

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:2932

ANSWERED ON:17.12.2004

NATIONAL JUTE MANUFACTURERS CORPORATION

Acharia Shri Basudeb;Mollah Shri Hannan;Nayak Shri Ananta;Sen Smt. Minati;Yerrannaidu Shri Kinjarapu

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

- (a) the accumulated loss of National Jute Manufactures Corporation and other Jute Mills since last three years, State –wise;
- (b) the reasons analysed for the loss;
- (c) whether VRS is not being implemented / given for several willing workers;
- (d) if not, the reasons therefor;
- (e) the steps taken by the Government to revive the sick / closed jute mills; and
- (f) the steps taken b the Government to rehabilitate the affected workers of sick / closed jute mills.

**Answer**

MINISTER OF TEXTILES ( SHRI SHANKERSINH VAGHELA )

(a) The accumulated losses of National Jute Manufacturers Corporation (NJMC) since 31.3.2000 is as follows:

(Rs.in Crores)

2001-2002	Rs.3126.94
2002-2003	Rs.3554.87
2003-2004	Rs.3991.99

The position of accumulated losses pertaining to private jute mills in the country for the years 2000-2001 to 2002-2003 is given in Annexure-I.

(b) There is a combination of factors as mentioned below, which has resulted in widespread sickness and the resultant losses in the jute industry:

- (i) Instability in supply of quality raw jute of uniform specifications
- (ii) High labour cost
- (iii) Demand erosion due to competition from synthetics
- (iv) Obsolescence of machinery
- (v) Uneconomical management practices

Apart from these generic factors, the NJMC mills face some specific factors like

(i) legacy of surplus labour from pre-takeover period, (ii) higher Mandays/Ton compared to the average of the jute industry, (iii) destruction of sizeable production capacity in unit National due to devastating fire in August 1986, and (iv) inability to have a product mix depending on the price available in the market.

(c) & (d): As far as the NJMC is concerned, no VRS scheme has been offered to its employees since April,2001 due to lack of funds on the part of NJMC. The responsibility of providing VRS benefits to workers in the private jute mills lies with the management of such

mills.

(e): As per existing statutory provisions, cases of sick units are referred to the Bureau of Industrial & Financial Reconstruction (BIFR), to examine their rehabilitation and revival. Thereafter, the revival scheme of the units are prepared / examined by the Operating Agency appointed by BIFR which is normally a financial institution. On receipt of the scheme, BIFR decides the cases or rehabilitation of the individual units.

(f): Government of India has recognized and provided measures for safeguarding the interests of workers in textile units, that have been unviable and are facing permanent closure. The Textile Workers' Rehabilitation Fund Scheme to provide interim relief to workmen rendered unemployed as a consequence to the permanent closure/liquidation of the textile units in the private sector, is also applicable to jute textile sector. Government of India offers attractive VRS benefits to the employees of Public Sector Undertakings, which fall under such category of sick mills.

#### Annexure-I

#### ACCUMULATED LOSSES OF MILLS FOR THE LAST THREE YEARS (RS IN LAKHS)

WEST BENGAL	2000-01	2001-02	2002-03
1 AGARPARA	-3501.91	-3425.4	-3449.97
2 ANGLO-INDIA	-1428.71	-988.34	-886.79
3 ANGUS	-6212.57	-6569.28	-6901.64
4 BARANAGORE	-	-1492.37	-1466.97
5 BHARAT	-10330.89	-11233.05	-12141.57
6 SOORAH	-106.09	-44.94	-76.56
7 BUDGE BUDGE	-1879.96	-1787.94	-1740.70
8 CALCUTTA	-123.67	-117.81	-113.80
9 CALEDONIAN	-2269.99	-2217.39	-2209.36
10 DELTA	-673.51	-1536.27	-2150.24
11 EMPIRE	-1116.35	-1170.4	-1202.74
12 GANGES	-2974.71	-3056.98	-3083.39
13 HOWRAH	-221.32	-175.71	NA
14 JAGATDAL	-146.42	-141.02	-145.84
15 KAMARHATTY	-459.10	-258.85	-296.58
16 KANKANARRAH	-1138.71	-1052.99	-1296.77
17 KELVIN ( TREND VYAPAAR)	-	-61.24	-114.71 -73.68
18 MAHADEO	-21.04	-2.67	-3.93
19 MEGHNA (GAJANAND COML)	-	-5506.66	-5608.28 -5616.64
20 NAIHATI	-92.92	-41.7	-28.44
21 NEW CENTRAL	-21657.01	-22833.44	-23238.77
22 NORTH BROOK	-2543.27	-3135.47	-3479.55
23 NUDDEA	-2110.11	-2154.76	-2560.07
24 NATIONAL NJMC	-276261.00	-312694.35	-355486.71
25 KINNISON	-	-	-
26 KHARDAH	-	-	-
27 ALEXANDRA	-	-	-
28 UNION	-	-	-
29 RBHM	-	-	-
30 PRABARTAK	-76.54	-48.95	-112.23
31 PREMCHAND (SSG LTD)	-112.54	-155.61	-169.75
32 VICTORIA (RDB TEXTILES)	-1496.85	-1303.27	-1384.86
33 SHREE GOURISANKAR	-1635.09	-1633.97	-1700.77
34 SHREE HANUMAN (TEPCON)	-552.84	-619.46	-810.52
35 TIRUPATI	-38.92	-23.96	-27.38
36 TITAGAUH (LOOMTEX)	-	-1286.99	-1672.21
37 UNION GENERAL	-433.26	-464.99	-529.59
38 VIJAY SHREE	-374.66	-166.12	-150.96
39 WILLARD	-1597.45	-2970.23	-3421.51
TOTAL	-347155.31	-390527.67	-437630.49

#### MILL IN ORISSA

40 KONARAK (SANATAN COMM.) -3.65 -9.15 -15.56

#### MILL IN TRIPURA

41 TRIPURA -6210.97 -6915.14 -7600.17

MILLS IN ANDHRA PRADESH

42 NELLIMARLA      -919.47   -378.51   -414.59

MILLS IN BIHAR

43 WINSOME        -17.20   0.00   -125.41

MILL IN UTTAR PRADESH

44 JK              -1855.17 -2156.75 -3571.12

GRAND TOTAL      -356161.77 -399987.22 -449357.34

NOTE : RBHM IS SITUATED IN BIHAR BUT SHOWN UNDER NJMC CONSOLIDATED ACCOUNTS