

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:3060

ANSWERED ON:10.02.2014

CLOSED TEXTILE MILLS

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Will the Minister of TEXTILES be pleased to state:

(a) the number of textile/spinning mills including cotton/man-made fibre/ powerloom which were closed/declared sick during the last three years along with reasons therefor, State/UT- wise;

(b) whether there is any proposal to revive the said closed mills and if so, the details thereof along with the number of closed mills revived including financial/ technological assistance, if any, provided by the Government to the closed mills and if not, the reasons therefor, State/UT-wise;

(c) the steps taken by the Government for the rehabilitation/employment/pension to the employees/workers rendered unemployed due to closure of textile/ spinning mills in the country along with the funds allocated for the purpose during the said period, State-wise; and

(d) whether the Government proposes to establish textile/spinning mills in the country and if so, the details thereof along with the number of textile/spinning mills operating in the country, State/ UT-wise?

Answer

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

(a) & (b): (i) Yes, Madam. 106 cotton/man-made fibre textile mills were lying closed during the last three years 2010-11, 2011-12, 2012-13, 2013-14 (Apr-Dec). Out of 106, 9 textile units were declared sick. The reasons for closure/sickness of textile mills are financial difficulties, labour problems and strikes. The Details of closed cotton / Man-made fibre textile mills and sick textile units during the last three years State/UT-wise are given in Annexure-I & II respectively. The details regarding closure of powerloom is not maintained by the Government.

(ii) Government has set up Board for Industrial & Financial reconstruction (BIFR) under Sick Industrial Companies (Special Provisions) Act with a view to arranging the timely detection of sick and potentially sick companies and for the speedy determination of preventive, ameliorative and remedial measures which need to be taken in respect of such companies including closed mills. As on 31-12-2012, 29 textile mills are registered with BIFR. The status details of Textile cases registered with BIFR as on 31.12.2012 is given in Annexure-II.

(c): In order to rehabilitate the Textile workers rendered un-employed as a consequence of permanent closure of a particular portion or entire textile units, in the private non-SSI Sector, in the country, the Textile Workers Rehabilitation Fund Scheme (TWRFS) has been introduced by Govt. of India with effect from 15-9-1986. The objective of the TWRF Scheme is to give interim relief to the workers rendered jobless for a period of three years on a tapering basis, 75% of the wage equivalent in the first year, 50% in the second year and 25% in the third year. The mills closed on or after 5.6.1985 are covered under TWRFS. This scheme is not applicable to the State/Central Govt. Public Sector Undertakings and the textile units in the co-operative fold of the State/Central Govt.

The details of relief extended under TWRF Scheme, during the last three years, State-wise is given in Annexure-III.

(d): Government does not establish textile / spinning mills in the country. The role of the Govt. is to ensure conducive policy environment, facilitating in creating enabling conditions for the industry and private entrepreneurs to set up units through policy initiatives and schemes. As on 31.12.2013, 1434 number of cotton / man-made fibre textile mills were operating in the country. The details of number of textile/spinning mills operating in the country, State/ UT-wise are given in Annexure-IV.