

LOK SABHA  
UNSTARRED QUESTION NO. 3316  
TO BE ANSWERED ON 09.08.2023

CRISIS FACED BY SPINNING MILLS

3316. SHRI A. GANESHAMURTHI:  
SHRI A. RAJA:

Will the Minister of TEXTILES वस्त्र मंत्री  
be pleased to state :

- (a) whether the Government has received any representation from the Industry Associations about the crisis being faced by the spinning mills in the country including the State of Tamil Nadu;
- (b) if so, the details thereof;
- (c) whether the Government has advised to withdraw 11 per cent import duty on cotton as the Mills are not able to compete with neighbouring countries in the export of yarn;
- (d) if so, the details thereof;
- (e) whether the Government has recommended for reduced interest rates of banks and to restructure the outstanding short-term loan of ECLGS to make the industry viable; and
- (f) if so, the details thereof along with the measures taken in this regard?

उत्तर  
ANSWER  
वस्त्र राज्य मंत्री (श्रीमती दर्शना जरदोश)  
THE MINISTER OF STATE FOR TEXTILES  
(SMT. DARSHANA JARDOSH)

**(a) to (f):** The Ministry has received representations from time to time from industry associations about various issues impacting the spinning sector including in Tamil Nadu.

The request of the industry for reduction in Basic Customs duty on Raw Cotton was examined as part of Budget exercise 2023-24 and it was decided not to accede to the request.

The Emergency Credit Line Guarantee Scheme (ECLGS), which was introduced in May, 2020 as a one-time measure to meet the credit needs of MSMEs arising due to Covid-19 pandemic was not extended beyond 31.3.2023. However, the lenders under the scheme are free to consider any request for modification in the terms of loans under the scheme as per their Board approved policies, within broad regulatory framework.

\*\*\*\*