

LOK SABHA  
UNSTARRED QUESTION NO.2031  
TO BE ANSWERED ON 29.11.2019

NATIONAL TEXTILE CORPORATION

2031. DR. BHARATI PRAVIN PAWAR:  
SHRI SADASHIV KISAN LOKHANDE:

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

- (a) whether the mills of National Textile Corporation that were modernised are still running in losses;
- (b) if so, the mill-wise details thereof along with the reasons therefor;
- (c) whether any enquiry of the said losses has been conducted;
- (d) if so, the outcome thereof; and
- (e) the reaction of the Government thereto?

उत्तर

ANSWER

वस्त्र मंत्री (श्रीमती स्मृति ज़ुबिन इरानी)  
MINISTER OF TEXTILES  
(SMT. SMRITI ZUBIN IRANI)

**(a) to (e):** National Textile Corporation Ltd. (NTC) was established primarily to manage the affairs of the sick textile undertakings taken over by the Government of India in three Nationalization Acts in the years 1974, 1986 and 1995. On account of obsolete technology, excess manpower, poor productivity etc, 8 of its 9 subsidiaries were referred to Board for Industrial and Financial Reconstruction (BIFR) in the year 1992-93. BIFR sanctioned the revival scheme thrice, Sanction Scheme(SS)-2002 at the cost of Rs.3937 crores, Modified Scheme(MS)-2006 at the cost of Rs.5267crores and MS-2008 at the cost of Rs.9102 crores.

In terms of the BIFR recommendation, 3 new mills were created and 18 existing mills were modernized partially, at approximate expenditure of Rs.1646 crores. Since its inception, NTC mills have been incurring operational losses. However, the losses have got reduced substantially from around Rs.600 crores in pre-modernisation period to around Rs.300 crores during the post modernisation period. NTC has given the benefit of Modified Voluntary Retirement Scheme (MVRS) to around 64000 employees and presently remaining with 14085 employees.

NTC is mainly producing yarn and greige fabric. The annual production of yarn and greige fabric during the year 2018-19 was 505.95 lakh kilograms and 190.06 lakh metres respectively. In addition, NTC is engaged in retail sale of nearly Rs.25 crores worth of printed and dyed fabric through its retail shops (out of a turnover of Rs.1100 crores per annum).

NTC has been reporting operating losses since its inception. In spite of modernization and several attempts to turnaround the company, the operational losses persist mainly on account of high electricity cost, competition with producers in open market and high cost of inventory etc. The profit/losses incurred the 23 NTC mills in operation are detailed in Annexure.

**Annexure****DETAILS OF NET PROFIT/LOSS OF 23 NTC WORKING MILLS (21 MODERNISED, 2 PARTIALLY MODERNISED DURING LAST TWO YEARS**

S.No.	NAME OF THE MILLS	LOCATION	(Rs. in Crores)	
			2017-18	2018-19
(A)	"23" MILLS REVIVED BY NTC ITSELF			
<b>ANDHRA PRADESH</b>				
1	TIRUPATHI COTTON MILLS (Partially modernized)	Renigunta	-3.86	-4.25
<b>GUJARAT</b>				
2	RAJNAGAR TEXTILE MILLS	Ahmedabad	-24.82	-16.43
<b>KERALA</b>				
3	ALGAPPA TEX.MILLS	Algappanagar	-11.00	-10.42
4	CANNANORE SPG.& WVG.MILLS	Cannanore	-15.27	-6.12
5	KERALA LAXMI MILLS	Trichur	-9.86	-8.64
6	VIJAYAMOHINI MILLS	Trivandrum	-6.47	-6.82
<b>KARNATAKA</b>				
7	NEW MINERVA MILLS	Hassan	-25.16	-18.28
<b>MADHYA PRADESH</b>				
8	BURHANPUR TAPTI MILLS	Burhanpur	-18.62	-11.11
9	NEW BHOPAL TEX. MILLS	Bhopal	-23.20	-12.15
<b>MAHARASHTRA</b>				
10	PODAR MILLS	Mumbai	-13.56	-10.78
11	TATA MILLS	Mumbai	-27.70	-23.82
12	INDIA UNITED M ILL NO.5	Mumbai	-14.04	-14.53
13	BARSHI TEX.MILLS	Barshi	-5.70	-5.05
14	FINLAY MILLS	Achalpur	-32.33	-21.68
<b>PUDUCHERRY</b>				
15	CANNANORE SPG.& WVG.MILLS	Mahe	-8.72	-6.77
<b>TAMIL NADU</b>				
16	CAMBODIA MILLS	Coimbatore	-10.08	-8.17
17	COIMBATORE MURUGAN MILLS	Coimbatore	-6.22	-7.78
18	PANKAJA MILLS	Coimbatore	-8.33	-6.42
19	PIONEER SPINNERS MILLS	Kamudakudi	-14.38	-11.16
20	SRI RANGAVILAS S.& W. MILLS	Coimbatore	-6.51	-5.32
21	KALEESWARAR MILLS 'B' UNIT	Kalayarkoil	-10.85	-6.30
22	COIMBATORE SPG & WVG MILLS (Partially modernized)	Coimbatore	-4.22	-3.81
<b>WEST BENGAL</b>				
23	ARATI COTTON MILLS	Dassnagar	-16.60	-15.00
	<b>Total</b>		<b>-317.50</b>	<b>-240.82</b>

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