizer viz. MOP, DAP etc. which are also used in the Tea Garden in Assam and other States under N.E. zone and West Bengal under East zone.

2. Coal etc. :

Supply Branch is also look after and sort out the matters relating to coal, food grains, LPG cylinder/ Natural Gas etc. required by the tea estates in case of any problem faced by the Tea Industry due to disruption of supplies of the same to Tea Garden.

Assam		West Bengal	
Material	Nutrient	Material	Nutrient
1928.50	385.70	1049.35	189.95



VIGILANCE

Tea Board's Vigilance Cell is headed by the Deputy (Chairman) of the Board who has been appointed as the Chief Vigilance Officer of the Board by the Central Vigilance Commission. The Cell engages itself with surveillance and preventive vigilance, in addition to taking appropriate action in matters arising out of information /complaints. The Cell attends to queries of the Government of India and the Central Vigilance Commission as and when such queries are received. Monthly, Quarterly and Annual Reports are prepared by the Cell and are sent timely to the Department of Commerce, Ministry of Commerce & Industry, Government of India and the Central Vigilance Commission. The overall vigilance activities of the Board are looked after by the Chief Vigilance Officer who is assisted by the officials of the Board including Mr. Sanjay Kr. Mitra, DDTP who has acted as Vigilance Officer in addition to his regular work. There was no case of disciplinary proceedings pending with the Vigilance

Cell of the Board as on 31.03.2008 excepting one case of a Group 'B' employee and one case of a Group 'C' employee. The Group 'B' employee was arrested by the police on 01/09/2003 in pursuance of an FIR dated 19/08/2003 and he was remanded in the police custody for more than 48 hours. As per relevant Rules, the said employee was placed under deemed suspension with effect from 01/09/2003. The case was sub Judice and the employees still under deemed suspension.

A Group 'C' employee was arrested by the police and was remanded in the police custody for more than 48 hours on 19/01/2007 under 498A of the IPC. Accordingly, as per rules, he was placed under deemed suspension since 19/01/2007. The matter is sub-judice. Tea Board observed 'Vigilance Awareness Week' from 01.11.2007 to 06.11.2007 at its Head Office and different Zonal/Regional Offices by organizing various programmes in a befitting manner.



RTI

[Right To Information]

In order to promote transparency and accountability in the working of any public authority by securing access to information, Parliament enacted the Right to information,

2005. The act was notified in Gazette of India extra ordinary on 21st June, 2005.

The Tea Board, India is Public Authority as defined under the act. The Citizens may obtain information under the provision of the act in respect of any of the subject(s)/ matters regarding Tea Board as noted below on payment on prescribed fees. In the year 2007-08, 19 (nineteen) numbers on RTI applications were received and replies were sent to the respective applicants. The detailed list is given below :

**Statement showing the applications received under RTI act, 2005
during the year 2007-08 commencing from 01.04.2007 to 31.03.2008.**

Sl. No.	Name of applicants	Date of rec
1	Mr. Janam Roy Darjeeling, West Bengal	12.07.20
2	- Do -	13.07.20
3	Mr. Verendra Kumar Thane, maharashtra	16.07.20
4	Mr. Satindra nath Chopra	16.05.20
5	Mr.V. K.V. Menon, Director Wayanad Coffee Growers Association	13.08.20
6	Mr. Narayan C.P. Mumbai	01.10.20
7	Mr. C.P. Shukla, Allahabad, U.P.	29.10.20
8	Mr. Prasant Ramesh Rao Dhirde	02.11.20
9	Mr. Prasant Ramesh Rao Dhirde	02.11.20
10	Mr. P. Hari Kumar	27.11.20
11	Mr. Janam Rai, Darjeeling, W.B.	07.02.20
12	Ms. D. Anitha (Bsc), Karnataka	06.03.20
13	Mr. C.P. Sukla, Allahabad, U.P.	05.02.20
14	Ms. D. Anitha (Bsc), Karnataka	11.02.20
15	Mr. Siddaram M. Heera, Bangalore, Karnataka	10.01.20
16	Dr. Gautam Kothari	13.02.20
17	Dr. S. K. Rungta.	21.01.20



