

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:948  
ANSWERED ON:29.07.2005  
CLOSURE OF HANDLOOM CORPORATION  
Nayak Shri Ananta

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether Government has closed down the Handloom Corporation in Orissa;
- (b) if so, the reasons therefor;
- (c) the number of employees/staff affected by this closure; and
- (d) the alternative arrangement made for their suitable rehabilitation.?

**Answer**

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA)

(a) to (d): As reported by the Government of Orissa, the Orissa State Handloom Development Corporation was wound up in the year, 2005 based on the Cabinet decision. It has further been informed by the State Government that a winding up petition has been filed accordingly before Hon'ble High Court on 24th June, 2005. The decision of the winding up the Corporation was taken up by the State Government due to heavy losses of Rs.16.10 Crore in the Corporation and as no chance of revival was found feasible.

Out of 533 number of employees, 513 have been given Voluntary Retirement benefit as applicable under the provision by the Government as a matter of their rehabilitation.