

(b) The matter is under consideration.

Export of Textiles

2368. **Shri Raghunath Singh:** Will the Minister of Commerce be pleased to state:

(a) whether it is a fact that the export of textiles has gone down by about Rs. 3.5 crores as compared to the first six months of 1964 mainly due to the decline of exports to U.K. by five crores of rupees; and

(b) if so, action taken in the matter?

The Deputy Minister in the Ministry of Commerce (Shri S. V. Ramaswamy): (a) and (b). Overall exports of cotton textiles during the first six months of 1965 have declined by Rs. 2.81 crores compared to the exports in the corresponding period in 1964.

With a view to fulfilling the export quota for the U.K., free licensing has recently been introduced in respect of all categories of cotton textiles.

All possible assistance is being rendered to exporters to maintain and, if possible, increase exports of cotton textiles to other countries also.

Visit of Hongkong Team to India

2369. { Shri Raghunath Singh
Shri R. Barua:
Shri D. D. Mantri:
Shri Basumatari:
Dr. Mahadeva Prasad:

Will the Minister of Commerce be pleased to state:

(a) whether it is a fact that a Hongkong team visited India recently for collaboration possibilities between India and Hongkong in textile garments and allied industries; and

(b) if so, the results achieved by their visit?

The Deputy Minister in the Ministry of Commerce (Shri S. V. Ramaswamy): (a) and (b) A textile delegation from Hongkong visited India recently to have talks with Indian officials and textile industrialists on a number of matters of common interest. There was a mutual exchange of views on problems concerning the textile industry in both the countries, particularly with regard to exports.

Engineering Units

2370. **Shri P. C. Borooah:** Will the Minister of Industry and Supply be pleased to state:

(a) whether Government have decided to allow diversification of the pattern of production by the Engineering Units in the country with their existing plant and machinery;

(b) if so, to what extent and on what basis; and

(c) how it will affect the overall production of these industries during the rest of the current year?

The Deputy Minister in the Ministry of Industry and Supply (Shri Bibudhendra Misra): (a) and (b). In the engineering field, industrial units have been given the freedom to diversify production for the manufacture of 'New Articles' with existing plant and machinery, provided no additional foreign exchange is required and provided further that (i) the items to be manufactured are not on the 'banned' list; (ii) the items are not reserved for the small scale sector and (iii) no substantial reduction in the production of items already licensed is involved; (iv) there is no diversion of production from priority and essential items to low-priority and non-essential but more lucrative items.

(c) The Government expect that these measures which were announced towards the end of July, 1965 will stimulate larger production of industrial products based on indigenous equipment and raw materials.