List of the Members for the Period from 01.04.2005 to 31.03.2008

1. Shri B.Banerjee, IAS,
Chairman, Tea Board.
2. The Additional Chief Secretary,
Industries & Commerce Department,
Govt. of Assam, Dispur, Guwahati - 6
3. The Principal Secretary,
Commerce & Industries Department,
Govt. of West Bengal, Writers Buildings,
Kolkata-700 001.
4. The Additional Secretary,
Department of Industries & Commerce,
Govt. Of Tripura, Agartala-799001
5. Secretary to Govt., of Tamil Nadu
Small Industries Department
Chennai-600009
6. The Secretary, (Agriculture),
Govt. of Himachal Pradesh,
Simla-171002
7. The Principal Secretary to Govt., of Kerala,
Industries Department,
Thiruvananthapuram,
Kerala-695001
8. Shri N.C. Borkataky,
Hon'ble Member of Parliament, (Lok Sabha),
158, South Avenue,
New Delhi-110001
Ph. No. (011) 23795400/23795300
Mob: 9868180184
(ii) Shri N.C.Borkataky,
H.No. 11,Rukmani Nagar,
Dispur, Guwahati-781006 (Assam),
Ph. No. (0361) 2261587
9. Shri Dawa Narbula,
Hon'ble Member of Parliament, Lok Sabha
72, North Avenue, New Delhi - 1.
Tel : (011) 23093556,23092089,23353631,
Mob: 9868180360
- (ii) Shri Dawa Narbula,
3B, Kutchery Road, Darjeeling,
West Bengal. Phone: (0354) 2254239
10. (i) Shri Tarini Kanta Roy,
Hon'ble Member of Parliament,
Rajya Sabha,
198, North Avenue, New Delhi 110001.
Tel. (011) 23093580,23092027,
Mob :9868181773
(ii) Shri Tarini Kanta Roy, M.P. (Rajya Sabha)
Gunjabari North, Siliguri Road,
P.O.&Distt – Coochbehar.
Pin-736101, West Bengal
Ph. : (03582) 224400,223777
e-mail : tkroy@sansd.nic.in
11. Chairman, Indian Tea Association,
"Royal Exchange", 6, N.S. Road,
Kolkata-700 001.
Phone2210-2472/2474 Fax : 228i3997
Fax -2281-3779/3988(Dir)
e-mail : ita@indiatea.org
12. The Chairman,
Tea Committee,
United Planters' Association of Southern India,
Glenview, Coonoor,Nilgiris-643101
13. Shri Dipankar Chatterjee,
Managing Director,
The Luxmi Tea Company Ltd,
17, R.N. Mukherjee Road,
Kolkata-700001.
Phone : 2248-1697/4227, (Off) : 2464-3439
14. Shri J.L. Butail, Chairman,
Kangra Tea Planters Assocation,
Kangra Valley Tea Estate,
Gopalpur, Dist-Kangra,Himachal Pradesh,
Pin-176059. Phone: 01894252231,
Mob :9816199095



