CHAPTER XII

PUBLIC SECTOR UNDERTAKINGS

MEDITECH

MOBILTECH

CHAPTER XII

PUBLIC SECTOR UNDERTAKINGS

NATIONAL TEXTILES CORPORATION LIMITED

The National Textiles Corporation Limited (NTC) was incorporated in April 1968 to manage the affairs of the private sector sick textiles mills, which were taken-over by the Government under the three Nationalisation Acts {first the Sick Textile Undertakings (Nationalisation) Act, 1974, thereafter the Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertakings) Act, 1986 and then the Textile Undertakings (Nationalisation) Act, 1995}. It was also proposed to rehabilitate and modernize these mills after the take over and expand them wherever necessary with a view to make them economically viable. NTC (HC) Ltd., the Holding Company, having its registered office at New Delhi, was managing its mills through 9 subsidiary corporations, having 119 mills initially.

Capital Structure

The NTC Ltd. (Holding Company) was started with an Authorized Capital of Rs.10.00 crores, which was enhanced from time to time. It stands at Rs.600 crores as on date. The paid up capital as on date is Rs. 547.38 crores. The GOI share is Rs. 540.10 crores, and the share of various State Governments is Rs. 7.28 crores.

REHABILITATION OF NTC MILLS

Due to continuous losses and erosion of equity, 8 NTC Subsidiary Corporations (104 mills) were referred to BIFR under section 15(1) of Sick Industrial Companies Act during 1992-94 and were declared as sick industrial companies BIFR sanctioned rehabilitation schemes for 8 subsidiary companies, during February-July, 2002, envisaging revival of viable mills, closure of unviable mills, offering Modified Voluntary Retirement Scheme (MVRS) to the employees by realising funds from sale of assets, One Time Settlement (OTS) with secured creditors, conversion of Government loans into equity, and write-off of the interest thereon. CBDT to consider wealth tax and Capital Gains Tax exemption and payment of various statutory dues, etc. of Provident Fund & ESI contribution, electricity dues, and municipal taxes.

On the basis of audited balance sheet of 2002-03, the NTC (Tamilnadu & Puducherry) Ltd. made a reference to the BIFR also and it was declared sick in 2005. Taking into consideration the rehabilitation schemes of BIFR in respect of 8 subsidiaries and the scheme in respect of NTC (Tamilnadu & Puducherry) approved separately by Government of India, 53 viable mills were to be modernized and 66 unviable mills were to be closed. The consolidated cost of two Rehabilitation Schemes for all 9 subsidiaries was Rs.3937.49 crores. 2 mills (one each from 53 viable mills and 66 unviable mills) at Puducherry were transferred to the Government of Puducherry w.e.f. April 1, 2005, hence 52 mills will be revived and 65 mills will be closed. The details are at table 12.1.

MODIFIED REVIVAL SCHEME (MRS)

The scheme approved by BIFR in 2002, was self-financing and funds for the schemes were to be generated by sale of assets/land of closed mills and surplus assets of viable mills. However, the above mentioned schemes could not be implemented in stipulated time of two years mainly due to delay in sale of land, as permission for sale could not be received in time from various State Governments. As per the BIFR sanctioned scheme, NTC was to modernize 53 functioning mills identified as viable. As sale of surplus land is a long drawn affair requiring clearances from various Government agencies and Courts of law, it was thought prudent to revise the rehabilitation scheme incorporating other innovative ways of garnering resources for modernization.

Therefore, certain initiatives were undertaken by the NTC and the Ministry of Textiles to improve the profitability of the Corporation, and it was felt necessary to go to BIFR again to get a Modified Revival Scheme (MRS) approved. A MRS of Rs.5267 crores, was prepared for the consideration of BIFR, envisaging merger of nine subsidiaries, revival of 22 mills by NTC, extension in the implementation period of the scheme, conversion of outstanding loan, and waiver of interest, etc. The BIFR approved the Modified Revival Scheme on March 28, 2006. The projected cost and means of finance of MRS are at table 12.3

Table 12.1
Abstract of Mills for Revival and closure as per sanctioned Revival Schemes

Subsidiary	Revival	Closure	TOTAL
APKKM	10	6	16
DPR	5	3	8
GUJ	2	9	11
MN	8	10	18
MP	2	5	7
SM	9	8	17
UP	2	9	11
TNP	9*	6*	15
WBABAO	6	10	16
TOTAL	**53***	**66***	**119**

* 2 mills (1 each from revival & closure located in Puducherry transferred to state Govt. of Puducherry w.e.f. 01.4.2005

Table 12.2
Projected Cost and means of Finance of the Rehabilitation

Projected Cost (Rs. crores)		Means of Finance (Rs. crores)	
	AMOUNT		AMOUNT
Modernization	1,465.78	Value of Assets	3829.92
VRS	1,663.35	Wage Support	687.22
Statutory Dues	210.42	NTC Loan for VRS as grant	180.00
Pressing Creditors	597.94		
Total	**3937.49**	**Total**	**4697.14**

Table 12.3

(Rs. Crores)

Projected Cost		Means of Finance	
	AMOUNT		**AMOUNT**
Modernization	529.96	Interest free Loan from GoI against short fall in wages (FY 2006 & 2007)	528.00
Working Capital	146.90		
VRS	812.65		
Pressing Creditors	206.68		
Wage Support	528.00		
Bonds redemption	2028.04		
Interest & related expenses on Bonds	615.43	Funds from sale of Land & other assets	4739.56
Refund of GoI Loan	399.90		
Total	**5267.56**	**Total**	**5267.56**

In the meanwhile, NTC also initiated innovative mechanisms to maximize returns from its locked assets in various locations in the country. These initiatives include (i) setting up of an Indian Textile Plaza at Jehangir Textiles Mills, Ahmedabad, (ii) setting up of India International Trade Tower at Mumbai at the mill lands of India United Mill No.6 and (iii) relocation of the Minerva Mills at Bangalore to a new location at Hassan, (iv) adaptation of Chawl Development Policy of State of Maharashtra, and (v) exploring possibility of involving private sector in the revival of NTC mills. The first two initiatives involve maximizing returns from surplus land of NTC mills through Public Private Partnership (PPP) and the third proposal involves generating adequate surplus resources as well as relocating the old Minerva Mills to Hassan SEZ area and selling the mill land at Bangalore. The Group of Ministers considered these initiatives along with MRS and broadly approved the same in its meeting held in December 2006.

