

MONITORING OF EXPORT PERFORMANCE OF TEXTILES

4045. SHRI ADHIKARI SOUMENDU:

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

- (a) whether the Government is monitoring export performance and taking measures to boost textile production and exports in consultation with Textile Export Promotion Councils and Industry Associations, if so, the details thereof;
- (b) the details of Government support in exports of textile done through various agencies to boost textile exports; and
- (c) the role of Export Credit Agency in providing credit insurance guarantees and protection against losses due to buyer insolvency, default or political risks?

उत्तर

ANSWER

वस्त्र राज्य मंत्री (श्री पबित्रा मार्घेरिता)
THE MINISTER OF STATE FOR TEXTILES
(SHRI PABITRA MARGHERITA)

(a): Ministry of Textiles is continuously monitoring export performance of textiles and taking various measures to boost production and exports in consultation with Textiles Export Promotion Councils and Industry Associations.

(b): Government is implementing Rebate of State and Central Taxes and Levies (RoSCTL) scheme for Apparel/Garments and Made-ups in order to enhance competitiveness by adopting principle of zero-rated exports. Further, textiles products not covered under the RoSCTL scheme are covered under Remissions of Duties and Taxes on Exported Products (RoDTEP) along with other products. In addition, Government provides financial support to various Export Promotion Councils and Trade Bodies under Market Access Initiative Scheme implemented by Department of Commerce for organising and participating in trade fairs, exhibitions, buyer-seller meets etc at national and international levels to boost export.

(c): As per Para 2.55 of Foreign Trade Policy, 2023

(i) Export Credit Agencies (ECAs) are policy instruments for Government to support exports. ECAs support exports by insurance, guarantee and also direct lending. Export Credit Agencies (ECAs) like Export Credit Guarantee Corporation of India Ltd. (ECGC) provides credit insurance support to exports and export credit lending. Covers issued by ECGC to exporters, protect against losses arising out of payment failures due to insolvency or default of the buyers or due to political risks. Exporters can diversify their markets in addition to protecting existing markets through such covers. ECGC also supports Medium and Long term (MLT) exports including project exports. Exim Bank is the other ECA in the business of lending for MLT exports and fronting the government's line of credit.

(ii) ECGC indemnifies losses of exporters in export trade due to insolvency or default of the buyer. Additionally, losses due to political risk like war, sudden import restriction, promulgation of law or decree after the shipment has been affected are also covered. Some of the anti-dumping measures or non-tariff barriers introduced after a shipment has been made will come under the purview of the political risk. In such cases exporter's interest are protected by ECGC.
