

what the Centre is doing to contribute to it, is to assist the States.

**SHRI PRIYA RANJAN DAS MUNSHI :** Mr, Speaker, I want to know from the hon. Minister that during the formulation and preparation for the schemes of the Seventh Five Year Plan appraisal will the Minister make a departure from the past practice. That is what I am stating. Instead of receiving memoranda and papers from the State Government, will the officials of the Planning Commission this time visit the spots in respective areas of the country which are known to be backward areas and take spot decision there in regard to Plan appraisal, instead of depending upon the documents received in Delhi in this regard? I would like to remind the Minister and I do not know whether he is aware of the fact that in the last Sixth Plan, the bulk of the revenue from tea, jute and timber came from the so-called North Bengal but in the entire North Bengal, no major industry, no major irrigation unit, no major agricultural programme was provided in spite of thousands of memoranda received from that region in the Sixth Five Year Plan.

**SHRI K.R. NARAYANAN :** Regarding the first part of the question, the officials of the Planning Commission have been holding discussions in Delhi as well as visiting the States and holding discussions there. As regards their visit to specific areas concerned, this is a matter which has been considered and often done.

**THE PRIME MINISTER (SHRI RAJIV GANDHI) :** Sir, I would like to add to that that there have been large-scale diversions of Plan expenditure to the non-Plan sector in certain States. We will be looking into this and will not allow this to happen.

#### **Launching of Integrated Finance Information System**

\*104. **DR. KRUPASINDHU BHOI :** Will the Minister of FINANCE be pleased to state :

(a) whether an integrated finance information system has been launched;

(b) if so, the salient features thereof;

(c) whether a functional levy system is also proposed to be launched shortly;

(d) if so, the details thereof; and

(e) how far these are expected to go in revamping the administrative structure and help in quick disposal of work ?

**THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) :** (a) to (e). A statement is laid on the Table of the House.

#### **Statement**

(a) and (b). The Ministry of Finance has launched a computer based information system using the net-work-“NICENT” of National Informatics Centre, Electronics Commission, Government of India. For this purpose, a computer terminal has been commissioned in the Ministry of Finance and possible applications are being identified and software developed. This Computer Terminal is linked to the main frame computer of the National Informatics Centre wherefrom the system can access the data of other Ministries. The Terminal has also an independent additional system and it is proposed to develop data based information system over a period of time. The system will also provide facilities of storage and retrieval of the data at short notice.

(c) and (d). It is not clear as to what is meant by the phrase ‘functional levy system’ used by the Hon’ble Member.

(e) It is expected that developing an information system on the above parameters will go a long way in improving the performance of the Ministry. The information system will throw up various indicators thus enabling the decision-makers to take the decision promptly and expeditiously.

DR. KRUPASINDHU BHOI : Sir, I am a layman as far as this particular subject is concerned.

The then Member of Parliament, Mr. Rajiv Gandhi, and now the Prime Minister of India in his speech on the Finance Bill and the Budget for 1983-84 had said something which is very relevant to this Particular Question. In response to that, the hon. Finance Minister, Mr. Vishwanath Pratap Singh, had made a press statement on 5th January, 1985 giving detailed information in regard to this matter. But he has given an ornamental reply to this House which will not percolate to the nation, to the down-trodden people, to create a scientific temper in the minds of the people at large.

I have not asked him the question beyond his press statement which he had made. In his statement laid on the Table of the House, he has stated :

“It is not clear as to what is meant by the phrase functional levy system’ used by the Hon’ble Member.’

I have used the phrase ‘functional levy system’ on the basis of the information given in his press statement.

I must congratulate the Government in this regard and I am not disagreeing with his performance as to what he is now doing in the Ministry. At the same time, I want to say that the answer given by the hon. Minister on the floor of the House is not adequate to create and generate a scientific temper in the minds of the people about the functioning of the Government.

