

Multi-tier fencing along LoC in Jammu and Kashmir

*468. SHRIMATI HEMA MALINI: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Government is considering for 580 Kms., multi-tier fencing out of the volatile, 778 Kms. long LoC in Jammu and Kashmir in order to put a break on infiltration;

(b) if so, when the fencing is expected to be completed; and

(c) what will be the financial involvement thereon?

THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE): (a) to (c) The construction of 734 Kms. of fence on the Line of Control (LoC) has been completed in September 2004 at an expenditure of Rs. 315 crores. There is no proposal under consideration for construction of another tier of fence along the LoC.

Steps to improve textile industry

*469. SHRI R. KAMARAJ: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that in order to capitalise on the emerging business opportunities the Indian textile industry needs to invest massively and build large capacities to improve productivity and reduce costs;

(b) if so, the steps taken by the Government in this regard;

(c) whether it is also true that Indian textile industry needs to invest in export infrastructure, brand creation and education for those working in the apparel industry; and

(d) if so, the steps taken by the Government in this regard?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (d) Yes, Sir. In order to take full advantage of opportunities available in quota free regime, there is a need for substantial capital investments of Rs. 25,000—30,000 crore per year in the textile industry during the coming years, which would include investment in export infrastructure, brand creation and the education of workers engaged in apparel industry.

The Government has initiated the following important measures to meet the investment target:

(i) Rationalisation of the fiscal duty structure;

- (ii) Launching of the Technology Upgradation Fund Scheme (TUFS) to facilitate the modernisation and upgradation of the sector, Rs. 435 crore has been allocated for 2005-06;
- (iii) In 2004-05 budget, the entire textile sector, except for man-made fibre and filament yarn, was provided optional exemption from excise duty, and Central Value-Aided Tax (CENVAT) on Polyester Filament Yarn has been reduced from 24% to 16%, which aims at attracting more investments for modernisation of the textile sector;
- (iv) To facilitate import of state of the art machinery, the customs duty on specified textile machinery was brought down to 10% in Budget 2005-06;
- (v) For accelerating modernisation of the powerlooms segment of the textile industry, the ceiling for machinery under TUFS has been increased from Rs. 60 lakh to Rs. 1 crore under Credit Linked Capital Subsidy (CLCS) @ 20%, and capital assistance is available on investment upto Rs. 1 crore in specified machinery subject to a ceiling of Rs. 20 lakh on the amount of assistance;
- (vi) Announcement of a package for restructuring of debt portfolios of potentially viable textile units with debt exposure of Rs. 2 crore and above;
- (vii) De-reservation of the woven segment of readymade garments from the SSI sector. Further de-reservation of 30 items of knitting and knitwear from the SSI has also been done;
- (viii) A centrally sponsored scheme titled "Apparel Park for Export Scheme" has been launched for imparting a focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give a fillip to exports. An amount of Rs. 2 crore has been set aside for setting up training facilities in each apparel park;
- (ix) Government is already operating a Brand Equity Fund Scheme to promote Indian brands in overseas markets with the primary objective of brand promotion;
- (x) To augment training facilities for meeting the growing skilled manpower requirements of garment industry at the shop-floor level, Government is providing assistance to the Apparel Export Promotion Council (AEPC) for undertaking a modernisation/

expansion programme for Apparel Training & Design Centres (ATDCs) at Chennai, Delhi, Kolkata, Hyderabad, Jaipur and Bangalore, and setting up of six new centres at Noida, Gurgaon, Ludhiana, Tirupur, Trivandrum and Mumbai;

- (xi) For upgrading infrastructure facilities at important textile centres, a scheme titled "Textile Centre Infrastructure Development Scheme" (TCIDS) under implementation;
- (xii) The Cotton Technology Mission was launched to improve the productivity and quality of cotton for manufacture and export of competitive downstream textile products; and
- (xiii) Announcement and implementation of the National Textile Policy 2000, which aims at developing a strong and vibrant textile industry that can attain and sustain a pre-eminent global standing in the manufacture and export of clothing in the global scenario.

Report of Task Force on Project Exports

*470. SHRI SUDARSHAN AKARAPU: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the Task Force on Project Exports had submitted its report;
- (b) if so, the details thereof;
- (c) whether Government have accepted the recommendations of the Task Force; and
- (d) if so, the current status of its implementation?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) to (d) The Task Force has submitted its report. The recommendations, *inter alia*, include constitution of a High Level Committee, sending country programming missions to target countries, harmonization of taxation policy, establishment of the Project Export Promotion Council, capacity building of Indian Missions abroad and strengthening of Exim Bank of India as well as Export Credit Guarantee Corporation. The report was considered by the Standing Committee of Secretaries and it was decided to have follow up action taken by the concerned Ministries/ Departments. The erstwhile Overseas Construction Council of India has been converted into the Project Export Promotion Council.