

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:146

ANSWERED ON:10.03.2008

INVESTMENT AND LOAN FOR MODERNISATION AND UPGRADATION OF NTC MILLS

Ahir Shri Hansraj Gangaram;Sharma Shri Madan Lal

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is contemplating to increase investment and also ensure availability of loan for modernisation and upgradation of sick/closed National Textile Corporation (NTC) mills;

(b) if so, the details thereof; and

(c) the details of fresh steps taken/proposed to be taken by the Government to speed up the modernisation and upgradation of NTC mills in view of the increase in the number of mills closed in the country?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO. 146 TO BE ANSWERED ON 10.03.2008

(a) to (c): As per the Modified Revival Scheme approved by the Board for Industrial Financial Reconstruction (BIFR), 22 mills are to be modernized by NTC itself at an estimated cost of Rs. 530 Crores, to be generated through sale of land and assets of closed mills and surplus land and assets of viable mills. At present no proposal for increase in this amount is under consideration.

NTC has already drawn a schedule for completion of the modernization of 22 mills by December 2008, out of which, 15 units are expected to be modernized by May, 2008. In order to speed up modernization and upgradation of NTC mills, in addition to 22 mills being modernized by NTC itself, 18 mills are to be modernized and run through joint venture, which has been finalized in respect of 5 Mills. For the remaining mills, a fresh advertisement has been published in the leading newspapers on 10th and 11th February, 2008.