

MR. CHAIRMAN : I have already admitted a motion on this.

(Interruptions)

SHRI SUNDAR SINGH BHANDARI : We do not know when the motion will come . . .

(Interruptions)

#### MANUFACTURE OF WATCHES BY HMT

\*122. SHRI RAJENDRA PRATAP

SINHA :

DR. SALIG RAM :

SHRI ARJUN ARORA :

SHRI KRISHAN KANT :

Will the Minister of INDUSTRIAL DEVELOPMENT AND INTERNAL TRADE be pleased to state :

(a) what are the types and the number of watches! produced by the Hindustan Machine Tools during the years 1967, 1968 and 1969;

(b) what is the target of production during the year 1970 and the number of watches actually produced till September 30, 1970;

(c) the date by which the HMT factory in Kashmir is expected to start production; and

(d) whether Government propose to further expand its production capacity in view of the increasing demand of HMT watches?

THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT AND INTERNAL TRADE (SHRI M. R. KRISHNA) : (a) to (d) A statement is laid on the Table of the House.

#### STATEMENT

(a) Types of watches	Production in Nos.		
	1967	1968	1969
Citizen .. .. .	60,919	56,876	5,785
Tareeq (gold plated) .. .. .	—	342	1,649
Sona .. .. .	—	5,852	58,623
Janata .. .. .	1,22,097	1,25,024	1,44,853
Tareeq (stainless steel) .. .. .	—	221	2,054
Tarun .. .. .	—	10,709	11,681
Janata Luminous .. .. .	12,687	23,974	24,908
Pilot .. .. .	3,063	17,844	38,195
Sujata .. .. .	44,937	44,594	26,174
Nutan .. .. .	—	75	8,680
Jawan .. .. .	8,897	2,993	2,394
	2,52,600	2,88,504	3,24,996

(b) The targets are drawn up for the financial years and not for the calendar years. The target of production of watches by Hindustan Machine Tools for the year 1970-71, is 3,60,000 Numbers and the number of watches actually produced till 30th September, 1970, that is for the first six months of the financial year is 1,77,000.

(c) H.M.T.'s watch factory in Kashmir is expected to start production in 1972-73.

(f) The question! was actually asked on the floor of the House by Dr. Salig Ram.

(d) Government had approved of the scheme submitted by Hindustan Machine Tools Ltd. to expand the production of watches by establishing a new factory in Jammu and Kashmir State and by expanding their existing factory at Bangalore. The expansion scheme provides for an additional annual capacity of 200,000 numbers of automatic watches with day-date mechanism in their existing watch factory at Bangalore and an annual capacity of 300,000 numbers of existing types of watches at the proposed new Watch Factory in Kashmir. Government have no proposals presently under their consideration to expand the production

capacity of H.M.T. for manufacture of watches further.

डा० शालिग्राम : क्या मंत्री महोदय यह बताने की कृपा करेंगे कि घड़ियों का जो अभाव है वह इस कारण है कि ज्यादा सुन्दर घड़ियाँ ज्यादा तादाद में बनाई जाती हैं और उनकी सुन्दरता पर अधिक समय और अधिक धन खर्च किया जाता है या आम लोगों के लिए कम कीमत की घड़ियाँ ज्यादा बनती हैं ? अगर सुन्दर घड़ियाँ बनाने में ज्यादा वक्त लगाया जाता है तो उनके बजाय कम कीमत की घड़ियाँ बनाने के आदेश आप दें। दूसरी बात यह है कि अगर इन घड़ियों की डिमाण्ड इतनी ज्यादा बढ़ी है तो क्या मंत्री महोदय एच० एम० टी० की ब्रांचेज दूसरे एरियाज में जहाँ बढ़ी और मध्यम दर्जे की इंडस्ट्रीज नहीं लगाई गई और जहाँ की जलवायु अनुकूल है खोलने का इरादा रखते हैं, खास कर हिमाचल प्रदेश में ?

SHRI M. R. KRISHNA : Sir, we have already given the types of watches which we are making. Well, a majority of the watches are manufactured in the sector which would be economical and also saleable to a large number of people. As already the capacity in the HMT is fully utilised, we will not be able to expand any of these units. At present we are trying and experimenting in Kashmir and only after that we might think of any other State.

MR. CHAIRMAN : Mr. Arjun Arora.

SHRI ARJUN ARORA : Sir, may I know why the HMT watch factory at Bangalore works only one shift and why it does not work two shifts to meet the demands of the country?