PRESENT STATUS OF NTC

So far, 67 NTC mills have been closed and 67 mills, 2 mills namely Swadeshi Cotton Mills and Sri Bharathi Mills both located in Puducherry have been transferred to the State Govt. of Puducherry w.e.f. April 1, 2005, at a consideration amounting to Rs.39.37 crores. The consideration amount has yet not been received. Out of 50 remaining mills, 22 mills are to be revived by NTC, 18 mills are to be revived through Joint Venture (JV) route by forming SPV (Special Purpose Vehicle) with private partners and remaining 10 mills where most of the employees had availed MVRS (Modified Voluntary Retirement Scheme) and there is no production activity are proposed for closure under ID Act. Out of 18 mills, identified for revival through Joint Venture route, NTC has entered into an MOU on November 6, 2007, with 3 strategic Joint Venture partners to run 5 mills by forming a SPV, wherein NTC's equity would be 51%, and that of private partners would be 49%. In addition to this, NTC has also entered into an MOU with National Building Construction Corporation for setting up of Indian Textiles Plaza at the land of one closed mill at Ahmedabad. NTC also proposes to construct a 72-storyed India International Trade Tower at the land of one of the closed NTC mills at Mumbai.

As a part of implementation of the Rehabilitation Scheme, NTC has mobilized Rs. 2,028 crores from the market by private placement of bonds. NTC has also sold surplus land, building-debris and plant & machinery worth Rs. 3,779.26 crores up to December 31, 2007. NTC has paid VRS compensation amounting to Rs. 1,961.99 crores to 56,178 employees up to December 31, 2007.

The NTC has earmarked Rs.530 crores for modernization of 22 mills and the process has already started. So far orders for purchase of machineries worth Rs.104 crores in respect of 18 mills have been placed, of which machines worth of Rs.120 crores have been reached to the mills as on December 31, 2007. An amount of Rs. 48.80 crores has been spent on civil, electrical, humidification and other preparatory work for installation of new machineries. NTC has already prepared a schedule to modernize 22 mills by December 2008, of which the modernisation of 15 mills is expected to be completed by May 2008.

The Registrar of Companies (ROC), New Delhi issued the Certificate of Registration of order of Amalgamation dated July 26, 2006, and all the 9 subsidiaries have been merged into NTC (HC) Ltd.

5 years 9.5% Government Guaranteed Tax-Free Bonds worth Rs. 248.69 crores issued to Banks and Financial Institutions against OTS of their dues, have been redeemed on due date, i.e. January 1, 2007. Rs. 1,779.35 crores were mobilized by NTC through Government Guarnteed Taxable Bonds (in 8 series) for payment of VRS to surplus employees. Of this, 3 series of Bonds of Rs. 499.35 crores have been redeemed on due dates. So far Rs. 668.84 crores has been paid as interest on OTS and Taxable Bonds totaling Rs. 2,028.04 crores issued on private placement basis. In addition, Rs. 81.70 crores has been paid as Governemnt Guarantee Fee and Rs. 7.74 crores as other related expenditure on issue of Bonds. Rs. 188.07 crores has been paid to clear the Provident Fund and ESI dues.

As per DPE guidelines, NTC has signed an MOU with Ministry of Textiles for 2007-08 on March 28, 2007. NTC has obtained ISO-9001-2000 certification in respect of 2 mills, namely Coimbatore Murugan Mills, Coimbatore (TN) and Barshi Mills, Barshi (Mah.). The energy Audit in respect of 6 NTC mills has got done through PCRA.

NTC has paid all the old dues of Cotton to Cotton Corporation of India Ltd. (CCI) including principal and 40% carrying charges, as CCI has waived-off total interest and 60% carrying charges. NTC has also entered into MOU with CCI to provide cotton to NTC mills on credit of 45 days to overcome the problem of shortage of working capital.

PERFORMANCE DURING 2006-07 & 2007-08

(a) FINANCIAL RESULTS

The Group's net profit / cash loss for the year 2006-07 (audited) and 2007-08 (Actuals upto December 2007), and 2007-08 (Projected upto March 2008) is at table 12.4.

(b) PRODUCTION

The Production of Yarn & Cloth (including job work) in NTC mills during 2006-07, April-Sept, 07 and expected for the year 2007-08 is at table 12.5.

(c) TURNOVER

The sales of Yarn and Cloth (including Job Work) in NTC mills during 2006-07, 2007-08 (upto Dec., 07) and 2007-08 (Projected upto March 2008) are at table 12.6.

SPORTTECH

AGROTECH

Table 12.4

(Rs. in Crores)

Sr. No.	Particulars	2006-07	2007-08 (upto December 07)	Projected for F.Y. 2007-08
1	**Net Profit (+) / Loss (-)**	**(-) 530.05**	**(13.81)**	**(+) 536.64**
2	**Non-operative expenses**			
	i-Govt interest & guarantee fee	595.36	60.68	716.00
	ii-Depreciation	3.12	10.02	13.36
	iii-MVRS	109.36	52.66	250.00
	iv-Provisions / Taxes	49.47	12.00	16.00
	v-Prior period expenses	6.39		
	vi-Others(Gratuity)	10.19	4.50	6.00
	SUB-TOTAL	**732.62**	**529.86**	**1001.36**
3	**TOTAL (=1+2)**	**243.84**	**399.05**	**1538.00**
4	**Non-operative income**	--	--	--
	i-Damages waived	2.84	--	--
	ii-Prior period income	2.16	--	--
	iii-Profit on sale of Assets	336.68	446.82	1650.00
	iv-Provisions written back	14.94	8.00	
	v-Others(Extra Ord. Income)	4.73	72.23	30.00
		361.35		1680.00
	SUB-TOTAL		517.05	
5	**Cash profit(+)/loss(-)(3-4)**	**(-) 117.51**	**(-)118.00**	**(-) 142.00**

Table 12.5

S.No.	Particulars	Yarn Lakh Kgs.	Cloth Lakh mtrs.
1	Actual for 2006-07	380.38	162.81
2	2007-08 (Actual for April-December, 07)	311.50	138.00
3	2007-08 (Expected for April-March 2008	400.00	185.00

Table 12.6

(Rs. in Crores)

S.No.	Particulars	Yarn	Cloth
1	Actual for 2006-07	428.99	66.84
2	2007-08 (Actual for April-Dec., 07)	326.93	34.24
3	2007-08 (Expected upto March 2008)	405.00	70.00

BUILDTECH

(d) EMPLOYMENT

At the end of December 2007, there were 16,158 employees on roll in NTC Group. Since April 1, 2002, to September 2007, 56,178 employees have availed VRS and an amount of Rs. 1961.88 crores has been paid to them.

