

### Tea Exports

\*59. **Shri P. C. Borooah:** Will the Minister of **International Trade** be pleased to state:

(a) whether the exports of tea declined during 1963-64;

(b) if so, to what extent and to which countries; and

(c) the main reasons for this decline?

**The Minister of International Trade (Shri Manubhai Shah):** (a) and (b). Yes, Sir, to the extent of 11.5 m. kg compared to 1962-63. The decline in exports was to the UK, Ireland, Iran, Turkey, Sudan, the USA and Australia.

(c). Lower production in India resulting from adverse weather condition during the two consecutive years viz., 1962 and 1963 which reduced the availability of tea. Also the 10-12 day closure of tea auctions and exports of tea during January, 1964 due to civil disturbances lost us about Rs. 10 to 12 crores worth of tea exports.

### Aluminium Projects

\*60. **Shri D. C. Sharma:** Will the Minister of **Steel, Mines and Heavy Engineering** be pleased to state:

(a) whether it has been decided in principle that the future aluminium projects should be in the public sector; and

(b) if so, the reasons therefor?

**The Minister of Steel, Mines and Heavy Engineering (Shri C. Subramaniam):** (a) No Sir.

(b). Does not arise.

### Import of Raw Materials

\*61 { **Shri P. C. Borooah:**  
**Shri Rameshwar Tantia:**  
**Shri Dhaon:**  
**Shri Bishanchander Seth:**

Will the Minister of **International Trade** be pleased to state:

(a) whether further foreign exchange facilities are proposed to be

extended to manufacturers and exporters for the import of raw materials, components and spares required by them in pursuance of Mudaliar Committee's recommendations; and

(b) if so, the precise nature of the proposal?

**The Minister of International Trade (Shri Manubhai Shah):** (a) and (b). In pursuance of the recommendations made by the Mudaliar and Mathrani Committees, a scheme is being introduced to augment the foreign exchange facilities available to exports for import of raw materials, components and spares required by them. An outline of the proposed scheme is laid on the Table of the House.

### STATEMENT

Under the proposed scheme, commercial banks dealing in foreign exchange will obtain lines of credit from their principals, branches or correspondents abroad on the strength of an assurance from the Reserve Bank of India that necessary foreign exchange will be released to repay the credits by the due date. Against these lines of credit, exporters of proved export performance and recommended by the bank concerned will, on approval by a Committee to be appointed for this purpose by the Union Government, be granted import licences for raw materials, components and spares.

2. The exporter will be required to execute a bond undertaking to effect specified exports within a stipulated period. The import licences will be issued only for the value of raw materials/components permissible under the appropriate export promotion scheme and required for the production of the goods to be exported.

3. In the event of any failure on the part of the exporter to fulfil his obligation to effect additional exports, the equivalent amount of foreign exchange will be debited to his entitlement as an Actual User, in addition to other penalties under the scheme.