15. Shri J. K. Thomas, Managing Director,
Malankara Plantations Ltd,
Kodimatha, Kottayam-686039.
0481-2568433 (Telefax)
0481-2568360, 2568335 (EPABX)
Res: 0481-2392681
Mob: 09447155433
16. Ms. Bobbeeta Sharma,
Sangeeta Advertising,
Anuradha Complex, Bamuni Maidan,
Guwahati-781021, Assam.
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Fax: 0361-2550989
Residence : Monoram
Bamunimaidan., Guwahati-781021, Assam.
Ph : 0361-2552596/2550250
E-mail : bsharma2@yahoo.com
17. Shri. V. Soundararajan, Vice President
INTUC,
C/2, Narayani Apartments
Ramesh Nagar, Valasaravakkam,
Chennai-600087
Ph.No. 044-24865372/24863959
Ph: 25364536 /25368581 (Office)
18. Shri Shankar Malakar, President,
Darjeeling Dist. Congress Committee,
Member AICC,
Babupara, Siliguri, Dist. Darjeeling,
PIN-734001
Tel: (0353) 2468777 (R), 2534141 (o)
Mob: 9434044400, Fax: 2468999
19. Shri Vijay Jagannath,
McLeod Russel India Limited,
Four Manage Lane-9th floor,
Surendra Mohan Ghosh Sarani,
Kolkata-700001.
9831050399 (Mobile)
Tel (o) : 210-1221, 2343-5391, 2248-9434/35
(Extn. No. 395) (F) : 2248- 4690/2394
(D) 5550-9094
e-mail: vijay_jagannath@wmg.co.in
20. Shri K.Kapoor,
6A, Alipore Avenue,
Kolkata-700027.
Phone No. 2479-9727/7003
Mobile No. 9831073343
21. Shri Nivedith Thomas A.
No.11, Milton Street, Cooke Town,
Bangalore – 560005.
22. Shri Arjun Sahu
Rajmai Tea Estate, P.O. Rajmai,
Dist. Sibsagar, Assam.
23. Smt. Deepa Dasmunshi,
Memebr of Legislative Assembly,
6A, Rani Bhavani Road,
Kolkata – 700026.
24. Shri C.A. Kurien,
General Secretary,
All India Federation of Plantation Workers, (Munnar),
C/o AITUC Office, Munnar Post Office,
Pin – 685612, Kerala.
25. Shri P.A. Joseph,
President, Indian National
Plantation Workers' Federation,
Post Box No.9,
P.O. Kumily, Idukky Dist.,
Kerala – 685612.
26. Shri Alok Chakravarty,
"Putul Ghar",
Durgaguri, Post Pradhan Nagar,
Siliguri, Dist. – Darjeeling.
27. Shri Rajiv Krishna Puri,
Chairman and Managing Director,
Parcon (India) Private Limited,
Pratap Market, 2nd Mile,
Sevok Road, Silguri – 734401 .
28. Shri Karan Paul,
Chairman, Apeejay Surendra Group,
Apeejay House,
15, Park Street, Kolkata – 700016.



29. President, Tea Association of India,
India Exchange,
4, India Exchange Place,
(7th floor), Kolkata – 700001.
30. Shri K.K. Viswanathan Master,
Narayanapuram,
Thaza Munda (Post), Kenichira (via),
Wayanad – 673596.
31. Shri K V Subba Reddy,
Kodapally Village,
Chintamani Taluk, Dist. Kolar,
Karnataka.

Permanent Special Invitee of the Board

1. The Chairman & Managing Director,
North Eastern Development Finance
Corporation Limited (NEDF),
Basundhara Enclave, B.K. Kakati Road,
Ulubari, Guwahati – 781007, ASSAM.
2. The President,
Confederation of Indian Small Tea
Growers' Association (CISTA),
6th Lane, "MAINAK BHAWAN", Ganapatti,
Dist – Sibsagar,
Pin – 785640, ASSAM.
3. Ministry of Commerce & Industry,
Govt., of India,
Udyog Bhavan,
New Delhi – 110107.



Composition of the Standing Committees for the year 2005–2008 (upto 31st March, 2008)

Executive Committee

1. Chairman, Tea Board
(Ex-Officio Chairman of the Committee).
2. Vice-Chairman, Tea Board
(Ex-Officio, Member of the Committee).
3. Shri Dawa Narbula,
Member of Parliament, Lok Sabha, New Delhi.
4. Shri Dipankar Chatterjee, Managing Director,
The Luxmi Tea Comany Ltd, Kolkata.
5. Shri Kapil, Kapoor,
6A, Alipore Avenue, Kolkata-700027.
6. Shri K.K. Viswanathan Master
7. President, Tea Association of India, Kolkata
8. Shri K.V. Subbareddy
9. Vacant

**Four Meetings were held during 2007-08
i.e. on 23.06.07, 27.09.07, 17.12.07
and 26.03.08**

II. Export Promotion Committee

1. Chairman, Tea Board
(Ex-Officio Chairman of the Committee).
2. Shri N.C. Barkataky,
Member of Parliament, Lok Sabha, New Delhi.
3. Ms. Bobbeeta Sharma,
Sangeeta Advertising, Anuradha Complex, Bamuni
Maidan, Guwahati
4. Chairman, Tea Committee, UPASI, Coonoor.
5. Shri Karan Paul
Chairman, Apeejay Surendra Group
6. Shri P.T. Sigamporia, Indian Tea Association, Kolkata
7. Vacant

