

(d) Government lends support to all export promotion efforts including those made by the Federation.

#### STATEMENT

In addition to the existing export assistance including advance and replenishment licences, compensatory support, duty drawbacks, customs bonding, freight reductions etc. the recently established Trade Development Authority has been entrusted with the task of developing both production and export of automobile ancillaries. The Trade Development authority is engaged in the following activities:

(a) Identifying the specific items of automobile ancillaries with comparative advantage and promoting export to both the original equipment and spare part markets;

(b) Locating international long-term buyers of ancillaries both as original equipment and as spare parts, and put them in touch with competent Indian manufacturers for start up of negotiations and conclusion of contracts;

(c) Locating the specific areas of capacity constraints and processing proposals for expansion or creation of capacity for export production.

Considerable work has since been done in this direction and a number of enquiries received from international firms for a range of ancillaries are at different stages of processing.

#### EXPORTS OF TEXTILES

1128. SHRI LOKANATH MISRA: Will the Minister of FOREIGN TRADE|

विदेश व्यापार मंत्री be pleased to state:

(a) total exports in terms of quantity and value of the textiles during the last one year and corresponding figure for two earlier years; and

(b) whether exports earnings through textiles have considerably increased and, if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE| विदेश व्यापार मंत्रालय में उपमंत्री (SHRI A. C. GEORGE): (a) A statement is attached [See Appendix LXXVI, Annexure No. 67]

(b) There has been a slight decline in the total exports of Mill-made Cotton textiles during 1970-71, due to inadequate supply and high prices of domestic cotton. In the earlier two years, the export earnings had increased.

#### INDO-U.A.R. TRADE RELATIONS

1129. SHRI SUNDAR MANI PATEL:

SHRI M. K. MOHTA:

Will the Minister of FOREIGN TRADE| विदेश व्यापार मंत्री be pleased to state:

(a) whether attention of Government has been drawn to a press report appearing in the 'Economic Times' of 5th April, 1971 saying that Indo-UAR trade relations are running into difficulties; and

(b) if so, the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE| विदेश व्यापार मंत्रालय में उपमंत्री (SHRI A. C. GEORGE): (a) and (b) Yes, Sir. The situation is under the active consideration of both Governments. Delegations of two countries had met in May, 1971 to discuss ways and means of resolving the difficulties. These discussions are likely to be resumed towards the end of June or early July.

#### FOREIGN INVESTMENTS IN INDIA

1130. SHRI SITARAM JAIPURIA: Will the Minister of FOREIGN TRADE| विदेश व्यापार मंत्री be pleased to state:

(a) whether it is a fact that the mid-term elections to the Lok Sabha have brought about a change in the attitude of foreign business-men towards investment and collaboration in joint ventures in India;