(e) READYMADE GARMENTS

NTC has diversified into production and sale of readymade garments. These include Shirts, Trousers, Barmuda, Shorts, Handkerchiefs, Kurta, Pyjamas, Woolen Coats & Jackets, Inner garments, etc. NTC also markets wide variety of readymade items under the brand name FINLAY in Mumbai & Delhi. These have resulted in boosting up of retail sale.

THE BRITISH INDIA CORPORATION LIMITED (BIC)

The British India Corporation Limited was incorporated as a Public Limited Company on February 24, 1920. It was taken over by the Government of India on June 11 1981, under the British India Corporation Ltd. (acquisition of shares) Act. The BIC Limited, Kanpur owns and manages two woollen mills viz (1) Cawnpore Woollen Mills Branch, Kanpur (2) New Egerton Woollen Mills Branch, Dhariwal. The products of these two mills are popularly known by the Brand names of “Lalimli” & “Dhariwal” respectively. These units manufacture the woollen/blended suitings, Tweeds, Uniform Cloth, Lohis, Shawls, Rugs, Blankets, etc.

The British India Corporation Limited has three subsidiary companies (1) Elgin Mills Co. Limited (2) Cawnpore Textiles Limited, Kanpur & (3) Brush Ware Limited.

MODERNIZATION/REHABILITATION OF BIC LIMITED AND ITS SUBSIDIARIES

B.I.C. Limited was declared as sick company in 1992 and was referred to BIFR. The Government proposed a Rehabilitation Scheme for the company in 2000 and BIFR approved the revival of the two Woollen Mills – Cawnpore Woollen Mills Branch (Lalimli), Kanpur & New Egerton Woollen Mills Branch (Dhariwal), Punjab. In December 2002, the cost of the Scheme, approved by BIFR, was Rs. 210.51 crores. Some of the obligations were fulfilled like providing Rs. 86.00 crores as envisaged in the scheme by GOI etc. The major factor of the scheme was sale of surplus land situated at Kanpur and Dhariwal could not be completed as no permission was granted by U.P. State Government for conversion of leasehold property into freehold property. The scheme sanctioned by BIFR could not be implemented in full fledge. The BIFR reviewed the matter in its hearing November 29, 2005, and issued direction that the company should prepare modified Draft Rehabilitation Scheme in close consultation with the MOT and submit the same. The Draft Modified Rehabilitation Scheme has been prepared and submitted which is under consideration with BIFR.

CAPITAL STRUCTURE

The BIC Limited started with authorised share capital of Rs. 55.00 crores. It stands as on date Rs. 31.71 crores after converting Government loan of Rs.249.62 crores into equity derated it to 10% as per direction of BIFR.

CAPACITY

The capacity of the two Woollen Mills of BIC after modernization as sanctioned by BIFR is 20680 Worsted Spindles, 1920 Woollen Spindles, 79 Power Looms and 62 Handlooms.

PERFORMANCE DURING 2005-06, 2006-07 (AUDITED), 2007-08 (PROVISIONAL UPTO DECEMBER) AND 2007-08 (PROJECTED),

A. FINANCIAL RESULTS

The net profit/cash loss for the year 2005-06, 2006-07 (Audited), 2007-08 (Provisional upto December 2007) and 2007-08 (Projected) of BIC limited are at table 12.7.

B. PRODUCTION

Production of cloth in BIC mills during 2005-06, 2006-07, 2007-08, (Provisional Upto December) and 2007-08 (Projected) is at table 12.8.

C. TURN OVER

The sale of cloth in bic mills during the year 2005-06, 2006-07 (Audited), 2007-08 (Provisional upto December 2007), and 2007-08 (Projected) is at table 12.9.

CLOTHTECH

Table 12.7

(Rs. in lacs)

Sl. No.	Particulars	For the year 2005-06	For the year 2006-07 (provisional)	Provisional 2007-08 (Upto December)	Projected for F.Y. 2007-08
1.	Net Profit (+)/Loss (-)	**(-) 2087**	**(-) 1340**	**2268**	**2976**
2.	Non-operative expenses				
	i) Govt. interest & guarantee fee	389	408.00	306	408
	ii) Depreciation	89	89.00	65	1.00
	iii) VRS	7	10.00	Nil	Nil
	iv) Provisions/Taxes	Nil	8.00	Nil	Nil
	v) Prior period expenses	112	5.00	371	409
	SUB TOTAL	597	520.00	Nil	NiL
3.	**Total (=1+2)**	(-) 1490	(-) 820	2639	3385
4.	Non-operative Income				
	i) Interest waived by Creditors	Nil	Nil	Nil	Nil
	ii) Profit on sale of Assets	Nil	1258	3585	3900
	iii) Provisions written back	Nil	Nil	Nil	Nil
	iv) Grant from GOI	1800	1800	1350	1800
	SUB TOTAL:	1800	3058	4935	5700
5.	Cash profit (+)/-loss (-) (-) 3-4	(-) 3290	(-) 3878	-2296	-2315

Table 12.8

Sl. No.	Particulars	Cloth Lakh Mtrs.
1.	Actual for 2005-06 (Audited)	8.06
2.	Actual for 2006-07 (Audited)	4.90
3	Provisional 2007-08 (upto December)	0.40
4.	Projected for 2007-08	0.50

Table 12.9

Sl.No.	Particulars	(Rs. in lakhs)
1.	Actual for 2005-06 (Audited)	2333
2.	Actual for 2006-07 (Audited)	1299
3.	Provisional for 2007-08 (upto december)	550
4.	(a) Projected for 2007-08	800

D. EMPLOYMENT

As on December 31, 2007, there were 1,375 employees in CWM branch, 1,144 in NEWM branch, and 87 in the Corporate Office.

Highlights of rehabilitation scheme approved by BIFR/GOI in the year 2002.

The above scheme, approved by BIFR in the year 2002, was to be implemented in 2 years i.e. by the end of March 2005 for both the Units of BIC Limited.

