

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3631

ANSWERED ON:16.08.2001

REVIVAL OF COMPOSITE MILLS

GANGASANDRA SIDDAPPA BASAVARAJ;GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI;MADAN PRASAD JAISWAL;MINATI SEN;Y.S. VIVEKANANDA REDDY

Will the Minister of TEXTILES be pleased to state:

- (a) whether the study conducted by the Federation of Indian Chamber of Commerce and Industry (FICCI) revealed that 121 composite mills have been closed;
- (b) if so, whether it has affected the exports of the country and also rendered a large number of workers unemployed;
- (c) if so, the details thereof;
- (d) the steps taken by the Government for their rehabilitation;
- (e) whether any concrete action plan is being worked out by the Government to revive these mills; and
- (f) if so, the details thereof?

Answer

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

(a) to (c) Yes, Sir. However, during the financial year 2000-2001, seven (07) composite mills of cotton/man-made fibre textile employing over 5500 workers were closed. During 1999-2000 and 2000-2001, exports of textiles have registered an increase of 13.3% & 21.4%, respectively.

(d) 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. Under the Scheme, interim relief is granted for a period of 3 years on tapering basis to the eligible workers of the closed textile mills, as per the provisions of the Scheme.

(e) & (f) The Government of India has enacted the Sick Industrial Companies (Special Provisions) Act, 1985 and established the BIFF with a view to 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.