

GOVERNMENT OF INDIA
MINISTRY OF TEXTILES
RAJYA SABHA
UNSTARRED QUESTION NO-2232
ANSWERED ON- 09/08/2024

EMERGENCY CREDIT LINE GUARANTEE SCHEME

2232. SHRI P. WILSON:

Will the Minister of TEXTILES be pleased to state:

- (a) whether Government has considered request of spinning mill associations to extend moratorium period for repayment of loan and grant relaxation under Emergency Credit Line Guarantee Scheme (ECLGS) taking into view that textile industry is facing severe crisis as cotton export has reduced drastically by 50 per cent;
- (b) whether Government has considered reducing 11 per cent import duty levied on cotton in order to make it competitive with overseas market, if not, the reasons therefor; and
- (c) the details of steps taken for revival of textile industry and funds disbursed under ECLGS in the last five years?

ANSWER

THE MINISTER OF STATE FOR TEXTILES
(SHRI PABITRA MARGHERITA)

(a): There is an increase of 19% in export of Cotton Textiles during FY: 2023-24 with respect to FY: 2019-20. Details are as under:

Commodity	Value in USD Million				
	2019-20	2020-21	2021-22	2022-23	2023-24
Cotton Textiles	10,263	11,128	17,166	11,085	12,258

Source: DGCIS, Provisional data

Loan under ECLGS was only a portion of the total loan outstanding of a borrower and was made available to businesses to meet their immediate liquidity issues. The Scheme of ECLGS has since closed. No extension in moratorium has been provided to any category of business under ECLGS as that would amount to restructuring of a loan and downgrading of the account to NPA.

(b): Currently, import of raw cotton attracts 11% Customs duty (5% Basic Custom Duty + 5% Agriculture Infrastructure and Development Cess + 10% of Social Welfare Surcharge). With effect from 20th February 2024, the custom duty on Extra-Long Staple (ELS) Cotton has been reduced to NIL. Further, under the India-Australia ECTA, 51,000 tonnes of duty free ELS Cotton can be imported since Dec 29, 2022.

(c): Government is implementing various schemes viz, Production Linked Incentive (PLI) Scheme, Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA), SAMARTH (Scheme for Capacity Building in Textile Sector), Silk Samagra, National Handloom Development Programme, National Handicraft Development Programme, Integrated Wool Development Programme (IWDP), National Technical Textile Mission (NTTM) etc. catering exclusively for development of textile sector in the country.

State wise FY wise data on support extended to textile industry under ECLGS is placed at Annexure.

Annexure

ECLGS State FY wise Textile Sector Data						
	FY 2020-2021		FY 2021-2022		FY 2022-2023	
State Name	No of Guarantees Issued	Amount of Loan Guaranteed (Rs in Cr)	No of Guarantees Issued	Amount of Loan Guaranteed (Rs in Cr)	No of Guarantees Issued	Amount of Loan Guaranteed (Rs in Cr)
ANDAMAN & NICOBAR	16	0.31	0	0.04	1	0.10
ANDHRA PRADESH	6,811	664.73	337	306.32	90	74.46
ARUNACHAL PRADESH	10	0.02	0	0.00	0	0.00
ASSAM	2,636	20.94	1,560	21.14	86	6.08
BIHAR	1,745	34.07	197	7.95	33	1.18
CHANDIGARH	80	20.41	37	5.21	4	0.10
CHHATTISGARH	1,512	49.86	197	14.50	23	7.54
DADRA & NAGAR HAVELI	97	122.99	13	47.75	4	12.61
DAMAN & DIU	38	8.22	7	17.32	0	0.00
DELHI	3,463	836.06	464	330.70	77	60.46
GOA	270	6.85	5	2.01	16	0.06
GUJARAT	31,334	4,072.11	2,413	1,847.01	729	592.28
HARYANA	3,095	956.67	740	422.58	184	127.59
HIMACHAL PRADESH	222	79.31	46	34.92	3	0.12
JAMMU & KASHMIR	794	11.15	13	1.91	3	0.10
JHARKHAND	990	12.63	195	3.43	25	5.89
KARNATAKA	15,335	565.50	1,418	260.40	1,478	54.74
KERALA	3,350	213.19	394	72.32	97	18.22
LADAKH	5	0.08	0	0.00	0	0.00
LAKSHA DEEP	2	0.01	0	0.00	0	0.00
MADHYA PRADESH	7,363	286.14	292	146.33	48	39.43
MAHARASHTRA	48,452	2,600.62	1,501	1,259.26	850	454.76
MANIPUR	328	0.86	19	0.23	0	0.00
MEGHALAYA	54	1.20	57	0.30	0	0.00
MIZORAM	12	0.05	0	0.00	0	0.00
NAGALAND	16	0.12	0	0.00	0	0.00
ORISSA	2,071	30.14	123	3.92	68	3.15
PONDICHERRY	643	2.55	18	0.59	3	0.02
PUNJAB	4,909	1,085.38	1,112	409.91	270	128.81
RAJASTHAN	5,293	1,269.59	1,062	535.16	168	93.17
SIKKIM	12	0.02	3	0.04	0	0.00
TAMILNADU	65,329	5,139.49	6,122	2,547.08	1,090	754.12
TELANGANA	2,831	310.74	208	150.67	39	46.11
TRIPURA	350	1.43	29	0.11	9	0.01
UTTAR PRADESH	9,707	680.03	1,115	296.99	136	67.40
UTTARAKHAND	589	49.76	129	24.88	12	1.38
WEST BENGAL	1,76,726	919.97	1,192	249.94	265	72.89
TOTAL	3,96,490	20,053.20	21,018	9,020.92	5,811	2,622.78

Source: NCGTC, shared by Department of Financial Services
