GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO.4004
ANSWERED ON:12.12.2000
SHOE TEXTILE SALES
Shaikh Ali Nawab;Kyamchandran Vith Sadanandy;Rajasekaran;

Will the Minister of TEXTILES be pleased to state:

(a) the number of textile units in the country including Tamil Nadu declared sick;-State-wise and Union Territory-wise;

(b) the reasons for their sickness;

(c) whether the Government has any proposal to revive these and textile units and to provide adequate employment to the workers;

(d) if so, the details thereof;-State-wise;

(e) whether a large number of people/workers working in National Textile Corporation have become jobless after closure of about 65 mills;

(f) if so, whether any agreement has been signed between the workers union and the Government; and

(g) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI SUBHAS NIRALA)

(a) There were 648 textile units/units registered with Board for Industrial & Financial Reconstruction (BIFR) as on 31.10.1999 comprising 115 units in the state of Tamilnadu. The state wise details of the cases registered with BIFR as on 31.10.1999 are as under:-

Under Sick/Sick Textile Units Textile Units

1 Andhra Pradesh 32
2 Assam 1
3 Bihar 1
4 Chandigarh 1
5 Dadra and Nagar Haveli 1
6 Delhi 20
7 Gujarat 12
8 Haryana 10
9 Himachal Pradesh 1
10 Jharkhand 1
11 Karnataka 8
12 Madhya Pradesh 10
13 Maharashtra 45
14 Orissa 1
15 Pondicherry 1
16 Punjab 12
17 Rajasthan 1
18 Tamilnadu 115
19 Uttar Pradesh 30
20 West Bengal 37
Total 648

(b) Not ascertained. The operations growth in the textile sector, which has been showing considerable vibrancy in recent years, there has remained with, preliminary computer data, in the organised sector, which was sick due to causes like high power cost, lack of modernisation, outdated mill power, poor management and marketing strategy, inappropriate product mix, low productivity, and inherent factors.

(c), (d) (e) Government owned 31 Textile units, which furnishes growth and development of Textile industry. It has taken a number of steps for revival of sick textile/jute mills which inter-alia, includes, facilitation of the Modern Rehabilitation Policy (MRP) for textile, modernisation of sick mills/jute mills, setting up of NTMC under the Sick Industrial Companies (Special Provisions) Act, etc. The BIFR has been having Term Loan to Cage wherever potentials existing.(ii) speed of industrial rehabilitation (iii) reduction of industrial drifted of sickness stage, identification of sick/weak units, carrying out viability study of the units from operating surplus and consumers to only viable units, revitalisation/merging units and financial institutions and banks (banking, some for promoter's contribution, extended period for repayment/rescheduling of loans, concessions and workers of power cost/engaged (closed) etc. BIFR has been not to with a view to managing the timely and

Under Status: Sick Textile Units

1 Declared Sick Around Year: 97
2 Sick Units: 115
3 Revived on the Board Approval Recovery: 0
4 Revived Units: 0
5 Wind Up/Closure: 0
6 Under Revival Process: 115
7 Under Revival Process Under Appeal: 0
8 Under Revival Process Under Appeal Pending Under Appeal Pending Table: 0
9 Under Revival Process Under Appeal Pending Table Pending Table: 0 Pending Appeal:0
10 Under Revival Process Under Appeal Pending Table Pending Table: 0
11 Under Revival Process Under Appeal Pending Table Pending Table: 0
12 Pending Appeal: 0
13 Pending for Consideration Until Year: 2000, 2001, 2002: 115
14 Pending Appeal: 0

(f)(f) the objective to provide relief/ relief to textile workers/ workers/ employees as a consequence of Government closure of textile units, the Textile Workers' Rehabilitation Fund Scheme (TWRFS) is in operation with effect from 15th September, 1995. Based upon the recommendations of the Tripartite Committee, the Scheme has been modified with effect from 1st April, 1998 and implemented in the following manner:

a) Wage ceiling: Wage ceiling of Rs. 1,000/- per month for the first year of the Scheme, thereafter Rs. 1,500/- per month.

b) Wage Quantum: Wage quantum of Rs. 1,000/- per month for the first year of the Scheme, thereafter Rs. 1,500/- per month.

c) Ex-Gratia: Ex-Gratia of Rs. 1,000/- per month for the third year.

From 1st April, under the Scheme, the units in Kanpur, in Uttar Pradesh, 3 units in Maharashtra, 2 units in Madhya Pradesh, 1 unit in Gujarat, 1 unit in Tamilnadu, 1 unit in Pondicherry and 1 unit in Delhi have been declared sick. The workers of these units are also eligible workers of 65 mills that have been declared sick/ of the 115 sick units.

(g) Workers of 65 sick units, who were covered by Workers' Voluntary Retirement Scheme (WVRS) were given very attractive compensation and the WVRS has ceased.

(h) (g) The Central Scheme (WVRS) was approved by BIFR under consulting of labour/textile ministry covering the Trade Unions