

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3324

ANSWERED ON:18.03.2013

NTC LAND

Ganpatrao Shri Jadhav Prataprao;Khaire Shri Chandrakant Bhaurao;Mahendrasinh Shri Chauhan ;Nirupam Shri Sanjay Brijkishorilal ;Rane Dr. Nilesh Narayan;Rawat Shri Ashok Kumar;Singh Shri Vijay Bahadur

Will the Minister of TEXTILES be pleased to state:

(a) the details of land sold by National Textile Corporation (NTC) and funds generated and utilised through the sale of land along with the reasons for selling the land, State and mill-wise;

(b) whether the sale of land and mills of NTC are being opposed by various environmental and Civil Rights Groups and if so, the details thereof and the reasons therefor;

(c) the details of sick/closed mills of NTC in the country including proposals under consideration of the Union Government to set up a Special Purpose Fund (SPF) for reviving the sick/closed units of the NTC, State and mill-wise along with funds allocated/utilised for the purpose; and

(d) the number of workers of the said sick/closed mills rendered jobless along with the steps taken by the Government to pay their salary and allowances and to rehabilitate them?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SMT. PANABAACA LAKSHMI)

(a): National Textile Corporation (NTC) Ltd. is implementing the revival scheme approved by Board for Industrial and Financial Reconstruction (BIFR) under which 78 unviable mills have been closed down (details at Annexure-A) and 24 viable mills are to be revived directly by NTC on self-financing basis through sale of surplus land/assets in accordance with BIFR guidelines through a duly constituted Asset Sale Committee (ASC). Details of land sold, state and mill wise are given at Annexure-B. Up to 31.01.2013, an amount of Rs.6136.69 crores has been realized from the sale of land. The funds have been utilized for:-

i) Modernization of mills.

ii) Payment of Modified Volunatry Retirement Scheme (MVRS) compensation to employees who opted for MVRS.

iii) Redemption of Bonds.

iv) Payment of Statutory Dues & of Pressing Creditors etc.

(b): As of now, there is no opposition from Environmental Group(s) in the sale of land of NTC. However, Bombay Environmental Action Group (BEAG) had filed a PIL in February, 2005, before the High Court of Bombay and the Hon'ble Supreme Court in March, 2006 in appeal, had given a favorable decision allowing NTC to proceed with the sale of land. Indian National Trust for Art & Cultural Heritage (INTACH) has filed another PIL in June, 2005, before the High Court of Bombay.

(c): The details of closed mills are at Annexure-A. The Union Government has not set up any Special Purpose Fund (SPF) to revive any sick/closed unit of NTC. The revival of NTC mills is done as per revival scheme of BIFR which is self-financing.

(d): Due to closure of 78 mills, 40,702 workers have been relieved by offering attractive compensation package under Modified Voluntary Retirement Scheme (MVRS).