SALIENT FEATURE OF THE SCHEME

The Company had to get the financial support from GOI Rs. 86.00 crores out of which Rs. 37.00 crores as interest free loan Rs. 49.00 crores as grant. Rs. 125 crores was to be generated from sale of surplus assets. Both the units had to be modernized by an investment of Rs. 46.00 crores by purchase of new machines and renovation of old existing machines which were of workable condition.

REASON FOR DELAY IN IMPLEMENTATION OF SANCTIONED SCHEME

The company had to repay the OTS amount of financial institutions/banks amount to Rs. 4.52 crores/Rs.87.75 crores from sale proceeds of surplus land. The sale of surplus land started at Kanpur and Dhariwal. Some properties were sold; whereas in case other properties 25% advance money was received and 75% was to be received on handing over possession on execution of sale. U.P. State Government did not permit to convert leasehold property into freehold property. In such circumstances BIC Limited could not make the payment of SBI OTS amount in full nor could generate the funds for working capital.

ACTION TAKEN BY THE COMPANY SO FAR

a. The BIC Limited made the payment of statutory dues P.F. & E.S.I. (contribution & interest) and placed the request for waiver of damages of PF & ESI. The authorities of PF have granted the exemption of damages amounting to Rs. 8.62 crores. However the grant for exemption of damages of ESI amount to Rs. 2.35 crores is still to be obtained. Persuasion is made by the company and is expected to get it soon.

b. The company has allowed VRS to the employees 521 nos. identified as surplus and the expenditure of Rs. 17.00 crores incurred thereon.

c. BIC Limited has invested in the modernization/renovation Rs. 17.50 crores in purchase of new renovation of old machines.

d. BIC Limited registered the sale of the surplus assets amount to Rs. 58.20 crores upto October 2007.

e. BIC Limited made the payment of SBI amounting to Rs.85.94 against OTS

amount Rs. 87.75 crores upto October 2007.

f. BIC Limited made full payment of Financial Institutions (OTS amount) Rs. 4.52 crores

g. BIC Limited prepared a Modified Draft Rehabilitation Scheme and submitted to BIFR the means of finance, cost of scheme is at table 12.10.

The scheme with the above proposal is under consideration of Hon'ble BIFR

SUBSIDIARIES OF BIC LIMITED i.e. ELGIN MILLS COMPANY LIMITED, CAWNPORE TEXTILE MILLS LTD., AND BRUSHWARE LIMITED

ELGIN MILLS LIMITED

The Elgin Mills Company Limited was established in the year 1864 and it was registered in 1911. The Corporation has two units as Elgin No. 1 & Elgin No. 2. By an Ordinance viz. the British India Corporation Limited (Acquisition of Shares) Act, 1981, the Government acquired all shares of BIC Limited and thus it became a Government company from June 11, 1981. The Elgin Mills Co. being subsidiary of Govt. Company acquired the status of Govt. Company.

Due to continuous losses suffered by the Company, a reference under the provision of SICA was made to BIFR on May 15, 1992. The BIFR declared the Company as sick industrial Company on November 3, 1992, and appointed Industrial Development Bank of India as an operating agency. The BIFR recommended winding up of the Company on March 29, 1994. The said order was confirmed by AAIFR on May 19, 1997, and accordingly Hon'ble High Court, Allahabad passed the winding up order the company on September 29, 1999, and appointed an Official Liquidator.

Against the aforesaid order the Textiles Labour Union filed a special appeal before Division Bench of Hon'ble High Court, Allahabad. The Hon'ble Bench granted stay of further action pursuant to winding

Table 12.10

(Rs. in Crores)

Means of Finance			Cost of Scheme		
1.	Conversion charges to be recd. from GOI.	47.35	1.	Modernization/Renovation.	26.90
			2.	Working capital and Contingency	36.20
			3.	Payment to U.P. Government (conversion charges	47.35
2.	VRS amount for 772 employees.	60.00	4.	Payment of SBI	
			5.	Payment of arrears of rationalized Pay	16.17
3.	Receipt from sale of surplus assets.	115.93	6.	Scale employees	22.00
				Payment to Jal Sansthan, Nagar Nigam and subsidiary company	6.66
4.	**Grant for salary & wages Rs.50 crores for two years.**	50.00	7.	Payment of VRS	
			8.	Expenditure on Marketing Development	60.00
			9.	**Expenditure for salary & wages Rs.50 crores for two years.**	8.00
					50.00
	Total	**273.28**		**Total**	**273.28**

up order. The said order was in operation upto August 18, 2000. Thereafter salary/ wages of the employees of Elgin Mills was stopped by the GOI. On humanitarian ground GOI pronounced Voluntary Separation Scheme (VSS) on June 1, 2001. Except 46 employees, all have opted VSS.

On July 6, 2001, an application was filed by the Government for revival of mill and for seeking directions for the Official Liquidator to defer the taking over the assets of the mill until further order. The Hon'ble High Court vide order dated August 30, 2001, directed the official liquidator not to take possession of the Company. The Technical Viability Report prepared by NITRA was submitted to BIFR. In June 2003, the Government approved a Rehabilitation package by identifying a suitable private party willing to become majority shareholder. The Rehabilitation package envisages:

The Revival of Elgin Mill No. 1 (closure of Elgin Mills No. 2) at a total cost of Rs. 95.58 crores including capital cost Rs. 55.96 crores.

1. Raising of resources for implementing the scheme through sale of surplus land and assets valued at 126.50 crores (approx.).

2. One Time Settlement (OTS) with the secured creditors through budgetary support of Rs. 39.62 crores to unencumber of assets for sale.

3. Writing-off interest on Government loan (Rs.432.04 croes) and conversion of loan into equity (Rs. 298.31 crores) alongwith de-rating of equity to 10%.

Accordingly, a Draft Rehabilitation Scheme was filed before BIFR. BIFR, vide order dated August 10, 2006, rejected the proposal ex-parte and issued directions for change of management. A petition/appeal requesting BIFR to review its order dated August 10, 2006, was filed before BIFR. The matter was heard on March 13, 2007, and BIFR observed that ***the company had been lying closed since 1994 and employed only 36 employees. The long period of closure indicated that the same was in the nature of a permanent closure. As such, the company at the present moment could not be construed to be an industrial undertaking under the relevant provision of the Act. The Bench, therefore, de-registered the reference filed by the company***.

In view of the above observation of the BIFR, the Government has decided to revive the company with the relief and concessions.

