

Four laning of NH-52 in Assam

*471. SHRI KUMAR DEEPAK DAS: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether it is a fact that the National Highway 52 connecting Baihata-Chariali-Mangaddav-Lakhimpur-Jonai in Assam is not included for four laning highway construction project so far;

(b) if so, the reasons therefor;

(c) whether this National Highway will be considered for expansion as four laning highway in the current financial year under NHDP; and

(d) if not, the reasons therefor?

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS (SHRI KAMAL NATH): (a) At present there is no proposal for 4-laning of NH 52, except for the stretch from Jamaguri to Gohpur, which is included in the State capital connectivity project connecting Itanagar and the East-West corridor at Nagaon.

(b) to (d) As the traffic intensity on NH 52 does not warrant 4-lanning at present, there is no proposal for expansion of these sections in the current financial year under NHDP.

Exports of Handicrafts, handlooms and silk garments

*472. SHRI SHADI LAL BATRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total quantity of handicrafts, handlooms, silk clothes and garments exported, separately during the last three years;

(b) the details of foreign exchange earned from each of these items during the said period;

(c) whether the reduction in the duty exemption rate has any impact on the exports;

(d) if so, the details thereof;

(e) whether Government proposes to review the prevailing policies on export and provide more exemptions to these export oriented units in the country; and

(f) if so, the outcome of the review done in this regard?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ANAND SHARMA): (a) and (b) Details of Exports of handicrafts, handlooms, and silk clothes and garments during the last three years are enclosed as Statement-I (See below).

(c) and (d) Under the Foreign Trade Policy (FTP) 2009-14, exporters can avail of duty free inputs for export production under Advance Authorisation or Duty Free Import Authorisation Schemes. Alternately, Duty remission on inputs used in export production is available under Duty Entitlement Pass Book (DEPB) Scheme or Duty Drawback (DBK) Scheme. Further, incentives in the form of Duty Credit Scrips at specified rates are available under Served From India Scheme; Vishesh Krishi and Gram Udyog Yojna (VKGUY); Focus Market Scheme (FMS), Focus Product Scheme (FPS) including Market Linked Focus Product Scheme (MLFPS) and Status Holders Incentive Scrip Scheme for promotion of export of certain products/sectors.

During the last three years, the DBK rates were revised downward only in 2008-09 due to reduction in import duty rates. Thereafter, there has been no reduction in the DBK rates. DEPB rates were enhanced in 2007-08, with a partial rollback. Some marginal adjustments were made under VKGUY Scheme and Focus Product Scheme in FTP 2009-14.

There has been no reduction in the rates under the other export promotion schemes / incentive schemes as mentioned above, in the last three years; rather the rates have been enhanced under FPS/MLFPS and FMS. Some of the specific support measures for Handicraft, Handloom and Silk Garments are given in Statement-II (See below). The measures announced for various export sectors have significantly contributed to arresting the decline in exports, and aggregated exports have shown positive trend on a month to month basis in dollar terms since October 2009.

(e) and (f) The Government and RBI closely monitor the economic development in the country, and internationally, on a continuous basis, and need based measures are taken from time to time, keeping in view the financial and overall economic implications. Accordingly, sectoral reviews have been undertaken from time to time, and incentives like addition of new products under VKGUY/FPS/MLFPS and addition of new markets under FMS/MLFPS have been announced on 27.8.2009 in FTP 2009-14, and later, on 12.1.2010 and on 31.3.2010.

Statement-I

Exports of Handicrafts, Handlooms and Silk Garments

*Details of India's export of handicrafts, handlooms, and silk garments
for the years 2006-07, 2007-08 and 2008-09.*

Values in Million US Dollar					
S. No	Items	2006-07	2007-08	2008-09	Apr'09 -Dec'09
1	Handicraft	437.11	508.54	303.06	148.69
2	Handloom Products *	-	-	-	176.71
3	Silk Garments	264.83	271.97	314.30	213.82

Source: DGCIIS

The figures up to 2008-09 are finalized where as those of April 2009 - December 2009 are provisional.

* Handloom Products were classified with separate ITC HS Codes only *w.e.f.* 24.9.2008, and are captured in DGCIIS database *w.e.f.* April 2009 onwards. Therefore, data on export of Handloom Products is not separately available for the period prior to April 2009.

Note: The total quantity of export for these items could not be provided as there are different units of measurement under the same items, and therefore, aggregation of quantity is not feasible.

Statement-II

Specific support measures for Handicraft, Handloom and Silk Garments

I. Handicrafts Sector

- 1. Special Focus Products:** All handicraft products have been categorized as Special Focus Products under Focus Product Scheme and their exports to all countries are entitled to higher Duty Credit Scrip incentive @ 5% of FOB value of exports, as against the normal rate of 2% for Focus Products.
- 2. Status Holders Incentive Scrip:** Status holders belonging to Handicraft Sector are eligible for additional Duty Credit Scrip @ 1% of the FOB value of past exports. However, those exporters who are availing Technology Upgradation Fund (TUF) benefits (under the Ministry of Textiles) during a particular year are not eligible for this benefit for exports of that year. The duty credit scrips can be used for procurement of capital goods with Actual User condition. This facility shall be available upto 31.3.2011.
- 3. Zero Duty EPCG Scheme:** Handicraft sector has been included under Zero Duty EPCG Scheme, which allows import of Capital Goods for pre-production/production and post

production at zero customs duty, subject to stipulated export obligation. However, Units which are availing benefit of TUF Scheme of Ministry of Textiles are not eligible for zero duty import under the Scheme.

