

**The Deputy Minister of Works, Housing and Supply (Shri Anil K. Chanda):** (a) No.

(b) and (c). The questions do not arise.

#### **Export of Tea**

**1410. Shri P. C. Borooah:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether the existing system of allotment of quotas to the tea estates for export of tea has recently been suspended;

(b) if so, the reasons therefor; and

(c) to what extent tea exports are expected to increase under the revised system?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):** (a) Yes, Sir.

(b) and (c). In the present context, when greater emphasis is laid on exports in the interest of the country's economy any restriction on exports through the continuation of quota system is considered to be an anachronism. While the suspension of export quota system may not have any direct or immediate effect on exports which depend primarily on the forces of world supply and demand, it will facilitate the free flow of exports.

#### **Production and Price of Tea**

**1411. Shri P. C. Borooah:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that while the tea production in the first nine months of the current year has increased, the price level has been drifting downwards;

(b) if so, the reasons therefor; and

(c) what will be the net effect of these two factors on the foreign exchange earnings this year as compared to the previous two years?

**The Deputy Minister of Commerce and Industry (Shri Satish Chandra):** (a) and (b). Total production of tea in India during the first nine months of 1961 was 549.4 million lbs. compared to 487.3 million lbs. during the corresponding period of 1960. The average prices obtained by the South Indian teas sold at the Cochin auctions upto 14th November during the current year were higher compared to the prices during the corresponding period of last year. While the weekly average prices obtained by export teas (upto 8th August) and internal dust teas (upto 22nd August) at the Calcutta auctions during the current season were satisfactory, the prices started showing a downward trend thereafter compared to the prices obtained for the teas sold during the last season. The fall in auction prices of North Indian teas is mainly due to larger offerings due to higher production of tea in the current year.

(c) Total exports of tea from India upto the end of October 1961 amounted to 329.98 million lbs. valued at Rs. 92.38 crores as against 304.09 million lbs. valued at Rs. 85.31 crores and 347.19 million lbs. valued at Rs. 91.56 crores during the corresponding periods of 1960 and 1959 respectively. If the present trend in exports continues, it is expected that a total quantity of about 475 million lbs. of tea valued at about Rs. 126 crores will be exported during the current year as against 430 million lbs. valued at Rs. 121 crores and 472 million lbs. valued at Rs. 126 crores during 1960 and 1959 respectively.

#### **Spinning Plant at Malegaon (Maharashtra)**

**1412. Shri Yadav Narayan Jadhav:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that applications for licensing of a spinning plant at Malegaon District, Nasik, Maharashtra State are pending with Government;

(b) if so, what are the parties who have approached;