**Four Meetings were held during 2007-08
i.e. on 23.06.07, 27.09.07, 17.12.07 and 26.03.08**

III. Labour Welfare Committee

1. Chairman, Tea Board
(Ex-Officio Chairman of the Committee).
2. Shri V. Soundararajan,
Vice President, INTUC, Valasavakkam, Chennai,
Tamil Nadu.
3. Shri Shankar Malakar,
Babupara, Siliguri, Distt. – Darjeeling, West Bengal.
4. Chairman, Indian Tea Association, Kolkata.
5. Chairman, Tea Committee, UPASI, Coonoor
6. President, Indian National Plantation Workers
Federation
7. Shri Alok Chakraborty
8. General Secretary, All India Federation of Planta-
tion Workers, Kerala
9. Shri Arjun Sahu, Rajmai Tea Estate, Assam

**Four Meetings were held during 2007-08
i.e. on 23.06.07, 27.09.07, 17.12.07 and 26.03.08)**

IV. Development Committee

1. Chairman, Tea Board
(Ex-Officio Chairman of the Committee).
2. Shri Tarini Kanta Roy,
Member of Parliament, Rajya Sabha, New Delhi.
3. Chairman,
Indian Tea Association, Kolkata.
4. Shri J. L. Butail, Kangra Valley Small Tea Growers'
Association, Kangra, Himachal Pradesh.
5. Shri Vijay Jagannath,,
M/s Mcleod Russels (I) Ltd., Kolkata.
6. Shri J. K. Thomas, M. D., Malankara Plantations
Ltd., Kottayam,
7. Chairman, Tea Committee, UPASI, Coonoor

**Four Meetings were held during 2007-08
i.e. on 23.06.07, 27.09.07, 17.12.07 and 26.03.08)**



Addresses of Tea Board Offices in India and Abroad :

Annexure-III

KOLKATA

Tea Board
14, BTM Sarani, Kolkata - 700 001.
Tel. :2235-1411 STD : 033
E-mail : secyteaboard@vsnl.net
Website :www.teaboard.gov.in

DELHI

The Special Officer for NWI
Tea Board
13/2 Jam Nagar House, Sajahan Road,
New Delhi - 110 011
Tel. : 011-23074179, 23625930-F
Mob. : 09811100236, 23543513-R
E-mail : asitkala50@indiatimes.com

MUMBAI

The Superintendent
Tea Board
Resham Bhavan, 78, Veer Nariman Road,
Mumbai - 400 020.
Tel.: 022-22041699
Fax: 022-22041699
G.H. (Tel): 2367 5401
E-mail : mumtea@vsnl.net

COONOR

Executive Director,
Tea Board,
Shelwood Coonoor Club Road, Post Box No. 6,
Coonoor - 643 101, Nilgiri, South India, Tamil Nadu,
Tel. : 0423-2231638/2230316*[D]
Fax : 0423-2232332, 2231484-Res.
E-mail : teaboardcoonoor@rediffmail.com

CHENNAI

The Welfare Liaison Officer (South)
Tea Board, 139, Eldams Road (2nd floor),
Chennai - 600018.
Telefax : 044-24341650
TEL : 044-24342754
E-mail : teaboardchennai@sancharnet.in

KOCHI

The Jt.Controller of Licensing
Tea Board, Indira Gandhi Road,
Willingdon Island,
Cochin - 682 002, Kerala.
Tel. :0484-2666523/2340481
Fax :0484-2666648
E-mail : teaboardkochi@bsnl.in

KOTTAYAM

The Asst.Director Tea Development
Tea Board
College Road, Kottayam - 686 001, Kerala.
Tel.: 0481-2567391
Fax : 0481-2567391
E-mail : teaboard.kottayam@gmail.com

GUWAHATI

Executive Director,
Tea Board
North Eastern Zonal Office
Housefed Complex, 5th floor,
Central Bank,
Beltola-Basistha Road,. : Dispur, Guwahati - 781006
TEL: 0361-2234251/2234257/2234258
Fax: 0361-2234251
E-mail : teaboardghy@hotmail.com

JORHAT

The Deputy Director Tea Development (Plantation)
Tea Board,
Tea Research Association Complex,
Cinnamara, Jorhat-785001, Assam
E-mail : dip_hald@yahoo.co.in

