

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). Details of loans advanced by LIC to State Electricity Boards during 1980-81 are given below:—

State	Amount (in lakhs of Rs.)
1. Andhra Pradesh	878
2. Assam	799
3. Bihar	547
4. Gujarat	1138
5. Haryana	1036
6. Himachal Pradesh	158
7. Jammu & Kashmir	171
8. Karnataka (Power Corporation)	496
9. Kerala	725
10. Madhya Pradesh	662
11. Maharashtra	1029
12. Meghalaya	185
13. Orissa	759
14. Punjab	768
15. Rajasthan	1007
16. Tamil Nadu	957
17. Uttar Pradesh	2532
18. West Bengal	1094
Total	14981

(c) The loans were given on mortgage of assets and carried interest of 11 per cent.

Utilisation Programme for IMF Loan

33. PROF. P. J. KURIEN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have prepared programmes for the utilisation

of the 5.6 billion dollar loan obtained from the IMF; and

(a) if so, the details of the programmes?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) and (b). The extended arrangement with the IMF is intended to support the medium-term structural adjustment programme which is an integral part of the Sixth Five Year Plan.

Wholesale Price Index

34. SHRI NARAYAN CHOUBEY: Will the Minister of FINANCE be pleased to state:

(a) what are the details of the variations being shown in the Wholesale Price Index of essential commodities during last Six months, month-wise:

(b) whether it is a fact that the consumer price index has been keeping steadily rising during the same period having no connection with the variation in wholesale prices; and

(c) if so, the details and reasons therefor?

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): (a) to (c). A separate Index of Wholesale Prices of essential commodities is not being compiled. A statement showing the movements in the All Commodities Wholesale Price Index (1970-71=100) and the Consumer Price Index for Industrial Workers (1960=100) during the last six months (July 1981 to December 1981) is attached. It may be noted that, the Wholesale Price Index has shown a decline during this period. Some deceleration in the All-India Consumer Price Index for Industrial Workers (1960=100) is also evident and the index has in fact declined by 0.4 per cent in December, 1981 (for which the latest index are available). The movement in the two indices cannot be identical because of the inherent differences in coverage, weighting diagrams, base years and a certain time lag between the two sets of prices.

Statement

Index Number of Wholesale Prices (Base : 1970-71-100) / Consumer Prices (1960-100)

	Percentage change					
	July. 1981	Aug. 1981	Sept. 1981	Oct. 1981	Nov. 1981	Dec. 1981
I. Wholesale Price Index						
All Commodities	+2.1	+1.1	-1.5	-0.3	-1.4*	-0.9*
A. Primary Articles	+4.1	+1.4	-1.8	-0.2	-1.2*	-0.4*
Food Articles	+5.6	+1.5	-2.6	+0.2	-0.5*	-0.8*
B. Fuel, Power, Light and Lubricants	+6.5	+2.5	No. ch.	No. ch.	No. ch.*	No. ch.*
C. Manufactured Products	-0.6	+0.5	-1.6	-0.4	-2.0*	-1.5*
Food Products	-2.4	-0.3	-5.6	-1.9	-6.5*	-6.0*
II. Consumer Price Index	+1.8	+1.6	+0.4	+0.9	+0.4	-0.4

*Provisional.

Replacement of Sales Tax

35. SHRI MADHAVRAO SCINDIA:
SHRI NAVIN RAVANI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have lately decided to replace sales tax on certain additional items by additional excise duties;

(b) if so, what are the details in this regard; and

(c) whether in view of the Wanchoo Committee report, Government have laid down any comprehensive programme for gradual abolition of sales tax by replacing it by additional excise duties, if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): (a) to (c). There has been widespread and long standing demand by various Chambers of Commerce, associations of industry and trade and the general public for basic reforms in the sales tax system obtaining in the country. The Direct Taxes Enquiry Committee under the Chairmanship of Shri K.N.

Wanchoo had, in its final report, observed that the best way to get over the problem posed by the existing sales tax systems would be to replace sales tax levy on various commodities, as far as possible, by additional duty of excise, but in the selection of commodities, care should be taken to minimise the cascading effect on prices. The Finance Commissions and various Committees had also occasion to go into and comment on different aspects of sales tax system. In particular, the Indirect Taxation Enquiry Committee (Jha Committee) had gone into the matter and made certain recommendations.

As sales tax is primarily a State subject of taxation under the Constitution and any reform in its system can be undertaken only in consultation with and with the cooperation of the States, a Conference of Chief Ministers and Ministers in-charge of sales tax was convened in September, 1980 and a follow-up again in February, 1981 to discuss the problem in all its aspects. The Conference held in February, 1981 adopted a Resolution recommending appointment by the Central Government of an