

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

STARRED QUESTION NO:91
ANSWERED ON:09.07.2009
SICK NTC MILLS
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of TEXTILES be pleased to state:

- (a) the total number of National Textile Corporation (NTC) mills in the country, at present;
- (b) the number of NTC mills reported to be sick and are incurring losses;
- (c) whether the Government has any plan to revive these sick mills; and
- (d) if so, the details thereof?

Answer

MINISTER OF TEXTILES (SHRI DAYANIDHI MARAN)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE LOK SABHA STARRED QUESTION NO.91 TO BE ANSWERED ON 09.07.2009

(a): National Textile Corporation (NTC) has taken over 119 textile mills under its control through 3 spells of Nationalization under the Sick Textile Undertakings (Nationalization) Act 1974; Swadeshi Cotton Mills Company Ltd. (Acquisition and Transfer of Undertakings) Act, 1986 and Textile Undertakings (Nationalization) Act, 1995. Out of these, two mills have been transferred to the Govt. of Puducherry and 76 unviable mills have been closed under the Industrial Disputes Act, 1947 after approval by the Board for Industrial and Financial Reconstruction (BIFR). One more mill has been identified for closure. NTC is therefore left with 40 mills presently. Further 2 mills are being relocated at the sites of originally closed mills and an additional piece of land has been procured in Special Economic Zone, Hassan (Karnataka) for setting up a new mill.

(b): Although all the 24 units which are under modernisation by NTC are presently running in operational losses, 3 units are able to meet the expenditure on salary and wages. Out of 16 units approved for revival through Joint Venture (JV) route, 5 units are earning profits through trading activities.

(c) & (d): BIFR has approved the revival plan for NTC at a total cost of Rs. 9102.72 crores, to be generated by sale of surplus land and assets of NTC. In pursuance of the revival plan approved by the Government/BIFR, 24 mills are under revival/modernization by NTC itself. Of these, modernisation of 17 mills has been completed. Revival of 16 mills through joint venture partnership has also been approved. One mill has been retained for setting up of a Technical Textile Unit.