

by the penal provisions of Foreign Exchange Management Act, 1999 (FEMA). The Reserve Bank of India has informed that the matter related to Bharti Wal-Mart/ Cedar Support Services Limited has been referred to the Directorate of Enforcement for further investigations. No time frame has been fixed by the Government for conducting the enquiry.

### **Fixing of base price for tea in Assam**

2039 SHRI BHUBANESWAR KALITA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that there is a base price for selling of agricultural product like wheat etc., in States like Punjab etc., but there is no base price for selling tea in Assam fixed by the Ministry, which produces more than 51 per cent of the tea in India;

(b) whether having a base price for selling tea would help the small tea growers of Assam, and whether the Ministry would recommend fixing of base price irrespective of quality of Assam tea; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRIMATI D. PURANDESWARI): (a) to (c) Base price has not been fixed for selling tea in Assam. Tea being a perennial crop, green leaf is harvested in Assam for nearly 9 months in a year from March-December. During this period, because of the seasonal variations, quality of the green leaf would vary from month to month. Keeping this variation in view, a Price Sharing Formula (PSF) has been notified by the Tea Board as per the provisions of the Tea (Marketing) Control Order, 2003 for ensuring equitable sharing of sale price of made tea between the suppliers of green leaf and the manufacturers. This formula takes into account the cost of production of Green Tea leaf by the small growers, cost of manufacturing made tea by the bought leaf factories, and the out-turn percentage (*i.e.* the ratio of conversion of 'Green Tea leaf' into 'made tea') Thus the green leaf price payable to the growers would be depending upon the market situation and the quality of the end produce and would vary from month to month. As per the notified formula for Assam, the net sale proceeds need to be shared in the ratio of 65:35 between the growers and the factories when the price fetched by the individual factory remains either at par or lower than the state average. When the price fetched by the

individual factory exceeds the state average, the differential is to be shared in the ratio of 50:50. This scientific formula is more helpful for the growers in realizing remunerative price for the green leaf in lieu of fixed base price.

#### **Decline in IIP**

2040. SHRI RAJIV PRATAP RUDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether there has been decline in the Index for Industrial Production (IIP) during the last three months when compared to corresponding period last year;
- (b) if so, the sector-wise details thereof and the reasons therefor;
- (c) whether it is a fact that the manufacturing and capital goods and substantially dragged down the IIP;
- (d) if so, the measures taken by Government; and
- (e) the States which are faring well with respect to IIP and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. S. JAGATHRAKSHAKAN): (a) and (b) Measured in terms of index of Industrial Production (IIP), industrial production registered a growth rate of 0.5 percent during July-September 2012-13 compared to its growth of 3.2 percent registered during the corresponding period of previous year. The sector-wise details are given in table below:

Sector	2011-12 (July-September)	2012-13 (July-September)
Mining and Quarrying	-4.1	1.7
Manufacturing	3.4	0.2
Electricity	10.5	2.8
Overall IIP	3.2	0.5

The decline in IIP can be attributed to factors like hardening of interest rates, moderation in domestic demand, inflationary pressure, rising input cost, decline in external demand etc.