

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:1916
ANSWERED ON:13.03.2007
CLOSURE OF SPINNING MILL
Gupta Shri Shyama Charan;Majhi Shri Parsuram

Will the Minister of TEXTILES be pleased to state:

- (a) the number of spinning mills closed down during each of the last three years, State and Union Territory-wise;
- (b) the scheme of the Government for revival of spinning mills lying closed for a long time in the country including Uttar Pradesh;
- (c) whether the Government is aware of the pitiable condition of the employees due to closure of the mills;
- (d) if so, the steps taken in this regard;
- (e) whether the Government proposes to provide subsidy for revival of these mills; and
- (f) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

- (a): State-wise number of spinning mills (Non-SSI) closed during last 3 years and the current year (01.04.2003 to 31.01.2007) is given below:

STATE	2003-04	2004-05	2005-06	2006-07 upto 31.01.07	Total
Andhra Pradesh	4	1		5	
Gujrat	2	1	3		
Haryana	2	1	3		
Karnataka		1	1		
Kerala	5	5			
Madhya Pradesh	2		2		
Maharashtra	2	1	3		
Orissa	1	1	1	3	
Punjab		1	1		
Rajasthan	1	1	1	3	
Tamilnadu	28	3	1	1	33
Uttar Pradesh		3	3		
Pondechery	1	1			
Total	46	8	9	3	66

(b): For the sick mills which may or may not be closed including spinning mills, the Government has set up Board for Industrial & Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provisions) Act 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. BIFR appoints operating agencies for preparation of rehabilitation proposals in respect of potentially viable units. The decision on rehabilitation is taken by BIFR based on its findings. However, co-operative sector is not covered under BIFR. The BIFR Scheme is applicable to mills all over India including mills in the state of Uttar Pradesh.

(c) & (d): In order to provide interim relief to the textile workers rendered unemployed as a consequence of permanent closure of any particular portion or entire textile units, Government has introduced the Textile Workers' Rehabilitation Fund Scheme with effect from 15th September, 1986. Since the inception of the scheme till 20th December, 2006, 32 units in Gujarat, 3 units in Maharashtra, 4 units in Madhya Pradesh, 4 units in Tamilnadu, 2 units in Karnataka, 1 unit in Delhi and 1 unit in West Bengal, i.e. a total of 47 mills were found eligible under the scheme. A total of 80264 workers of these mills have been disbursed relief of Rs.186.56 crore.

(e): No, Sir.

(f): Does not arise.