

LOK SABHA
STARRED QUESTION NO.*19
TO BE ANSWERED ON 02.02.2017

LOSSES IN MODERNISED NTC MILLS

*19. SHRI HARISHCHANDRA CHAVAN:

Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state:

- (a) whether the mills under the National Textile Corporation (NTC) which were modernized recently are incurring losses;
- (b) if so, the details thereof indicating their losses and the reasons for the said loss, mill-wise; and
- (c) whether steps are being taken to make these modernized NTC mills profitable and if so, the details thereof?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति जूबिन इरानी)

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

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

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF
THE LOK SABHA STARRED QUESTION NO.*19 TO BE ANSWERED
ON 02.02.2017.**

(a) & (b): National Textile Corporation (NTC) has 23 operational Mills, out of which, 8 mills have been modernised, 13 mills have been partially modernised and 2 mills are not yet modernised. Mill wise Profit/loss position for the years 2014-15, 2015-16, & April-September, 2016 is given at **Annexure**.

The reasons for the losses mainly in the mills yet to be modernized are attributable to factors such as (i) Incomplete modernization; (ii) Higher power costs due to purchase from various electricity boards vis.-a-vis. private purchase; (iii) Higher man/machine ratio resulting in higher labour cost; and (iv) Sub-optimal quality of Yarn resulting in lower sale rate.

(c): The efforts made to make the modernized mills profitable include the following:-

- I. Improving technology by way of induction of strategic new machines like Blow Room, Cards, Auto-coner and Ring Frames, etc., in different mills;
- II. Increasing sale realization by way of value addition to product like production of Slub Yarn, Compact Yarn, Mélange, Lycra, Sewing thread Yarn and increasing Combed Yarn/Double Yarn production;
- III. Keeping a watch on quality parameters by adding testing equipment like Uster, Advanced Fiber Information System etc.; and
- IV. Adopting Energy Conservation measures in modernized mills such as use of Energy efficient LED lights, invertors, Solar Plants installation, etc.

ANNEXURE

NATIONAL TEXTILE CORPORATION LIMITED

**Mill wise Profit/Loss Position for the year
2014-15,2015-16 & April-Sept.,16**

			2014-15	2015-16	April-Sept.,16
S. No.	State wise Name of Mills	STATES	Cash Profit/ Loss	Cash Profit/ Loss	Cash Profit/ Loss
			Rs. Lakhs	Rs. Lakhs	Rs. Lakhs
A	Modernised Mills				
1	Cannanore Spg & Wvg Mills	KERALA	485.90	405.44	120.02
2	Sri Rangavilas Mills	TAMIL NADU	-85.45	-199.4	-23.08
3	New Bhopal Textile Mills	MADHYA PRADESH	-688.78	-577.59	-245.29
4	Burhanpur Tapti Mills	MADHYA PRADESH	388.17	142.39	18.33
5	New Minerva Mills	KARNATAKA	-59.41	-113.26	78.03
6	Finlay Mills Achalpur	MAHARASHTRA	212.74	406.85	46.23
7	Rajnagar Textile Mills	GUJARAT	-764.31	-605.87	-42.25
8	Arati Cotton Mills	WEST BENGAL	-408.92	-801.61	-377.94
B	Partially Modernized Mills with Modernization level 50-60%				
1	Cannanore SW Mahe	PUDUCHERRY	-162.61	-532.76	-203.97
2	Kerala Lakhmi Mills	KERALA	-96.97	-707.19	-290.6
3	Vijayamohini Mills	KERALA	12.27	-391.48	-174.28
4	Cambodia Mills	TAMIL NADU	-281.78	-710.68	-291.93
5	Pankaj Mills	TAMIL NADU	-372.58	-606.99	-306.74
6	Pioneer Spinners	TAMIL NADU	-368.16	-688.96	-157.64
7	Kaleeswarar B Mill	TAMIL NADU	-137.09	-491.52	-135.16
8	Coimbatore Murugan Mills	TAMIL NADU	-335.32	-336.87	-87.06
C	Partially Modernized Mills with Modernization level 20-50%				
1	Algappa Textile Mills	KERALA	-289.80	-580.32	-218.11
2	Tata Mills	MAHARASHTRA	-1902.54	-1937.11	-1060.79
3	India United Mills No. 5	MAHARASHTRA	-858.08	-1225.68	-621.7

4	Podar Mills	MAHARASHTRA	-1284.69	-1360.82	-827.94
5	Barshi Textile Mills	MAHARASHTRA	-279.40	-451.77	-197.59
D	Non Modernized Mills				
	Tirupathi Cotton Mills	ANDHRA PRADESH	-260.30	-231.33	-91.09
	Coimbatore S&W Coimbatore	TAMIL NADU	-188.77	-382.62	-173.77
		GRAND TOTAL	-7725.88	-11979.15	-5264.32
