

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 314
ANSWERED ON 02.12.2025

REVIVAL OF HMT MACHINE TOOLS LTD.

314. SHRI HIBI EDEN:

Will the Minister of HEAVY INDUSTRIES be pleased to state:

- (a) whether the Government has taken any concrete steps to revive HMT Machine Tools Ltd., Kalamassery, Kerala, if so, the details thereof and if not, the reasons therefor;
- (b) whether the unit still functions with an outdated 1997 pay scale and irregular salary disbursements and lacks a permanent Managing Director or Chairman;
- (c) whether HMT is facing a severe shortage of working capital;
- (d) whether the Government is aware that HMT is losing tenders under the Small-Scale Industry (SSI) preference clause, despite being a competitive Central PSU;
- (e) whether the Government has any plan to protect HMT's land assets in Kalamassery and use them for new industrial or employment-generating projects in Kerala, if so, the details thereof; and
- (f) whether the expansion plans include introducing new manufacturing technologies or product lines in the Kalamassery unit, if so, the details thereof?

ANSWER
THE MINISTER OF STATE FOR HEAVY INDUSTRIES
(SHRI BHUPATHIRAJU SRINIVASA VARMA)

(a): Kalamassery Unit is an operational manufacturing unit of HMT Machine Tools Limited, a subsidiary of HMT Limited. The Government, vide order dated 01.11.2024, constituted a Technical Committee to work out the recommendations and way forward for revival of HMT Machine Tools Limited. The Committee has since submitted its report.

(b): HMT Machine Tools Ltd did not meet the eligibility criteria for revision of pay scales with effect from 01.01.2007 and 01.01.2017 as per the prescribed guidelines. At present, there is a lag of 2 months in salary disbursement of employees in Kalamassery Unit of HMT Machine Tools Ltd. Since Kalamassery Unit is only a unit of HMT Machine Tools Ltd, it does not have a separate post of Chairman or Managing Director.

(c) & (d): Yes. On account of old plant & machinery, poor productivity, etc., the net worth of HMT Machine Tools Limited has got eroded over the years and is facing severe financial crisis.

(e): The Government has designated appropriate employee(s) of the HMT Ltd and its subsidiaries as Estate Officers vide Statutory Order 222 dated 14.01.2011 under the Public Premises (Eviction of Unauthorised Occupants) Act, 1971.

(f): HMT Machine Tools Limited, which has several units, including the Kalamassery unit, being a CPSE registered under the Companies Act, operates as per the provisions of the Companies Act and the guidelines issued by the Government of India in respect of CPSEs and takes its appropriate investment decisions as per its operational requirements.
