

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:826

ANSWERED ON:23.11.2000

CLOSURE OF TEXTILE MILLS

ALE NARENDRA;ANANTA NAYAK;RAJO SINGH;RAMKRISHNA KUSMARIA

Will the Minister of TEXTILES be pleased to state:

- (a) the number of textiles mills functioning in the country except N.T.C. and number of employees working there at present, mill-wise and State-wise;
- (b) the names of textile mills declared sick/closed during each of the last three years, till date, State-wise alongwith reasons therefor;
- (c) the number of workers affected due to closure of mills and steps taken for their rehabilitation; and
- (d) the steps taken/proposed to be taken to re-open the closed mills and revive the sick mills alongwith the amount incurred thereon, mill-wise?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAY KUMAR)

(a) : As on 31.8.2000, 1393 cotton man-made fibre textile mill (Non-SSI), except NTC, were functioning in the country and approximately 6.07 lakh workers were employed as follows:

State/Union Territory	No. of mills	Workers on roll
Andhra Pradesh	64	27516
Assam	3	2500
Bihar	4	2795
Delhi	0	0
Goa	1	161
Gujarat	62	54602
Haryana	67	18180
Himachal Pradesh	16	14855
Jammu & Kashmir	2	4279
Karnataka	38	20499
Kerala	29	11798
Madhya Pradesh	42	27249
Maharashtra	138	114091
Manipur	1	350
Orissa	10	9948
Punjab	60	48835
Rajasthan	39	45810
Tamilnadu	755	166000
Uttar Pradesh	33	18648
West Bengal	15	11575
Daman & Diu	3	371
Dadra Nagar Haveli	3	1318
Pondicherry	8	6104
GRAND TOTAL	1393	607484

(b): During the last three years 175 cotton man-made fibre textile mills (Non-SSI) were closed as follows:

period	Mill closed	Workers on Roll
01-10-1997 to 30-09-1998	41	22717
01-10-1998 to 30-09-1999	60	38493
01-10-1999 to 30-09-2000	74	42241
Total	175	103451

Closure of textile mills can be attributed to many factors including obsolete technology increase in cost of inputs, difficulties in getting timely and adequate credit, mismanagement, necessary conditions etc.

c): Government have set up the Textile Workers` Rehabilitation Fund Scheme (TWRFS) to protect the interest of workers rendered jobless due to permanent closure or partial closure of textile mills in the private sector only, in the country. As per the Scheme, non-SSI

textile mills which were closed on or after 6-6-1985 are eligible. The objective of the TWRFS is to provide interim relief to the eligible workers only for a period of 3 years on a tapering basis, 75% of wage equivalent in the first year, 50% in the second year and 25% in the third year as per norms of the scheme. Since inception of the Scheme, 41 units have been identified as eligible under the scheme and a total of Rs. 143.67 crore has been paid to the eligible workers till 31-10-2000.

d) The Government of India has enacted the Sick Industrial Companies (special provisions) Act, SICA, 1985 and established the Board of Industrial & Financial Reconstruction (BIFR) with a view to arranging the timely detection of sick & potentially sick companies and for the speedy determination of preventive, ameliorative and remedial measures which need to be taken in respect of such companies. The rehabilitation schemes sanctioned by BIFR include various measures like restructuring the capital, induction of fresh funds by the promoters, merger with the other companies, change of management, provision for working capital and term loans by banks and financial institutions.