

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:4356

ANSWERED ON:11.08.2016

Sick Textile Mills

Chavan Shri Ashok Shankarrao;Dhotre Shri Sanjay Shamrao;Gaikwad Dr. Sunil Baliram;Kirtikar Shri Gajanan Chandrakant;Mahtab Shri Bhartruhari;Shewale Shri Rahul Ramesh;Singh Shri Kunwar Haribansh

Will the Minister of TEXTILES be pleased to state:

- (a) the number of textile mills becoming sick and closed in the country during the last three years and the current year, State-wise;
- (b) the reasons for closure of these textile mills;
- (c) whether the Government has formulated any scheme/programme to revive such sick/closed textile mills in the country, and if so, the details thereof and if not, the reasons therefor;
- (d) the number of beneficiaries of the Textile Worker's Rehabilitation Fund Scheme (TWRFS) along with the salary/wages disbursed to them in the country during the last three years and the current year, State-wise; and
- (e) whether the Government has received complaints of denial of salary/ wages to eligible persons and disbursal of wages to ineligible persons under the said scheme in the country during the said period, and if so, the details thereof, State-wise and the action taken/being taken by the Government on such complaints?

Answer

MINISTER OF STATE FOR TEXTILES
(SHRI AJAY TAMTA)

- (a): The details of State wise cotton/man-made fibre textile mills (Non-SSI) closed during last three years and current year are at Annexure-I. As regards, National Textile Corporation Limited, no textile mill has been closed during last three years and current year.
- (b): The main reasons for closure of these textile mills are financial problems such as inadequate working capital, insufficient cash flow, increase in cost of production, squeezed profit margin, stressed assets etc.
- (c): The Government has no such scheme/programme to revive these mills. However, the Board for Industrial & Financial Reconstruction (BIFR) set up under Sick Industrial Companies (Special Provisions) Act, with a view to arranging the timely detection of sick and potentially sick companies (including textile mills) and for the speedy determination of preventive, ameliorative and remedial measures which need to be taken in respect of such companies including closed mills. The status of the cases registered with BIFR is being decided by BIFR on the basis of its finding and decide the reliefs / concessions etc. to be given to units / companies on the revival packages.
- (d): Under the Textile Workers Rehabilitation Fund Scheme (TWRFS), relief is being disbursed to the eligible workers of eligible closed textile mills under the said Scheme. The details of relief disbursed to the eligible workers of eligible closed textile mills under the said scheme during the last three years and the current year, State-wise, is attached at Annexure-II.
- (e): Relief is paid to the eligible workers of eligible closed textile mills under Textile Workers Rehabilitation Fund Scheme. Ministry of Textiles has no such information.