

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:164

ANSWERED ON:19.08.2013

DEBT RESTRUCTURING PACKAGE

Maadam Shri Vikrambhai Arjanbhai;Pakkirappa Shri S.

Will the Minister of TEXTILES be pleased to state:

- (a) whether the Government proposes to accord priority sector status to the textile industry;
- (b) if so, the details thereof along with the loan restructuring/debt recast proposed by the Government;
- (c) whether due to the uncertainty over raw material prices and infrastructure constraints, Indian textile companies have become less competitive as compared to the other Asian textile producing countries;
- (d) if so, the details thereof along with the export incentives being offered/provided by the Government to compete with the Asian countries; and
- (e) whether the export incentives including duty drawback given to the Indian textile industry are inadequate as compared to the neighbouring countries such as China, Pakistan and Bangladesh and if so, the details thereof along with the steps taken by the Government in this regard?

Answer

MINISTER OF TEXTILES (DR. KAVURU SAMBASIVA RAO)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN LOK SABHA STARRED QUESTION NO: 164 "DEBT RESTRUCTURING PACKAGE" BY SHRI S. PAKKIRAPPA AND SHRI AHIR VIKRAMBHAI ARJANBHAI MAADAM FOR ANSWER BY DR. K.S. RAO TEXTILES MINISTER DATED AUGUST 19, 2013

- (a): A representation has been received from the Synthetic and Rayon Textiles Export Promotion Council (SRTEPC) with various proposals for stimulating growth in exports of MMF Textiles including priority sector lending for textiles export sector. The proposal has been recommended by the Ministry of Textiles for favorable consideration of Ministry of Finance.
- (b): It has been proposed in the representation of the SRTEPC that a minimum share of adjusted net bank credit (ANBC) may be allocated for textiles export sector along with a capping of interest rates. The proposal does not contain an element of debt restructuring / debt recast;
- (c): Strong textiles industry performance in 2013-14 is indicative of the global competitiveness of the textiles sector;
- (d): Does not arise in view of (c) above;
- (e): Export incentives are offered by Government based on its own priorities and resources and are not comparable with China, Pakistan and Bangladesh.