

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

UNSTARRED QUESTION NO:3694  
ANSWERED ON:02.12.2010  
FINANCIAL ASSISTANCE TO HMT, KERALA  
Dhanaplan Shri K. P.

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

- (a) whether the Government has provided any financial package to save crisis ridden Hindustan machine Tools in Kerala;
- (b) if so, the details thereof alongwith its status as on date; and
- (c) the funds allocated and released for this purpose so far?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI ARUN YADAV)

(a): Government had sanctioned a revival package of Rs 880.80 crore in February, 2007 for HMT machine Tools Limited HMT Machine Tools Limited has a unit in Kerala.

(b) & (c): The information relating to funds allocated, funds released and the status as on date is as follows:

Description	Amount allocated	Amount released	Status
	(Rs in crore)	(Rs in crore)	

Waiver of Interest	35.16	35.16	Implemented
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Conversion of GOI Loans into equity	122.64	122.64	Implemented
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3.5% Preference Share Capital for redemption of GOI Guaranteed Bonds and other Loans	443.00	443.00	Implemented
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GOI loans for VRS	100.00	40.00	Rs. 40 crore has been utilized by the company for giving VRS to its employees
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Capex & Technology Acquisition and Training	180.00	120.00	Rs. 90 crore for CAPEX, Rs 10 crore for Training and retraining and Rs 20 crore for Technology Acquisition were released in 2007.
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