

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:6328

ANSWERED ON:06.05.2005

MODERNISATION OF NTC MILLS

Rana Shri Kashi Ram;Thummar Shri Virjibhai;Vasava Shri Mansukhbhai D.

Will the Minister of TEXTILES be pleased to state:

- (a) whether slackness is being shown in rehabilitation/revival of the N.T.C. mills due to which the efforts for modernization of these mills are delayed;
- (b) if so, the details thereof;
- (c) the number of the closed mills to be revived under the scheme of rehabilitation and revival of NTC mills;
- (d) the details of the works done under the above scheme;
- (e) the number of the workers retired under the V.R. Scheme during the last three years; and
- (f) the steps taken by the Government for revival/modernization of NTC mills?

Answer

MINISTER OF TEXTILES(SHRI SHANKERSINH VAGHELA)

(a)&(b): No, Sir. The Government is implementing rehabilitation schemes for the sick subsidiaries of National Textile Corporation (NTC) as approved by BIFR. The rehabilitation schemes were proposed to be implemented within a period of 2 years w.e.f. March, 2002. However, since the sale of surplus land has been delayed for want of permission from various State Governments, sufficient resources could not be mobilized for timely implementation of the rehabilitation schemes. The matter is being vigorously pursued with the State Governments concerned

(c)&(d): The rehabilitation schemes approved by BIFR suggested revival of 53 viable NTC mills, inter-alia, with resources generated from sale of surplus assets. The scheme also envisaged closure of 66 chronic loss making mills. All these unviable mills have been closed. Since the 53 viable mills continue to sustain losses and depend on Government budgetary support for meeting shortfall in wages, the Government has proposed to BIFR to permit modernization of the 15 best performing viable mills in the first phase and attempt for modernization of the other mills through induction of strategic private partners.

(e): A total number of 44831 employees have retired under the Modified Voluntary Retirement Scheme (MVRS) during the last three years.

(f): The matter regarding grant of permission for sale of surplus land is being vigorously pursued by the Government with the State Governments, particularly, in the State of Madhya Pradesh, Uttar Pradesh and Maharashtra. A transparent and fair system has been put in place for disposal of assets and liberal VRS has been implemented to reduce the surplus workforce. The Government is restructuring the rehabilitation plan to achieve administrative economies.