CAWNPORE TEXTILES LIMITED, KANPUR

Cawnpore Textile Mills Limited was incorporated in the 1920. The company was declared as sick company in 1992, and was referred to BIFR. On January 19, 1995, BIFR recommended winding up of the company and AAIFR confirmed winding-up order. On September 29, 1999, Hon'ble High Court of Allahabad passed order for winding up and appointed an Official Liquidator. The Government stopped the payment of salaries and wages to the employees from August 2000. On humanitarian ground the Government implemented Voluntary Separation Scheme on March 31, 2001. Except 4, all the employees opted VSS. The company is lying closed and the Official Liquidator has not taken possession of the mill.

BRUSHWARE LIMITED

Brushware Limited was incorporated as Public Limited Company in the year 1893. The Company engaged in manufacture of all types of brushes like industrial, domestic,

personal and paint brushes catering to the needs of the Defence, Railway, HAL, Sugar Mills, Textiles Mills, and Roadways. Due to persistent losses, production was stopped w.e.f. March, 1994 and presently the Company is lying closed. To seek the permission for closure of the company, the BIC Ltd. has approached the Ministry of Labour. The case was last heard in the Ministry of Labour on March 22, 2007. The Ministry of Labour vide order dated April 12, 2007, have granted permission for closure of the company.

THE JUTE CORPORATION OF INDIA LTD., KOLKATA

The Jute Corporation of India Ltd. (JCI) is the Official Agency of the Govt. of India for implementing the policy of providing the Minimum support Price to the jute growers and to serve as a stabilizing agency in the raw jute sector. However, whenever the prices of raw jute rules above the minimum support level the JCI undertakes commercial operations. The JCI in April 2005, completed 34 years of service to the jute growers.

Infrastructure

Currently, JCI operates through 171 purchase centres situated in 7 jute growing States namely, West Bengal, Assam, Maghalaya, Bihar, Orissa, Andhra Pradesh and Tripura. To increase its market coverage, JCI associates co-operative societies as its agents in the MSP operations in raw jute/mesta. About 250 state level apex cooperative societies and village level societies participated in the MSP operations in raw-jute/mesta during 2004-05. However their participation was low during the jute ruled much higher than the market support price of raw-jute, JCI procured only around 5 lakh bales of raw-jute under its commercial operation till December 31, 2006.

Range of services

The Price Support Operation aims to procure raw jute from the small and marginal farmers at the minimum support prices (MSP) fixed by the Government from time to time. The Government is providing a subsidy of Rs. 30.00 crores to JCI to conduct Minimum Support Price (MSP) Operation.

The price support Operations undertaken by the corporation is the most effective measure to arrest intra-seasonal fluctuation in raw jute prices as it creates a notional buffer stock through siphoning off the excess supply of the market.

The Corporation also undertakes commercial operations, i.e., purchase of raw jute at prices above the minimum support level on commercial consideration to generate profit and to arrest downward trend in raw jute prices.

JCI also distribute certified jute sheets to jute growers, supplementing the efforts of State Government agencies. JCI, to improve the quality of raw jute, demonstrates through its centres new retting techniques developed by various research institutes.

The Corporation has entered the field of marketing of non-traditional jute products in collaboration with the Jute Manufactures Development Council (JMDC) through a Sales Emporium 'SONALI' at Kolkata. The Corporation provides service in the field of marketing research and acts as a decision facilitating body in the field of agriculture marketing.

JCI also implements Mini Mission – III component of Jute Technology Mission for developing effecive market linkages for raw jute.

NATIONAL JUTE MANUFACTURES CORPORATION LIMITED (NJMC), KOLKATA

National Jute Manufactures Corporation Limited (NJMC) was incorporated in 1980. There are six nationalised Jute Mills under its management of which five are located in and around Calcutta and one at Katihar, Bihar. NJMC is the only Public Sector Undertaking engaged in Jute goods manufacture. The Undertakings of the six Jute Mills viz. National, Kinnison, Khardah, Alexandra, Union and RBHM, the management of which were earlier taken over by the Government under the Industries (Development & Regulation) Act 1951 were nationalised and vested in NJMC. The Mills produced traditional Jute goods like Hessian, Sacking, Jute Twine and also Jute Carpet Backing Cloth (CBC).

Production, Productivity & Performance

At the time of nationalization production of the mills under NJMC was around 1.10 Lac tons per annum, which went up to 1.33 Lac tons in the year 1985-86. However there is continuous decline in production thereafter. During the year 2004-05, 6 (Six) units of NJMC are not in operation due to disconnection of Power supply by CESC / BSEB for non-payment of their bills owing to working capital crunch . The trend of production, productivity & performance is at table 12.12.

Table 12.12
PHYSICAL & FINANCIAL PERFORMANCE

PHYSICAL	2004-05	2005-06	2006-07	2007-08 [upto Nov.2007]	2007-08 [Estimated]
Production (in MT)	28	----	….	……	….
Prodn./day (MT)	----	----	….	…..	….
FINANCIAL RESULTS :	**Rs. In Lac**	**Rs. In Lac**	**Rs. In Lac**	**Rs. In Lac**	**Rs. In Lac**
Sale Value of Production	20	27	2	---	---
Other Income	201	262	5230	90	235
Accretion/Decretion	(19)	(28)	(2)	----	----
TOTAL	202	261	5230	90	235
Cost of Production :					
Jute Cost	----	----	----	----	----
Salaries & Wages	12589	11612	11123`	1317	2075
Stores & Spares	5	6	12	8	12
Other Expenses	447	945	1215	302	453
VRS Expenses	----	----	35639	136	203
Interest	5529	3690	1253	133	200
TOTAL COST	18570	16523	49242	1896	2943
Cash Loss (Excluding interest on GOI Loan)	18368	15992	44012	1806	2708
GOI Loan	11200	15802	71221	10896	

NJMC had been suffering cash loss since inception. In view of continuous cash loss and complete erosion of net worth, NJMC was referred to the Board for Industrial and Financial Reconstruction (BIFR) on August 11, 1992. Thereupon, BIFR declared the Company as sick under the provisions of Sick Industrial Companies (Special Provision) Act, 1985 (SICA). Time and again various revival proposals were submitted to BIFR which were turned down.

BIFR vide its order dated July 8, 2004, confirmed winding up of NJMC Ltd. in terms of Sec.20(1) of Sick Industrial Companies (Special Provision) Act, 1985 (SICA). BIFR forwarded the case to the Calcutta High Court for winding up of the company and appointment of official Liquidator .