4. **Benefit of 2% Interest Subvention** allowed till 31st March, 2011.
5. **Towns of Export Excellence** with a reduced threshold limit of Rs. 150 crores can be notified as against the normal threshold limit of Rs.750 crores. The following Town of Export Excellence have been notified for Handicraft Sector:

List of towns of export excellence

S.No	Town of Export Excellence	State	Product Category
1	Jodhpur	Rajasthan	Handicraft
2	Jaipur	Rajasthan	Handicrafts
3	Srinagar	Jammu & Kashmir	Handicrafts
4	Anantnag	Jammu & Kashmir	Handicrafts

II. Handloom Sector

1. Under Focus Product Scheme:

Exports of Handloom products covered under 31 ITC HS codes, to all countries, are entitled to Duty Credit Scrip incentive @ 2% of FOB value of exports.

To facilitate export of handlooms, requirement of 'Handloom Mark' for availing Focus Product Scheme benefit has been dispensed with.

2. Under Focus Market Scheme:

Exports of all handloom products to notified 110 countries under Focus Market Scheme in the Foreign Trade Policy 2009-14 are entitled to Duty Credit Scrip incentive @ 3% of FOB value of exports.

3. **Status Holders Incentive Scrip:** Status holders belonging to handlooms sector are eligible for additional Duty Credit Scrip @ 1% of the FOB value of past exports, as this additional incentive has been provided to textiles sector. However, those exporters who are availing Technology Upgradation Fund (TUF) benefits (under the Ministry of Textiles) during a particular year are not eligible for this benefit for exports of that year. The duty credit scrips can be used for procurement of capital goods with Actual User condition. This facility shall be available upto 31.3.2011.

4. **Benefit of 2% Interest Subvention** allowed till 31st March, 2011.

5. **Zero Duty EPCG Scheme:** Textile Sector (which includes Handloom sector) has been included under Zero Duty EPCG Scheme, which allows import of Capital Goods for pre-production/production and post production at zero customs duty, subject to stipulated export obligation. However, Units which are availing benefit of TUF Scheme of Ministry of Textiles are not eligible for zero duty import under the Scheme.

6. **Towns of Export Excellence** with a reduced threshold limit of Rs. 150 crores can be notified as against the normal threshold limit of Rs.750 crores. The following Towns of Export Excellence have been notified for Handloom Sector:

List of towns of export excellence

S.No.	Town of Export Excellence	State	Product Category
1	Kanoor	Kerala	Handlooms
2	Karur	Tamil Nadu	Handlooms
3	Madurai	Tamil Nadu	Handlooms
4	Kekhra	Uttar Pradesh	Handlooms

III. **Silk Clothes and Garments**

1. **Market Linked Focus Product Scheme:** All Readymade Garments (including Silk garments), have been incentivised under Market Linked Focus Product Scheme for grant of Duty Credit Scrip incentive at the rate of 2% of FOB value if exports when exported to 15 countries, viz., Algeria, Egypt, Kenya, Nigeria, South Africa, Tanzania, Ukraine, Brazil, Mexico, Australia, New Zealand, Cambodia, Vietnam, Japan and China. Readymade garments (including Silk garments) have also been incentivised for exports to EU and USA for six months from 1.4.2010 to 30.9.2010 under Market Linked Focus Product Scheme for grant of Duty Credit Scrip Incentive at the rate of 2% of FOB value of exports.
2. **Focus Market Scheme:** Exports of all textile products (which would include Silk garments) to notified 110 countries under Focus Market Scheme in the Foreign Trade Policy 2009-14 are entitled to Duty Credit Scrip incentive @ 3% of FOB value of exports.
3. **Benefit of 2% Interest Subvention** allowed to Small and Medium Enterprises (SMEs) till 31st March, 2011.

4. **Status Holders Incentive Scrip:** Status holders belonging to the textile sector, including the Silk garment sector, are eligible for additional Duty Credit Scrip @ 1% of the FOB value of past exports. However, those exporters who are availing Technology Upgradation Fund (TUF) benefits (under the Ministry of Textiles) during a particular year are not eligible for this benefit for exports of that year. The duty credit scrips can be used for procurement of capital goods with Actual User condition. This facility shall be available upto 31.3.2011.
5. **Zero Duty EPCG Scheme:** Apparels (which would include silk garments) has been included under Zero Duty EPCG Scheme, which allows import of Capital Goods for pre-production/production and post production at zero customs duty, subject to stipulated export obligation. However, Units which are availing benefit of TUF Scheme of Ministry of Textiles are not eligible for zero duty import under the Scheme.

Stringent norms for sub-contractors by NHAI

*473.SHRIMATI T. RATNA BAI: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

- (a) whether National Highways Authority of India has stringent qualification norms for sub-contractors;
- (b) if so, the details of norms worked out so far; and
- (c) how the transparency is to be maintained in such contracts?

THE MINISTER OF ROAD TRANSPORT AND HIGHWAYS (SHRI KAMAL NATH): (a) to (c) Government has not changed any norms for sub-contracting as far as works executed on item-rate contracts are concerned. In such cases, sub-contracting is permitted upto a limited extent subject to the sub-contractor meeting the prescribed norms. In Build, Operate and Transfer (BOT) projects, no norms had been prescribed for Engineering Procurement Construction (EPC) contractors appointed by the concessionaires. It is now prescribed that in BOT projects, the EPC contractors must have an experience of executing a single work of value not less than 20% of the Total Project Cost (TPC) or Rs.500 crore, whichever is less.

Study on crafts in J & K

*474.PROF. SAIF-UD-DIN SOZ: Will the Minister of TEXTILES be pleased to state:

- (a) whether any study in respect of the dying, languishing crafts of Jammu & Kashmir (J&K) has been undertaken by his Ministry; and