

**GOVERNMENT OF INDIA  
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
LOK SABHA**

UNSTARRED QUESTION NO:6614  
ANSWERED ON:08.05.2003  
LOSS IN HMT  
CHINMAYANAND

**Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:**

- (a) whether Hindustan Machine Tools (HMT) has been incurring losses;  
(b) if so, the present status thereof, unit-wise; and  
(c) the efforts made by the Government to make-up the losses?

**Answer**

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BALASAHEB VIKHE PATIL)

(a): Yes, Sir.

(b): HMT and its following subsidiaries have incurred following profit/(losses):-

(Rs. In crore)

Company	2001-02	2002-03 (prov.)
HMT Holding Company	10.24	(-) 47.05
HMT Machine Tools	(-) 70.65	(-) 92.5
HMT Watches	(-) 106.29	(-) 98.5
HMT Chinar Watches	(-) 10.16	(-) 7.32
HMT Bearing	0.86	(-) 12.91
HMT International	0.50	0.43

(c): In addition to the relief provided under the turn around plan approved by the Government in 2000; further assistance has also been given to the company which inter-alia includes fresh Government guarantee for VRS Bonds amounting to Rs.310.00 crore along with 50% interest subsidy and without guarantee fee was provided to enable the company to swap the bonds already raised with bonds at a lower interest rate thus reducing the financial burden on the company. Government also extended the time period of their guarantee for working capital bonds of Rs.40.00 crore for Watch Business Group. Budgetary support of Rs.172.17 crore was provided for rightsizing manpower to separate a further 2085 employees in HMT and its subsidiaries.