GOVERNMENT OF INDIA HEAVY INDUSTRIES AND PUBLIC ENTERPRISES LOK SABHA

STARRED QUESTION NO:238 ANSWERED ON:06.02.2014 REVIVAL OF HMT UNITS Dhanaplan Shri K. P.;Dias Dr. Charles

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

(a) whether the Government proposes to provide any package for revival of the units of Hindustan Machine Tools (HMT) including Kerala;

(b) if so, the details thereof and the current status of the proposal;

(c) whether the Government also proposes to improve the service conditions, facilities etc., to the employees;

(d) if so, the details thereof and if not, the reasons therefor; and

(e) the further measures being contemplated for revitalizing various units of HMT?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI PRAFUL PATEL)

(a)to (e) : A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of LOK SABHA Starred Question Number 238 for answer on 06.02.2014 raised by SHRIK.P. DHANAPALAN & SHRICHARLES DIAS regarding Revival of HMT Units

(a) to (e): In view of the fact that the Government had already sanctioned a package of Rs. 883 Crore for the revival of HMT Machine Tools Limited, the wholly owned subsidiary of HMT Limited, comprising of funds for plant modernization, technology up-gradation, manpower rationalization and discharge of liabilities, during March, 2007, the Government does not propose any revival package.

While reviewing the status of the implementation of the revival package, Board for Reconstruction of Public Sector Enterprises (BRPSE), have recommended various measures including providing of additional working capital assistance, implementation of 1997 Pay Scales with financial assistance of the Government for initial two years and other organization issues. In this regard, a draft note for the Cabinet Committee on Economic Affairs has been circulated to the concerned Ministries and Departments for their comments before placing it before the Cabinet for consideration.

The Government contemplates providing revitalization of the Company as a whole and not unit wise.