On January 6, 2005, the Single Judge Bench passed the order for winding up of NJMC Ltd. and directed the official liquidator to take possession of assets of the company. Subsequently NJMC management preferred an appeal before the Division Bench of the Hon'ble High Court, Kolkata against above order dared January 6, 2005. The matter was heard by the Division Bench on February 7, 2005, and stay was granted which is presently operational. In the meantime, NJMC Officer's guild filed an appeal before the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) against the winding up order of BIFR.

The Cabinet in its meeting held on 24.03.2005 approved the following guidelines as a Plan of Action for the NJMC Ltd.

(i) To reduce the manpower of the NJMC Ltd. by offering VRS to all the employees (13,942) of the organization, including the employees of the Head Office.

(ii) To extend budgetary support to the extent of Rs. 978.00 crores for providing VRS, liquidating statutory arrears, gratuity, and secured liabilities of NJMC Ltd.

(iii) the mills at Kinnison and Khardah will be referred to the Board for Reconstruction of Public Sector Enterprises and VRS offered to their employees; and

(iv) VRS will be given to employees of other mills but these will be dealt under BIFR proceedings.

Accordingly, the scheme for revival of two mills (Kinnison & Khardah) was submitted to BRPSE. In addition, submissions were made to AAIFR / High Court conveying the government's decision to revive the said two mills.

Based upon the proposal of revival prepared by the Ministry/NJMC in consultation with IDBI, the BRPSE has approved the revival plan of the NJMC with the following observations-

(a) The board approved the revival proposal (in respect) to the RBHM Mill in Katihar, with association of private partner as proposed by Ministry of Textiles.

(b) The Board also approved the proposal for revival of the Kinnison and Khardah Jute Mills as proposed by Ministry of Textiles. The Board also suggested that along with the revival of Kinnison and Khardah Mills in the public sector, the possibility of one or more appropriate private partner with their revival as in the scheme for revival of Katihar Mill should also be explored.

AAIFR has also concluded its hearing and issued oral orders to set aside the orders of BIFR.

As per the decision of the Cabinet, VRS was notified in all the mills. All the workmen have opted for VRS and have been released. The Secured liabilities of NJMC have also been liquidated. Most of the Statutory dues of NJMC have been settled as well.

The government proposes to start implementing the revival plan of the NJMC in the year 2008-09.

BIRDS JUTE & EXPORTS LTD.

Birds Jute & Exports Ltd., a subsidiary of the National Jute Manufactures Corporation (NJMC) Ltd. is a processing unit in Jute/Cotton/Viscose & Blended Decorative Fabrics. The Company resumed production from April 1988 after a virtual closure for a period of 8 years during which period the condition of plant and machinery immensely deteriorated resulting in higher/cost of production and low productivity.

Due to frequent break down of old and outdated machinery, production of the company was suspended again with effect from October 1998. The production of the company was resumed in the month of August, 2001 after a long interval of about 3 years after repairing of major machinery and payment of electricity bills. However, the production in BJEL again discontinued from October 2002.

The performance of BJEL during 2006-2007, in comparison to previous year is at Table 12.13

Table 12.13

Physical	06 - 07	05 - 06
Production	0	0
Own Fabrics(Mtrs)	0	0
Contract (Mtrs.)	0	0
FINANCIAL RESULTS	**Rs.in lac**	**Rs.in lac**
Sales Value of Production	0	0
Rent & Other Income	38.84	38.84
Total	38.84	38.84
Raw Material	0	0
Stores	0.04	00.02
Salary & Wages	21.12	23.38
Other Expenses	32.28	29.13
Interest	445.66	304.52
Depreciation	7.84	8.01
Total	506.94	365.06
Net loss (before adjustment)	468.10	326.22
Extra ordinary Item (Waiver of interest on account of OTS with Syndicate Bank)	----	-1102.75
Adjustment	5.40	-80.22
Net Loss/Net Profit (+) (After adjustment)	(-) 462.7	+ 856.75
Cash Loss/Cash Profit (+)	(-)454.86	+856.75
Cumulative Net Loss	5884.92	5422.22

The major part of the losses incurred during the year under review is due to huge interest burden of secured and unsecured loan from bank, holding company and Govt. of India

Reference to BIFR

The Company, being sick, was registered with Board for Industrial & Financial Reconstruction (BIFR). BIFR vide order dated 08.07.2004 had confirmed winding up order of BJEL and has referred the matter to Hon'ble High Court of Kolkata. The Hon'ble High Court vide order dated 06.01.2005 directed that an Official Liquidator take possession of the assets of the company. Against the above order, BJEL Staff Association has filed an appeal in Division Bench of Hon'ble High Court, Kolkata. The orders of the single Bench dated 06.01.2005 have been stayed by the Division Bench on 17.02.2005 and continue to this day.

Against the order of BIFR, BJEL Staff Association has filed an appeal before the AAIFR, in which, the proceedings have been concluded by the AAIFR and final orders are pending. A revival proposal for BJEL based on report submitted by IDBI is under consideration of BRPSE.

THE COTTON CORPORATION OF INDIA LTD., (CCI), NAVI MUMBAI

CCI, set up in 1970, as a canalizing agency for import of cotton and undertaking purchase of raw cotton for giving necessary price support to enterprising cultivators growing new varieties of cotton developed as a substitute for imported Long & Extra Long Staple cotton and also for procuring raw cotton for textiles mills both in public and private sectors. Over the years, its operations have undergone significant changes in keeping with the developments taken place in the Indian cotton economy during the past two decades. Subsequent to the Textiles Policy of 1985, CCI's role was expanded to carry out commercial operations for meeting the cotton requirements of institutional buyers and to fulfill the export quota allotted to it by the Government. However, with the liberalization of cotton exports through Open General Licence (OGL) w.e.f. July 2, 2001, the system of allocation of export quota in favour of different agencies has been dispensed with.

CCI is the implementing agency for Mini Missions III and IV of the Technology Mission on Cotton (TMC), launched in February 2000, with the objective to improve the marketing infrastructure and modernize / upgrade technology of the existing ginning and pressing factories.