Basing on that, I want to know from the hon. Minister how far it will go in quickening the pace of matters wherever public dealing is concerned. How far it will go in assisting the budget formation policies of the Government and finalising the budget proposals? I also want to know the details of the functional levy system proposed to be launched with salient features thereof, the expenditure

involved and the time by which it is likely to be put into use in each sector, that is, public sector with modern design ..(Interruptions)

MR. SPEAKER : What are you asking? (Interruptions) How many questions?

SHRI VISHWANATH PRATAP SINGH : He is a computer to answer.

DR. KRUPASINDHU BHOI : You go throw the press statement that he has given I am asking the question on the basis of that.

SHRI VISHWANATH PRATAP SINGH : In the first instance, in regard to public dealings, I have asked them to computerise all the letters received from the hon. Members of Parliament so that there is proper monitoring of sending replies and action taken thereon.

DR. KRUPASINDHU BHOI : What about the public sector because you are the kingpin of the whole Government?

SHRI VISHWANATH PRATAP SINGH : It is a relevant question that the performance of the public sector could be monitored and this is one of the things in our mind that these inputs should come. But it is a start. So, as we progress, these items will come for computerization.

DR. KRUPASINDHU BHOI : I would like to know the number of persons proposed to be rendered surplus as a result thereof and how their services are proposed to be utilised. How far the deals of foreign countries can be finalised quickly as a result of the introduction of this computer system the Integrated finance information service system, proposed to be launched by you?

SHRI VISHWANATH PRATAP SINGH : No employee is proposed to be made surplus out of computerisation. I do not think it is designed for declaring some employees surplus. It is designed for the purpose of expediting

the work. It would contribute towards strong data and retrieval for economic analysis.

### Abolition of Sales Tax

\*106. SHRI NAVIN RAVANI : Will the Minister of FINANCE be pleased to state :

(a) whether there is a great demand from all sections of the society to abolish Sales Tax in the country and replace it by excise duty, etc. ;

(b) whether any study has been made in this respect and, if so, the findings ; and

(c) Government policy in regard to abolition of Sales Tax systems in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There has been a demand from certain sections for abolition of sales-tax and its replacement by additional excise duties.

(b) In terms of the Resolution adopted in the Conference of Chief Ministers held in February, 1981, an Expert Committee was set up to study the financial implications of the extension of the scheme of additional excise duties in lieu of sales tax on five commodities and the manner in which the financial interests of the States could be safeguarded. The Expert Committee under the Chairmanship of Shri Kamalapati Tripathi, MP, submitted its report on 29-1-1983 which was placed on the Table of both the Houses of Parliament on 29-4-1983.

(c) As sales tax is mainly a State subject of taxation, any reform in the sales tax system can be undertaken only in consultation with and cooperation of the States.

SHRI NAVIN RAVANI : An expert Committee has been appointed under the

Chairmanship of Shri Kamalapati Tripathi. I would like to know whether any State has consulted the Centre for implementation of the recommendation of the Kamalapati Tripathi Committee. If not, why ?

SHRI JANARDHANA POOJARY : While many Chief Ministers welcomed the recommendation and also the proposal, the Chief Ministers of West Bengal, Karnataka, Andhra Pradesh, Tamil Nadu, Bihar and UP did not agree with the recommendation and some of the Chief Ministers wanted to place this recommendation before the Sarkaria Commission.

As I stated in my main reply, it is a State subject and the Centre cannot impose the will over the States.

SHRI NAVIN RAVANI : I would like to know whether after receiving the report, has any State Government consulted the Centre over the recommendation made ?

SHRI JANARDHANA POOJARY : There was a Conference of the Chief Ministers on 2.11.1983 and the recommendations were placed before the Chief Ministers and that was the suggestion given by the Chief Ministers. As I have stated, it cannot be imposed. The solution should be found out in consultation with the States and also with the cooperation of the States.

SHRI NAVIN RAVANI : What is the main recommendation of the Committee and what are the reactions of the States regarding the recommendations of the Committee ?

SHRI JANARDHANA POOJARY : As I said earlier, it was placed before both the Houses of Parliament. It should be looked into.

SHRI D. B. PATIL : The sales tax by itself is regressive in nature. It needs abolition. What is the opinion of the Central Government about this ?