TEZPUR

The Asst.Director Tea Development
Tea Board
Mission Charali, Opp. Trade & Industry Building,
P.O. Dekargaon, Tezpur-784 501, Dist. Sonitpur, Assam.
Tel : 03712-255664
E-mail : teaboardtezpur@yahoo.com

**SILCHAR**

The Asst. Director Tea Development
Tea Board
Club Road, Silchar - 788 001, Dist. : Cachar, Assam.
Tel. : 03842-232518
E-mail : silcharteaboard@rediffmail.com

AGARTALA

The Asst. Director Tea Development
Tea Board
Akhaura Road, Fire Brigade, Chowmuhani
Agartala - 799 001,
Tripura (West)
Tel. : 0381-23241

SILIGURI

The Deputy Director Tea Development (Plantation)
Tea Board
Shahid Bhagat Singh Commercial Complex, (3rd floor),
2nd Mile, Sevoke Road,
Siliguri, West Bengal
Tel/Fax : 0353-2544778
E-mail : amal.roychowdhury@gmail.com

PALAMPUR

The Development Officer
Tea Board,
Mission Road,
Palampur - 176 061
Kangra,
Himachal Pradesh.
Tel : 01894-230524
Fax : 01894-231748
E-mail : pchhetri007@yahoo.com

DARJEELING (DTR & D.C.)

Project Director,
Tea Board,
Acharya Bhanu Path,
Kurseong - 734 203, Darjeeling.
Tel.: 0354-230287
Fax : 0354-230218-Fax & Tel.

OFFICES ABROAD**UNITED KINGDOM**

Mr. Ali Raza Rizvi, IAS, D.T.P.
Tea Board of India, India House, Aldwych,
London - WC2B 4NA.
Tel. : 0044207-2402394
Fax : 00 44207-2402533
Res. : 01372476967
Mobile : 00447788420995
Residence : 4, Carrick Gate,
Esher, Surrey KT10 9 NE, U.K.:
E-mail : teabordlon@aol.com

DUBAI

Sri M.S. Sharma, I.P.S., D.T.P.,
Tea Board of India
P.O. Box No. 2415, Flat No. 5, Al Abbas Buildings,
Bank Street, Bur Dubai, Dubai UAE.
Tel. : 009714 3522612/3522613
Fax : 00 9714 3522615
Mobile : 0097154575283, 513275
E-mail : teaboard@emirates.net.ae

MOSCOW

Dr. P. Shakil Ahammed, IAS, D.T.P.
Tea Board of India
C/o Embassy of India,
4, Vorontsovo Polye,
Russian Federation,
Moscow.
Tel : 007095-9171657
Fax : 007095-9163724
Res. : 007095-2543743
E-mail : teaboard@com2com.ru

**EXPENDITURE STATEMENT UNDER RESEARCH SCHEMES DURING 2007-08.**

(A) Ongoing Research Scheme.

Sl. No.	Ongoing Scheme	(In Rs.)
1.	Grant in aid to AAU, Jorhat	2,00,000.00
2.	Scheme on improvement of tea culture in the hilly areas of Himachal Pradesh	3,50,000.00
3.	Contribution to UPASI-TRF as grant in aid plus Advisory Service and Chemistry of Tea.	8,886,000.00
4.	TA/DA to members for participating in the meeting of National Committee on Tea Research and other committee on Tea Research DTRCDC, Kurseong	12,11,484.00
5.	Workshops/Conferences relating to ongoing schemes	4,13,388.60
	Total	5,30,60,872.60