And, secondly, I want to know why the HMT factory has now taken to manufacture eleven types of watches though it was at first concentrating on three good types of watches. The demand of the country for those three good types of watches has not been met and the HMT is wasting its resources in trying to manufacture eleven types of watches to meet the

sophisticated demand. The statement shows that apart from the factory in Jammu & Kashmir, the Government have no plans to expand the production of watches whereas the fact is that watches are only items of smuggling and our people need watches and the Government have the knowhow to make them and still the Government do not meet the needs of the people and force them to buy the smuggled watches.

SHRI M. R. KRISHNA : Sir, the expansion programme in Bangalore is to be taken up shortly. As I have already stated, the HMT is working to its full capacity.

(Interruptions) SHRI ARJUN

ARORA : One shift only. SHRI M. R. KRISHNA : Even for the

(Interruptions) SHRI ARJUN

ARORA : He does not know what a shift is.

(Interruptions')

MR. CHAIRMAN : Please sit down.

SHRI M. R. KRISHNA : Sir, it is true it is working one shift and we would like to increase it. But, as far as the components and other things are concerned and even as far as the workmen are concerned, they are working to the full capacity and we would like to increase the number of workmen. They have to be specially trained for that.

SHRI ARJUN ARORA : You will have to double the number.

SHRI M. R. KRISHNA : We have to specially train the people because it is doing a very good work and the reputation of the HMT watches is already high in the country and outside and we would like to be very cautious. Sir, as already stated, we have got the programme to increase the number 10 nine lakhs . . .

(Interruptions)

SHRI N. K. SHEJWALKAR : Sir, not only workers, but also . . .

(Interruptions)

SHRI M. R. KRISHNA : Sir, it is a precision work. You cannot just recruit people from outside. Even those people who are working there today have not

been trained in the HMT. Bangalore. Some of them went to Japan... (*Interruptions*).

SHRI ARJUN ARORA : Sir, he is making a very good speech, but he has\* not replied to my question.

MR. CHAIRMAN : You please hear the assurer, do not make a speech.

SHRI M. R. KRISHNA : We are already faced with the problem training people... (*Interruptions*) . . . training people for the Kashmir unit and therefore, Sir, it will be too early for us to expand the work in another factory. Let us see what is going to happen in Kashmir.

SHRI S. A. KHAJA MOHIDEEN : May I know if the watches made by the H.M.T. are sent to foreign countries and, if so, to which, countries?

SHRI M. R. KRISHNA : We have exported to foreign countries on an experimental basis, not in substantial quantities.

SHRI KRISHAN KANT : May I know why there has been delay in training the people required for one factory? Is it a fact that there is a brain drain going on and technical people are leaving the HMT specially design engineers and, if so, what is the Government doing to meet the situation and to stop the brain drain from the HMT?

SHRI M. R. KRISHNA : He might be referring to the Machine Tools unit. Nobody is leaving the Watch unit.

SHRI A. K. A. ABDUL SAMAD : May I know if there was an enquiry for HMT watches from America to sell them in the American market?

SHRI M. R. KRISHNA : We have our agents in America to sell our machine tools and probably we will be using them to sell the watches.

श्री प्रेम मनोहर : मैं मंत्री महोदय से स्पष्ट तौर से पूछना चाहता हूँ कि हमें एच० एम० टी० की कैपेसिटी बढ़ाने में अड़चन क्या आ रही है, क्योंकि गवर्नमेंट को मालूम है कि हमारी घड़ियाँ इम्पोर्टेड घड़ियों से अच्छी हैं...

श्री अर्जुन अरोड़ा : अगर कैपेसिटी बढ़ा दें तो स्मगलर्स क्या करेंगे ?

श्री प्रेम मनोहर : इस लिए पहले तो मैं जानना चाहता हूँ कि उस की कैपेसिटी बढ़ाने में अड़चन क्या है और दूसरा प्रश्न मैं यह पूछना चाहता हूँ कि अभी गवर्नमेंट ने बतलाया कि हम एक्सपेरीमेंटल बेसिस पर एक्सपोर्ट करेंगे तो हमारी एक्सपोर्ट प्राइस क्या आयेगी और जब घड़ियाँ हमारे यहां ही आलरेडी शाटज में हैं और दूसरे देशों की घड़ियाँ स्मगल हो कर यहां आती हैं तो हम घड़ियाँ एक्सपोर्ट करें इस बारे में हमारी नीति क्या है ?

