

BUREAU OF INDUSTRIAL COSTS AND PRICES

*388. SHRI B. S. SAVNEKAR:†

SHRIMATI VIMAL PUNJAB
DESHMUKH:

SHRI A. G. KULKARNI:

Will the Minister of INDUSTRIAL DEVELOPMENT/ औद्योगिक विकास मंत्री be pleased to refer to the reply to Starred Question No. 307 given in the Rajya Sabha on the 2nd August, 1971 and state:

(a) the difference of approach in conducting studies by the Bureau of Industrial Costs and Prices as against the studies made by the Tariff Commission; and

(b) whether Government propose to do away with one of the organisations to streamline the administration and to save expenditure?

THE MINISTER OF INDUSTRIAL DEVELOPMENT/ औद्योगिक विकास मंत्री (SHRI MOINUL HAQUE CHOUHDURY): (a) and (b) A statement is laid on the Table of the House.

STATEMENT

The main function of the Tariff Commission is to inquire and report to Government on any matter referred to it relating to grant of protection for the encouragement of any industry, increase or decrease in the duties of customs or other duties in relation to any industry, action to be taken in relation to dumping of goods in the market etc. The Tariff Commission (which is set up under the Tariff Commission Act, 1951) also is enjoined by law to investigate into the manner in which protection in relation to any industry has been working and where any special conditions may have been imposed on a protected industry, the extent to which and the manner in which these obligations have been discharged. The bureau of Industrial Costs and Prices was set up as an advisory body to

†The question was actually asked on the floor of the House by Shri B. S. Savnekar.

tender advice to Government on the various issues pertaining to cost reduction and improvement of industrial efficiency and pricing problems in relation to industrial costs.

The Bureau of Industrial Costs and Prices was set up in accordance with a recommendation of the Administrative Reforms Commission to tender advice to Government on the various issues pertaining to cost reduction and improvement of industrial efficiency, and pricing problems in relation to industrial costs. The Bureau accordingly undertakes studies pertaining to industries referred to it with reference to cost of inputs, possibilities of technological improvements and proper utilisation of capital and materials; present costs in relation to the optimum efficiency of industrial units, costs in relation to import substitution efforts and a long-term viability of import substitution schemes; and the scope and method for achieving cost reduction together with an assessment of the implications thereof.

The Bureau's enquiries are not formal in nature as are the enquiries conducted by the Tariff Commission which deals with cases of protection to industries and can also conduct formal enquiries the results of which could be used for imposing statutory control on prices.

The approach of the Bureau is thus less formal and, at the same time, the scope of its work is more far-reaching as it is also to go into methods for improving the efficiency of industrial units and reducing costs.

The Government have not taken any decision about doing away with one of the two organisations which would appear, from the above to be complementary to, rather than exclusively of, each other.

SHRI A. G. KULKARNI: Sir, in the statement it is stated that the Tariff Commission is mainly concerned with formal inquiry for giving protection and that the Bureau of Industrial Costs and Prices is concerned with improvement of industrial efficiency and pricing problems.

May I know whether it is not a fact that the Tariff Commission was asked very recently to go into the sugar prices and the nylon prices? How can the Government say that this is only a formal body and that the body for fixing prices of all these things is the Bureau of Industrial Costs and Prices? I want to know whether it is a matter of convenience for the Government to refer one matter to one commission and another matter to another commission? I want a categorical answer to this.

Secondly, in this connection I want to know whether this body has been created to accommodate retired Secretaries of the Government departments because this Bureau of Industrial Costs and Prices does not include any chartered accountant or anybody who can go into the cost structures. Will the Minister of Industrial Development assure the House that both these bodies are not complimentary but they are unnecessarily competing with each other and that one could be done away with?

PROF SIDDHESHWAR PRASAD Sir, this body which has been referred to in the main reply of the Question which is really a complementary body and the Chairman of this Committee is the ex-Secretary of the Ministry of Industrial Development who has wide knowledge of the subject and the two members ..

SHRI A G KULKARNI: That is not the reply

PROF SIDDHESHWAR PRASAD: And the two other Members of this Committee are Mr. Jairaman and Mr. Abhyankar. Shri Abhyankar is a qualified Costs and Works Accountant and was President of the Institute of Costs and Works Accountants and Mr. Jairaman...

SHRI A G KULKARNI: Sir, that has no relation with this question

SHRI CHITTA BASU: What is the relation between this question and the reply?

MR CHAIRMAN: Then you convert it into a debate and each of you start asking questions. I appeal to the Members of the House to treat the

Question Hour more seriously. This is my earnest appeal to you and let us do more work.

