

estimated availability from main producers is 1.5 million tonnes and from re-rollers it is 3.4 million tonnes. Total comes to 4.9 million tonnes.

SHRI P. SHANMUGAM : I would like to know whether the Government is proposing to start any other steel plant during the current year? If so, in which State it proposes to locate?

SHRI NATWAR SINGH : Sir, it does not relate to the question that is before the House.

Removal of Regional Imbalances

*103. **SHRI AMAR ROYPRADHAN:** Will the Minister of PLANNING be pleased to state :

(a) the steps Government propose to take to end regional imbalances in the matter of Plant development so as to help the rural masses ; and

(b) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI K.R. NARAYANAN) : (a) and (b). A statement is laid on the Table of the House.

Statement

The problem of inter-state regional imbalances is at present being tackled at the Central Government level through resource transfer according to a formula which is weighted in favour of the backward States.

2. The problem of intra-state regional imbalances mainly concerns the State Governments. Special Central assistance is provided to States for taking up programmes for the development of tribal areas and hill areas. Special central assistance is also set apart for development of the North Eastern region. In addition, the Central Government provides 50% of the funds for development of areas like desert areas and drought-prone areas under

Centrally-sponsored schemes. Investment subsidy and concessional finance are provided for accelerating the industrial development of backward districts.

3. In addition to the above, State Governments have also identified areas within their States as backward and are tackling the problem of their development through provision of additive plan funds.

4. In the Paper on the Approach to the Seventh Plan adopted by the National Development Council in July 1984, the need for tackling the problem of regional disparities at different levels has been highlighted. According to the Approach Paper, "part of the solution (to the problem) lies in the development of agriculture in the less developed regions. However, it is a much wider problem and its solution requires a close re-examination of the mechanisms for channeling the flow of finance, policies on industrial location, the distribution of investments in irrigation and infrastructure and a host of other matters. It is essential that the regional dimension of development is dealt with as an integral part of the Seventh Plan."

SHRI AMAR ROYPRADHAN : We are now at the threshold of the Seventh Five Year Plan. In every Plan Period Approach Paper, it is stressed that the regional imbalance will be removed, but it is our experience and it is a matter of great regret that it has not been removed so far. It has increased much more whether we take inter-State imbalance or intra-State imbalance. Therefore, I would like to know clearly from the hon. Minister what positive steps have been taken to remove the regional imbalances in the States particularly in those areas like North Bihar, North Bengal, Sikkim, North Eastern regions and tribal areas. These places are facing a very explosive position at present.

SHRI K.R. NARAYANAN : It is true that in every Plan there has been an element of effort for removing regional imbalances, but at the same time I do not agree that no progress has been made in this regard by the Government through

planning. In fact there are two elements of policy aimed at removing the regional imbalances. One relates to inter-State imbalances. In order to deal with this type of imbalances, Plans provide for assistance to special category States. As you know this assistance is really geared up to the improvement of standards of the masses. The Hon'ble member would see that there is an element of this nature in the modified Gadgil Formula, applicable to other states which provides 60 per cent of the funds in terms of population. That means that much money goes to the improvement of the living standards of the ordinary people.

Then there is another weightage. Twenty per cent of the funds go to those states which have per-capita income below the national average.

This is also specially directed to improving the standard of living of the people.

The second part is regional imbalances within the State themselves. For this purpose, a series of measures have been taken by the Government. One is, dealing with backward areas, undeveloped areas, specially hill areas and tribal areas. Then, there are Centrally sponsored schemes directed towards poorer sections of the people and the undeveloped areas of the country.

SHRI AMAR ROYPRADHAN : Mr Speaker, it is all right. But the areas which I have mentioned just now are the areas which are mostly hill areas, backward areas and areas mainly populated with Scheduled Castes and Tribes people. So, I would like to know from the Minister, regarding the Sixth Plan period and the Seventh Plan period. In the Sixth Plan period, what is the progress that has been made for creating infrastructure and how much money has been allotted in the Seventh Plan period for this purpose.

SHRI K.R. NARAYANAN : For the Seventh Plan, there has been no allocation made so far, as the Plan itself is to be prepared and finalised. We have been working out the requirements. You are

aware of what has been allotted for the Sixth Plan.

SHRI AMAR ROYPRADHAN : How much you have allotted and what is the infrastructure ?

SHRI K.R. NARAYANAN : This can be finalised only after the discussions which are taking place and after the resource position is known—how much the Centre can give and how much the States can give. But you are aware that in the special category of States, the Plan has set apart an amount of Rs. 3251 crores for the special category States and for the hill areas, it is Rs. 560 crores. For the tribal areas, it is Rs. 470 crores and for the North Eastern Council, it is Rs. 340 crores. These are the amounts actually set apart in the Sixth Plan for the development of these undeveloped areas.

SHRI S. JAIPAL REDDY : Sir, the Minister in his answer has said that there are Centrally sponsored schemes both for weaker sections and for the development of backward areas which are within the State themselves. It is true that there are schemes for the development of weaker sections. But there are no Centrally sponsored schemes for the development of backward regions within the States themselves. Will the Minister point out a specific schemes in this regard ?

SHRI K.R. NARAYANAN : Well, for the hill areas, the amount allotted is for specific schemes so that the development of the hilly areas is made within the State.

SHRI S. JAIPAL REDDY : Sir, when I said backward areas, I did not merely refer to hilly areas. For example, in Andhra Pradesh, there are such backward regions as Telengana and Rayalaseema. But there are no Centrally sponsored schemes for the development of such regions within the State itself.

SHRI K.R. NARAYANAN : This is the division between the States and the Centre. I think, most of the development will have to take place in the State and

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.