Statement of expenditure under special grant AED fund for the year 2007-08

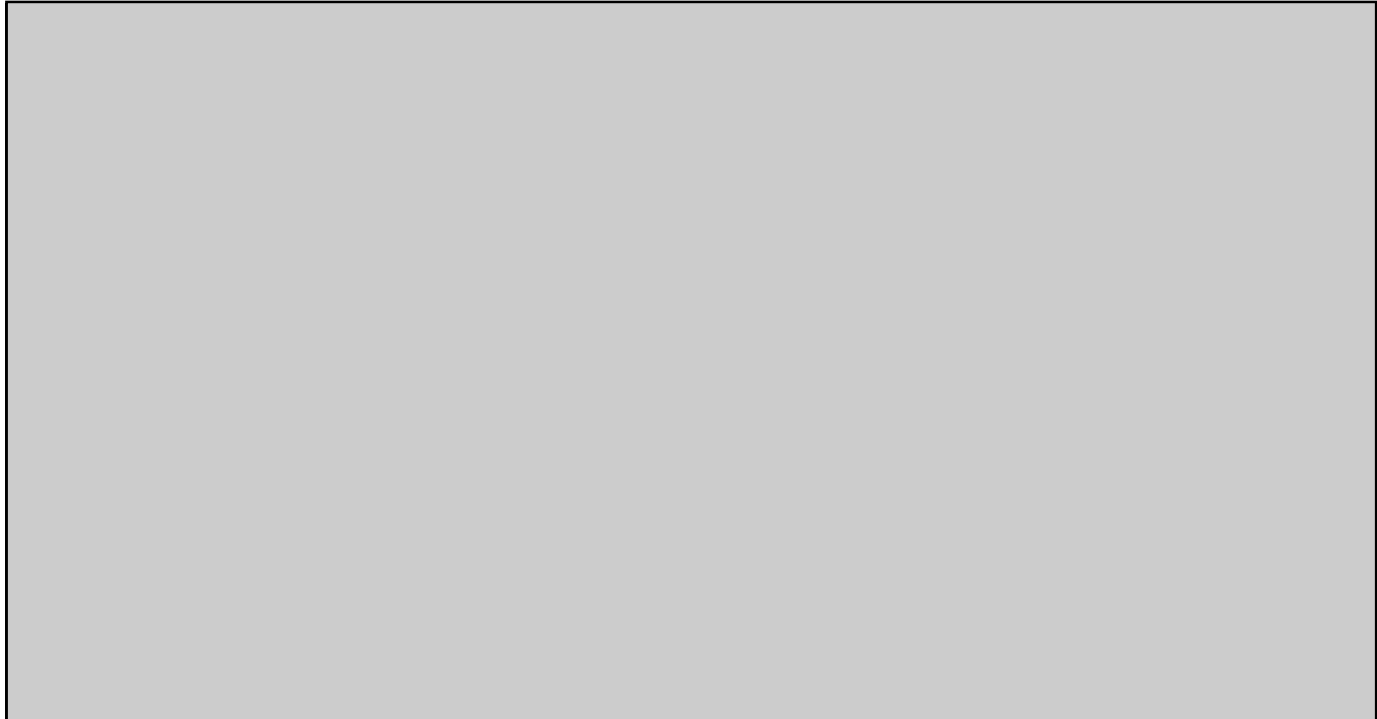
(B) Speed Grant AED

		Name of the Organization	
1.	Grant paid to TRA		
2.	Grant paid to UPASI-TRF		
	Total (B)		
	Total A+B)		



**SCHEMewise DISBURSEMENT SEPARATE POOL UNDER THE BOARD'S
LABOUR WELFARE ACTIVITIES DURING THE YEAR 2007-08.**

Annexure-V



Sl. No.	Description	
1.	Educational Stipend & Nehru Award	
2.	S.B. Dey Sanatorium	
3.	Kalimpong Sub-divisional Hospital	
4.	Bharat Scouts & Guides	
5.	Family Welfare Educational Programme of Indian Tea Association, Kolkata.	
6.	Special Medical treatment	
7.	Family Welfare Educational Programme, IPARW, Jalpaiguri	
8.	Borhat BPB Memorial College, Sivasagar, Assam	
9.	Golaghat Commerce College, Golaghat, Assam	
10.	Lakhimpur Girls' College, Assam.	
11.	Red Cross Society, Silchar, Assam	
12.	Mangorange Hospital, Nilgiri	
13.	Machkhowa Degree College, Dhemaji, Assam	
14.	Chariali H.S. & M.P. School, Assam	
15.	Kurseong Adarsha Vidyalaya, Darjeeling	
16.	Chaiduar College, Sonitpur, Assam	
17.	Hemoprabha Borbora Girls' College, Golaghat, Assam	
18.	Kalipada Ghosh Mahavidyalaya, Bagdogra, W.B.	
19.	Talap Balibazar High School, Tinsukia, Assam	
20.	Melamora College, Golaghat, Assam.	
21.	Shiekalmudi Garden Hospital, Coimbatore	
22.	Lahowal College, Dibrugarh, Assam	
23.	Geochindia Group Hospital, Jalpaiguri, W.B.	