During the cotton season of 2006-07 (Octo.-Sept.), the kapas prices in the Northern States voz. Punjab, Haryana, Rajasthan as also in Gujarat had ruled above the Minimum Support Price (MSP) level throughout the season. Similarly, initially during the season, the kapas prices in the States of Maharashtra and Madhya Pradesh had also ruled above MSP level for about a week or so. However, the kapas prices touched the MSP level in the beginning of season itself in Andhra Pradesh, followed by in Maharashtra, Madhya Pradesh, Orissa and Karnataka. From the last week of January 2007, the kapas prices once again firmed up and started ruling above MSP level in all the cotton growing States. Under these circumstances, in order to ensure remunerative prices to the cotton farmers of the country and to avoid distress sales by them, the CCI, as the Price Support Agency of the Government had undertaken MSP operations in Andhra Pradesh, Maharashtra, Madhya Pradesh, Orissa and Karnataka, whenever the prices ruled at MSP level and had procured 60.30

lakh quintals kapas under MSP operations equivalent to 11.78 lakh bales.

During the cotton season of 2006-07 (Octo.-Sept.), to ensure competitive prices to the cotton growers, CCI had also undertaken commercial operations in the Northern States viz. Punjab, Haryana, Rajasthan as also in Gujarat and had purchased 2.76 lakh bales under commercial operations. During the cotton season of 2007-08 too, the country is once again expected to harvest a record cotton production. The prevailing kapas prices in most of the cotton growing States, except in Andhra Pradesh have been ruling above MSP level. CCI again played an important role in ensuring remunerative prices to the cotton farmers through MSP operations.

During 2006-07, CCI had achieved sales turnover of Rs.1,794.80 crores as against Rs.2,427.68 crores during 2005-06. CCI paid a dividend of 20% on its share capital to the Government for 2006-07. In 2006-07, the net profit after tax was Rs. 15.51 crores in the year 2006-07 as against net profit after tax of Rs.14.55 crores in 2005-06. The sales turnover of the CCI is estimated to be around Rs. 1,788.75 crores during 2007-08.

During 2006-07, CCI continued to sustain higher sales to private sector mills, particularly the quality conscious mills, due to which the CCI's sales of cotton to the quality conscious mills in the private sector had been around 87% as against around 88% during the previous year. During 2006-07, the sales to NTC Mills have also gone down to around 9% as against around 6% during 2005-06.

The developmental activities of the CCI having been covered under Mini Missions I and II of TMC, CCI has been undertaking Integrated Cotton Cultivation (Contract Farming) project for dissemination of technology to the farmers to increase the yield per hectare and improvement in quality, distribution of genetically pure certified seeds and pesticides, etc. During the cotton season of 2006-07, CCI had undertaken Contract Farming in 32,810 hectares area. During the cotton season of 2007-08, CCI has further extended the area under contract farming programme in around 40,000 hectares area in all the cotton growing States.

A view of Jute Fair, Mysore.

THE HANDICRAFTS AND HANDLOOMS EXPORTS CORPORATION OF INDIA LTD. (HHEC), NEW DELHI.

The Handicrafts and Handlooms Exports Corporation of India Limited (HHEC) was set up in June 1962, with the twin objectives of (i) export promotion and (ii) trade development of handicraft and handloom products. HHEC is a two star export house engaged in exports of handicraft and handloom products (including handknotted woolen carpets and ready- made garments) besides undertaking export of gold and silver Jewellery/Articles. In the year 1997-98 vide Government notification no. 80/97- Customs dated October 21, 1997, HHEC alongwith other ten agencies was nominated for import of bullion under OGL and sale in the domestic market. However, bullion has been put under OGL (subject to RBI Regulations) under the Exim Policy 2002-07, w.e.f. January 28, 2004.

SPORTTECH

AGROTECH

CAPITAL

The Authorised and Paid-up Capital of the Corporation remained unchanged at Rs. 20.00 crores and Rs. 13.82 crores, respectively during the year 2007-2008. The entire Paid up Capital has been subscribed by the Hon'ble President of India.

WORKING RESULTS

During the year 2006-07, the Corporation has achieved the turnover of Rs.71.74 crores as against Rs. 1,065.13 crores in 2005-06. The main decline is in bullion import business, which has declined from Rs. 1,004.17 crores to Rs. 8.57 crores during the year. The decline is mainly due to steep price spurt in international market, spot delivery being desired by local buyers wherein the designated banks have an edge due to availability of stock on outright consignment basis and steep reduction in pre-determined margin upto 0.03% by other nominated agencies. The decline in core area of exports is mainly due to slump in exports of silk and silk made-up items and appreciation of the rupee vis-à-vis US dollar.

STATISTICS

The performance of the Corporation in 2006-07 in relation to major indicators is given below:-

Turnover	-	71.74 Crores
Profit before Tax	-	(3.98) Crores
Profit after Tax	-	(2.67) Crores

For the financial year 2007-08 , MOU targets are as under:-

Turnover	-	158.80 Crores
Profit before Tax	-	3.10 Crores
Profit after Tax	-	1.91 Crores

DISINVESTMENT OF GOVERNMENT EQUITY

Ministry of Textile has communicated vide letter No. 9/7/2003-Exports.1 dated February 22, 2007, that it has been formally decided not to disinvest the Corporation.

MEMORANDUM OF UNDERSTANDING (MOU)

A Memorandum of Understanding for 2007-2008, duly approved by the High Power Committee in the Department of Public Enterprises, was signed between Ministry of Textiles and the Corporation on 20.03.2007.

EXPORT PROMOTION AND TRADE DEVLEOPMENT

- The focus of the Corporation continues towards maintaining a harmonious blending of its developmental role with commercial activities. As in the past, the Corporation continues to play a leading role in the promotion of Indian handmade Textiles and Crafts including textiles based crafts like fashion accessories. As part of innovation and development of craft clusters, the Corporation had undertaken the project for development of hand-crafted items on cane and bamboo and ornamental crafts including Jewellery items from North East.

- With a view to marketing of new samples developed on traditional crafts and textiles and our policy of upgrading knowledge on designs and fashions abroad, the Corporation participated in a number of International fairs, viz., Heim-Textil (Frankfurt- Germany), India Home Furnishing Fair (Osaka, Japan), India Garment Fair (Osaka-Japan), Pret-A Porter (Paris- France) and Muba Basel (Switzerland) and also domestic fairs like Textile India, IHGF etc. The Corporation also participated in Festival of India, Brussels and displayed Jewellery, handmade crafts and textile items. The Corporation also organized a "Stand Alone Exhibition" at Kuwait

wherein Jewellery, wooden crafts and furniture, etc. were displayed.

