

**GOVERNMENT OF INDIA**  
**MINISTRY OF COMMERCE AND INDUSTRY**  
**RAJYA SABHA**  
**QUESTION NO 29.07.2009**  
**ANSWERED ON**

**SETTING UP OF TEA MANUFACTURING UNITS WITH MINIMUM INVESTMENT .**

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Shri Birendra Prasad Baishya

Will the Minister of HEALTH AND FAMILY WELFARE, COMMERCE AND INDUSTRY be pleased to state :-

(a) whether his Ministry has any proposal for encouraging setting up of Tea manufacturing units in Assam with minimum investment to benefit both the entrepreneur and small tea growers; and

(b) if so, the criteria fixed for sanctioning the proposed amount as well as list of proposals received and sanctioned during the financial year 2008-09 in this regard?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY

(SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b) : The Government of India has sanctioned a scheme called Quality Upgradation and Product Diversification Scheme during the 11th Plan for encouraging setting up of tea manufacturing units in India including Assam for the benefit of both the entrepreneurs and small tea growers. Under the scheme, subsidy is extended for setting up of mini tea processing factories by the Self Help groups of small growers. The rate of subsidy provided is 40% of the unit cost subject to a ceiling limit of Rs.25 lakhs per factory. The subsidy is also provided for entrepreneurs for setting up new factories for making orthodox tea and specialty teas. The criteria fixed for sanctioning the subsidy amount to Self Help group of small growers is that the SHG should have a minimum of 50 growers as members of the group and the total tea area owned by the members shall not be less than 50 acres. So far as entrepreneurs are concerned, they should have a valid Registration Number issued by the Tea Board under Tea marketing Control Order. Economic viability of the proposals is evaluated by R&D institutions. Tea Board has not received any application for setting up new factories either by SHGs or by any entrepreneur for manufacturing orthodox tea.