INDEX : 54TH ANNUAL REPORT OF TEA BOARD : 2007-2008

CONTENTS

CHAPTER –1

Organisational set-up & functions of Tea Board

Constitution of the Board	1
Functions of the Board	1
Standing Committee	1
Election of Vice-Chairman	1
Administrative Set-up	1
Man Power	2
Scheduled Caste/Scheduled Tribe	3
Location of different offices of the Board in India	3
Changes in Administration	3

CHAPTER - 2

India in the International Perspective

Introduction	5
World Production	
World Exports	
World Imports	
World Tea Prices	
Prices of Tea at different auction centers	
India Tea Scene	
Production of Tea in India	
Marketing	
London Auction	
Ex-garden Sale	
Direction of exports	
Product Diversification	
Internal consumption	
Taxes & Duties	
Excise Duty	
Export Duty	
Import Duty	

CHAPTER – 3

Finance

Introduction	
Cess Proceeds	
Research & Development Grants	
Subsidy	
Special Fund (AED)	
Loan Corpus Fund	
Receipt – Cess	
Expenditure – Cess (Non-Plan) /R & D 11	
Expenditure – Subsidy /Special Fund /AED	

CHAPTER -4

Tea Development

Introduction	
Financial Sanction /Approval Accorded	
Tea Quality Upgradation & Product Diversification Scheme	
Human Resource Development Scheme	
Research & Development Scheme (Development)	
Orthodox Tea Production Subsidy Scheme	
Price Stabilization Fund Scheme	
Revolving Corpus for Loan Schemes	
Loan disbursed during 2005-06	

CHAPTER - 5

Tea Research

Introduction	
Grant-in-aid Programmed	



Special Grant under AED (Additional Excise Duty)
Plan Schemes (10th Plan)
TRA

Special Grant

Sponsored Projects

Scientific and Technical Committees

CHAPTER - 6 Tea Promotion

Introduction

Activities from India

Production of Publicity Materials and Gift Items
Tea Promotion in India
Delegation/ Visitors from abroad

Delegations/ Deputations from India to Overseas

CONTENTS

CHAPTER -7

Licensing

Introduction

Exporter's Licence

Tea Waste Licence

Registration-cum-Membership

Certificate (RCMC)

Tea (Marketing) Control Order

Registration of Tea Manufacturing Unit

Registration of Auction

Organiser/ Auction Brokers

Registration of Buyers

Registration of Manufacturers of
Tea with added flavour
Extension/Replacement Planting Permit
Import of Tea from India

CHAPTER - 8

Statistics

Introduction

Publications

Techno-Economic Survey

Monitoring of Tea Prices

Library

CHAPTER - 9

Labour Welfare

Introduction

Nature of Schemes

Educational Stipend & Nehru Award

General Welfare

Performance of Scheme

01-04-2005 to 31-03-2008 Health

Sports

Education

CHAPTER - 10

Hindi Cell

Introduction

Purchase of Hindi Books

Implementation of Sec. 3(3)

O.L. Act 1963

Correspondence in Hindi

Report in Hindi

10 London Office



10 Moscow Office

10 Dubai Office

10 Wana General

10 UAE/ ARE/ Saudi Arabia/ Iraq

10 Iran/ Libya/ Sudan

10 USA and Canada

11 Australia Japan
Expenditure – Subsidy/ Special Fund/ AED

CHAPTER – 10

Organising Hindi Workshop

Hindi Training

Organising Hindi Week
Publication of In-house Journal
Annual Programmed for
transacting the official work of
the Union in Hindi
Meeting of OLIC of the Board
Provision of Bilingual Computer
Incentive Schemes for use of
Hindi in Official work

Quarterly Progress Report
Inspection of Regional Offices

CHAPTER - 11

Human Resource Development

CHAPTER - 12

Supply

Fertilizer

Coal