- In order to increase the exports of Handicrafts & Handlooms products, HHEC has been making efforts to attract new buyers from the existing/ untapped markets and also bring back to its fold ex-buyers through competitive prices and dedicated services. Besides, participation in major international and local fairs, the Corporation has also proposed to organize "Stand Alone Exhibition" in USA, Australia and Middle East. Opening of franchise showrooms abroad for off-the-self is also under consideration. For further development of business in potential markets, General Sales Representative have been engaged during the year for Germany and Canada markets.
- The Corporation has also obtained Membership in The Multi Commodity Exchange of India and the system has been made operational. Physical trading in gold and silver is being initiated under Private Public Partnership.
- The Corporation was designated as an implementing agency by the Ministry of External Affairs for SAARC Sale outlets of Textiles and Handicrafts 2007, which was organised at Handlooms Pavallian, Pragati Maidan, New Delhi from December 7-20, 2007. The event was a success and helped in bringing the people from various SAARC countries under one roof and help in furthering the mat between various participating countries.

CENTRAL COTTAGE INDUSTRIES CORPORATION OF INDIA LTD. (CCIC), NEW DELHI

The Central Cottage Industries was set up in 1952, under the management control of the Indian Co-operative Union, and in 1964 was taken over by Central Cottage Industries Association. The Central Cottage Industries Corporation of India Ltd (CCIC) was incorporated on February 4, 1976, as a wholly owned subsidiary of the Handicrafts and Handlooms Exports Corporation of India Ltd (HHEC). CCIC, with effect from March 23, 1991, ceased to be a subsidiary of HHEC and was brought under the administrative control of Ministry of Textiles, as an independent Public Sector Undertaking.

The Central Cottage Industries Corporation focusses on promoting the varied crafts and has over the time evolved into an institution showcasing the rich cultural and craft heritage of the country to the world at large.

OBJECTIVES

- To produce, procure and sell quality handicrafts and handloom products and to develop markets for these products in India and abroad.
- To continue to improve the quality of Indian Handicrafts and to upgrade and produce new designs.
- To strengthen and expand the marketing network of the organization.
- To generate adequate returns on Net Worth.
- To manage trading activities so as to optimize sales and earnings and reduce expenditure.

BRANCHES

CCIC has showrooms at Delhi, Mumbai, Kolkatta, Banglore, Chennai, and a franchise showroom at Gurgoan. CCIC also has an exclusive Carpet showroom and a traditional Indian Painting Gallery at Rajiv Gandhi Handicrafts Bhawan, Baba Kharak Singh Marg, New Delhi.

Inaguration of SAARC Outlets of Textiles and Handicrafts 2007 from December 7-20, 2007.

CAPITAL

As on March 31, 2007, the Authorized capital of CCIC was Rs 12 crores and the Paid-up capital was Rs 10.85 crores.

SOCIAL ROLE OF CCIC

CCIC procures around 80% of its merchandise directly from artisans/ weavers. CCIC has about 5,900 artisans and weavers on its panel, and through these craftsmen, more than 20,000 artisans and their workmen/families are also associated through them with CCIC. CCIC provides marketing avenues to the crafts and textiles produced by craftsmen and weavers. CCIC being a Govt. organization provides/equitable return to the artisans and weavers for their products.

To improve product design and marketability, designs and market feed back are provided by CCIC to the craftsmen and artisans. This helps them to upgrade their design skills and also to produce handicrafts as per the market trends and preferences, which directly makes their product more saleable and benefiting them economically.

CCIC also organises design workshops as a part of design development projects funded by O/o of DC (HC), Ministry of Textiles.

To help poor artisans, weavers and craftsmen, CCIC has the following policy:-

- On the spot cash payment to poor artisans with specified limits.
- Immediate cheque payment up to Rs.30, 000/- each twice a month to poor craftsmen for merchandise supplied to CCIC.

PERFORMANCE:

The performance of CCIC during last 5 years is at table 12.14

Table 12.14

(Rs. in Lakhs)

S. NO	YEAR	TURNOVER	PROFIT/ LOSS (Before tax)	EARNING IN FOREIGN EXCHANGE	MOU RATING
1	2002-03	5400.61	118.53	1840.90	GOOD
2	2003-04	5883.72	-49.49	1960.88	FAIR
3	2004-05	6174.32	124.64	2819.69	VERY GOOD
4	2005-06	6959.26	356.61	3058.80	VERY GOOD
5	2006-07	10521.37	22.18	3564.02	VERY GOOD

GEOTECH

VISION

- Maximise CCIC's reach to artisans and weavers and bring in its fold 10,000 artisans in next 5 years.
- To provide effective marketing platform, integrate artisans and clusters developed through cluster development scheme under Ambedkar Hastashilp Vikas Yojna of Office of Development Commissioner (Handicrafts), Ministry of Textiles.
- To act as a resource centre for crafts.
- Opening of retail outlets in the premises of other PSU's in Hotel/ tourism sector.

NATIONAL HANDLOOMS DEVELOPMENT CORPORATION LTD. (NHDC), LUCKNOW

The National Handlooms Development Corporation Ltd. (NHDC), Lucknow was set up in February, 1983 by the Government of India as an autonomous body under the Companies Act 1956. The main objectives of the Corporation are:

- To carry on the business of all types of yarn for the benefit of the handloom sector.
- To organize supply of quality dyes and related material needed by the handloom sector.
- To promote marketing of handloom fabrics including exports.
- To aid, assist and implement the projects connected with the production of handloom fabrics including taking up modernization programme, technology for the handloom sector.

The Authorized Capital of NHDC Ltd. is Rs.2000 lakh and its Paid-up Capital is Rs.1900 lakh. The turnover and profit account of the Corporation for the last three years is at table 12.15.

Table 12.15

(Rs. in lakhs)

Year	Turnover	Profit
2004-05	24172.27	78.29
2005-06	25345.20	50.33
2006-07	41716.25	108.90

During 2006-07, the Corporation paid dividend of Rs.21.00 lakh to the Government. The NHDC supplied 452.61 lakh kg of yarn amounting to Rs.3,9834.68 lakh and 20.70 lakh kg. of dyes and chemicals amounting to Rs.1,729.61 lakh to user agencies.

During 2007-08 (up to December 2007), the Corporation has supplied 459.55 lakh kg. of yarn amounting to Rs.37,850.31 lakh and 12.77 lakh kg. of dyes and chemicals of amounting to Rs. 1,275.20 lakh to the user organizations.