

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:4368
ANSWERED ON:22.04.2013
NATIONAL RAYON CORPORATION LIMITED
Kashinath Shri Taware Suresh

Will the Minister of TEXTILES be pleased to state:

- (a) whether the National Rayon Corporation Limited, Mumbai has been closed;
- (b) if so, whether the Government has paid all dues relating to salary, provident fund, gratuity to its employees and if so, the details thereof;
- (c) whether the said company has sold its assets/land to the builders;
- (d) if so, the details thereof along with the steps taken by the Government to provide employment to farmers who had given their land at the time of setting up of the said company; and
- (e) the concrete steps taken/being taken by the Government in this regard?

Answer

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

(a) to (e) National Rayon Company (NRC), District Thane, Maharashtra was declared sick by Board of Industrial and Financial Reconstruction (BIFR) vide order dated 16th July 2009. The management of the company entered into an agreement with M/s. Raheja Universal Pvt. Ltd., Mumbai to sell out aprox. 340 acres of vacant land of the workers colony on 1st March 2007, despite the stipulation laid down by the BIFR that the company should not dispose off any assets without prior permission of BIFR. The Appellate Authority in an appeal filed by the Management of company held that the amount to the tune of Rs. 124.64 crores received by the company from M/s. Raheja Universal Pvt. Ltd., should form part of the means of finance in the Draft Rehabilitation Scheme formulated by BIFR and that the said amount could be paid to the workers as provided in the agreement between the NRC Majdoor Sangh and Management, if so required to alleviate the hardship of the workers before sanction of the revival scheme. The Hon'ble High Court of Mumbai while disposing off the units, confirmed the order of BIFR and directed the BIFR to implement the restructuring scheme by the company in order to restart the production. Labour Department, Government of Maharashtra is making efforts to resolve the issue of unpaid dues of workers of NRC.