SHRI A G KULKARNI: Sir, we are very serious, but please ask the Treasury Benches to be very serious in replying.

SHRI LOKANATH MISRA: Sir, who needs the protection is we and not the Treasury Benches. At least you guide them to give truthful replies. They are giving us all untruth. The answers should be right or at least truthful.

SHRI A G KULKARNI: Are you satisfied with his reply on tractors?

HON MEMBERS: What is this?

MR CHAIRMAN: I know the effect that my appeal had. All right, Mr. Minister.

PROF SIDDHESHWAR PRASAD: I have pointed out that the Members of this Committee are well qualified and they know the subjects. Another point is that this Committee is supposed to look into the cost and pricing of manufactured commodities. This generally is not done by the Tariff Commission which looks into the protective side of the tariff.

MR CHAIRMAN: Yes, Mr. Kulkarni, second question.

SHRI A G KULKARNI: Sir, I am asking the second question, but before that I asked him particularly whether the problem of fixing sugar and nylon prices was referred to the Tariff Commission. He says that the Tariff Commission only, looks to the protective problem of the industry. Now it is for you to judge what he is replying. My second question is, as the Minister has rightly pointed out—I am not against any person whatsoever, he might be Secretary or anybody.

MR CHAIRMAN: Mr. Kulkarni, no second question please because you were not the first.

SHRI A G KULKARNI: How can you call me?

MR CHAIRMAN: Mr. Savnekar was the first. Please sit down.

SHRI A. G. KULKARNI: All right, if you do not allow me to ask second question, I would like to have the reply to my first question, i.e. why the question of fixing the sugar and nylon prices was referred to the Tariff Commission. You ask him to reply to that question.

PROF. SIDDHESHWAR PRASAD: The Tariff Commission is under the Ministry of Foreign Trade. If further details are required, then the Ministry of Foreign Trade may be asked.

SHRI A. P. JAIN: On a point of order. Now it is a question of ballot. You called him first and it is always your choice to call him and give first priority to anybody. Now please allow him to ask his second question.

MR. CHAIRMAN: No, no. Please sit down.

SHRI A. G. KULKARNI: Sir, I am on a point of order. The reply is that the Tariff Commission is governed by the Foreign Trade Ministry. If it is so, why did you reply, how far was it correct for the Ministry to issue such a statement? You have said in the Statement as to what the Tariff Commission can do and what the Bureau of Industrial Costs and Prices can do. Sir, is this the way of avoiding a straight reply? You must ask the Industrial Development Minister to reply straight. If they do not know anything, then we can discuss the matter sometime later. Why have they included the Tariff Commission in this Statement? They should have said that about the Tariff Commission, the Industrial Development Ministry does not know anything.

SHRI M. ANANDAM: Is the hon. Minister aware that the function of the fixation of prices is also entrusted to the Chief Cost Accounts Officer attached to the DGTD? If so what is the justification for duplication of the work of fixation of prices by another body like Chief Cost Accountant?

PROF. SIDDHESHWAR PRASAD: We are aware of this fact. The Director General of the DGTD is also an ex-officio Member of the Bureau of Industrial Costs and Prices which is

supposed to take a wider view of the problem.

SHRI BABUBHAI M. CHINAI: May I know from the hon. Minister how many studies were made by the Bureau and in respect of what industries? Also may I know whether the Government have accepted the recommendations of the Bureau and if so in how many cases?

MR. CHAIRMAN: I think this is the last question.

PROF. SIDDHESHWAR PRASAD: Altogether six studies were made by this Bureau and two of their recommendations have been accepted and action taken by the Government. They studied coal, agricultural tractors, citric acid, sodium hydrosulphite, cryolite and aluminium fluoride. Action on coal and agricultural tractors has been taken.

MID-TERM APPRAISAL OF FOURTH FIVE YEAR PLAN

*389. **SHRI LOKANATH MISRA:**†

SHRI K. C. PANDA:

SHRI CHANDRAMOULI JAGARLAMUDI:

SHRI SUNDAR MANI PATEL:

Will the Minister of PLANNING/ योजना मंत्री be pleased to state:

(a) whether the mid-term appraisal of the Fourth Five Year Plan has recently been completed by the Planning Commission;

(b) whether the Plan targets are likely to be reduced as a result thereof; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING/ योजना मंत्रालय में राज्य मंत्री (SHRI MOHAN DHARIA) (a) Mid-term appraisal of the Fourth Plan is nearing completion.

(b) and (c) In monetary terms the targets are not likely to be reduced unless the refugee burden extends

†The question was actually asked on the floor of the House by Shri Lokanath Misra.