

➤ Re-structuring of spinning capacity:

- On perusal of the ITMF report 2005, it may be observed that during the period 1996 – 2005 (10 years) the cumulative spindles installed in India are as under:

i. Short Staple spindles installed	–	9,723,847 Nos.
ii. Long staple spindles installed	–	47,456 Nos.
iii. Rotors	–	1,30,814 Nos.
Total	-	9,902,117 Nos.

- In other words, out of 38 Million spindles installed & working in India about 10 Million spindles are of the age group of upto 10 years whereas the rest of the spindles installed & working are of more than 10 years which may either require modernization or may be scrapped out depending upon conditions of the spindles.
- Normally, after 10 years of working all the moving parts of the ring frames get worn out partly and ceases its working satisfactorily. Therefore, 10 years may be taken as an average life of the ring frame and thereafter the same may be scrapped out in order to achieve better results and compete in the global market. If we follow this criteria, 3.8 Million spindles have to be scrapped and modernize every year.