

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

STARRED QUESTION NO:400  
ANSWERED ON:19.12.2006  
CLOSURE OF TEXTILE MILLS  
Kripalani Shri Srichand

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

- (a) the number of running textile mills in the country, State-wise;
- (b) the details of the textile mills closed during each of the last three years, Statewise;
- (c) whether some of those mills had been closed due to their indebtedness; and
- (d) if so, the details thereof alongwith the steps taken by the Government for the revival of such mill

**Answer**

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA)

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

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.400 REGARDING CLOSURE OF TEXTILE MILLS FOR ANSWER ON 19.12.06

(a) As on 31st October 2006, there were 1334 functioning cotton / man made fibre textile mills (Non SSI) in the country. Their state-wise number is as below:-

1 Andhra Pradesh	66	0	66
2 Assam	1	0	1
3 Bihar	1	1	2
5 Dadra Nagar Haveli	4	2	6
6 Daman & Diu	1	0	1
7 Goa	1	0	1
8 Gujarat	28	24	52
9 Haryana	50	2	52
10 Himachal Pradesh	18	0	18
11 Jammu & Kashmir	1	0	1
12 Jharkhand	1	0	1
13 Karnataka	31	3	34
14 Kerala	22	4	26
15 Madhya Pradesh	33	6	39
16 Maharashtra	96	32	128
18 Orissa	3	0	3
19 Pondicherry	8	2	10
20 Punjab	65	4	69
21 Rajasthan	26	8	34
22 Tamil Nadu	726	19	745
23 Uttar Pradesh	24	2	26
24 Uttaranchal	3	0	3
25 West Bengal	14	2	16
Total	1223	111	1334

(b) The details of cotton / man made fibre textile mills (Non SSI) closed during each of the last three years, state wise is given below :-

Name of the state 2003-04 2004-05 2005-06

Tamil Nadu	39	5	3
West Bengal	2	1	1
Maharashtra	9	1	2
Uttar Pradesh	2	2	4
Gujarat	0	4	0
Punjab	0	0	0

(c) & (d) The reasons for closure of these mills are mainly financial problems, labour problem/strike and power cut etc. Government seeks to foster a policy regime, which facilitates growth and development of Indian industry. It has taken a number of steps for revival of sick industrial units which, inter-alia, include, guidelines of the Reserve Bank of India (RBI) to banks, amalgamation of sick units with healthy units, setting up of BIFR under the Sick Industrial Companies (Social Provisions) Act, etc. The RBI has been issuing from time to time elaborate guidelines covering all areas of industrial rehabilitation viz. detection of industrial sickness at incipient stage, identification of sick/weak units, carrying out viability study of the units then extending relief and concessions to only viable units, co-ordination among banks and financial institutions and banks themselves, norms for promoter's contribution, extended period for repayment/rescheduling of loans, conversions and waivers of penal rate/compound interest etc. BIFR has been set up with a view to arranging the timely detection of sick and potentially sick companies and for the speedy determination of preventive, ameliorative and remedial measures, which need to be taken in respect of such companies. It appoints operating agencies for preparation of rehabilitation proposals in respect of potentially viable units. It takes decision on rehabilitation on the basis of its findings.