SHRI M. R. KRISHNA : I have already stated that the export is 'only in small quantities. It is not substantial. We are trying to meet the local demands and therefore apart from the HMT expansion, we have also licensed some private industrialists to manufacture watches.

SHRI PREM MANOHAR : What is the actual difficulty for the Government of India in expanding its capacity of one of their factories?

SHRI DINESH SINGH : My hon. colleague has already mentioned that we are expanding the Bangalore factory by another 2 lakhs and in Kashmir we are 'n a new factory for 3 lakhs of watches. The present capacity of Bangalore is 3,60,000. We have doubled the capacity. The question is whether we should go beyond this. Of course we shall do so as soon as we are able to manage this increase and also as soon as we can find more resources for it.

SHRI A. D. MANI : This is a popular line of production—the HMT watches. What is the quantum of profit that we make on these watches or is it a losing proposition or is it balancing?

SHRI M. R. KRISHNA : We are getting a lot of profit from watches. Rs. 171 lakhs have been earned from watches but at present we are not thinking of reducing the price.

SHRI M. SRINIVASA REDDY : What steps have been taken by the Government to arrest the brain drain?

SHRI DINESH SINGH : My colleague mentioned earlier that there is not much

movement out of the watch factory. This question deals with the HMT watch factory. There is no brain drain in this watch factory. This question of brain drain could be raised with and addressed to the appropriate Ministry.

MR. CHAIRMAN: This is the last question please. Mr. Muniswamy.

SHRI N. R. MUNISWAMY: May I know. Sir, whether there is any truth in the complaint that in the beginning these HMT watches were far superior in their performance to the HMT watches nowadays being made and sold? Why this difference in its performance between what it was in earlier years and what it has been at the present time? The second question is whether it is a fact that the same watches sold in foreign countries, say, in America and Italy, are sold much cheaper than is the case here. The same watches are being exported to these foreign countries and they are selling there at cheaper rates. I would like to know the reason behind such cheap rates at which they are being sold abroad. I do not know whether it is due to their subsidising the watch, or not, and selling it at subsidised rates\*. The third question is this. Is it purposely being sold here at a higher rate—comparatively speaking—with a view to facilitate the bringing in of watches from other countries and also to let this backlog to continue so that smuggled watches might have larger circulation in this country?

SHRI M. R. KRISHNA : The hon. Member, must be thinking of the watches which were being originally manufactured here with the superior components imported from Japan then. But that is not the case now, Sir. Ever though the indigenous component has increased to 84%, still the performance of the HMT watches is as good as any imported watch. As far as the price is concerned, I do not think the hon. Member is right in what he said. There may be some price reduction in order to increase their production, etc. in foreign countries but the prices at which they are sold here are comparatively cheaper when compared with the prices of other watches.

MR. CHAIRMAN : Next question.

#### COMMISSIONING OF BOKARO STEEL PROJECT

\*123. SHRI A. G. KULARNI: SHRI N. P. CHAUDHARI : SHRI T. G. DESHMUKH :

Will the Minister of STEEL AND HEAVY ENGINEERING be pleased to state :

(a) what is the progress in regard to the commissioning of the Bokaro Steel Project and the percentage-wise deliveries of the material and drawings actually received from USSR against its commitment; and

(b) whether it is a fact that the Heavy Engineering Corporation Ltd., Ranchi is also lagging behind in its deliveries; if so, to what extent?

THE DEPUTY MINISTER IN THE MINISTRY OF STEEL AND HEAVY ENGINEERING (SHRI MOHD. SHAFT QURESHI) : (a) and (b) A statement is laid down on the Table of the House. STATEMENT

(a) Although, some delay and shortfalls have occurred in certain areas in the phased programme of construction, the general tempo of work at Bokaro has been improving fast enough to make up for these delays and complete the construction of the plant in accordance with the existing schedule. The percentage of materials and drawings received from USSR as on 30th September, 1970, is as follows :

*Contract No. 7622-OC*

Equipment—#3 per cent.

Steel Structures—92.5 per cent.

Refractories—62.8 per cent.

Pipes\* & other materials—100 per cent.

*Contract No. 7527*

Pipes and Equipment—81 per cent.

Refractories—79 per cent.

Steel Structures including rolled steel products—100 per cent.

All technical documentation for the equipment to be manufactured in India and all the construction drawings have been received from USSR.

(b) There is backlog mainly in the supply of mechanical equipment to Bokaro

\*The question was actually asked on the floor of the House by Shri A. G. Kulkarni.