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TCS developed PAN system for I-T in 1977, Charan Singh was not impressed: Book

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New Delhi, Dec 9 () India missed a golden opportunity to implement a fully computerised tax administration system way back in the late '70s as a proposal by TCS was rejected by the then finance minister Charan Singh, claims a new book.

Management strategist-researcher Shashank Shah has come out with the book titled "The Tata Group: From Torchbearers to Trailblazers", coinciding with the completion of 150 years of The Tata Group and the birth anniversary of JRD Tata on November 29.

According to the author, after nationalisation of banks by the Indira Gandhi government in 1969, there was declining business with banks as the Centre did not want computers in India.

"It believed that computerisation would lead to mass unemployment. It is contextual to mention a fact that few know," he claims.

Shah says that it was TCS (Tata Consultancy Services) that had developed the now ubiquitous permanent account number (PAN) system for the income tax department in 1977.

"Impressed by the output, the company was given an assignment to computerise the total processing of income tax. However, Charan Singh, then finance minister, decreed that there would be no computerisation in the finance ministry as it could create unemployment!" he writes in the book, published by Penguin Random House India.

"If implemented then, India would have been far ahead of several countries through a fully computerised tax administration system," Shah claims.

It is mandatory to quote PAN on return of income, all correspondence with any income tax authority.

From January 1, 2005, it has become mandatory to quote PAN on challans for any payments due to the I-T Department.

The book is replete with other little-known facts about The Tata Group.

Among these is about Netaji Subhas Chandra Bose and Mahatma Gandhi helping in maintaining industrial harmony at Tata Steel plants in the 1920s.

Between 1920 and 1924, Tata Steel, which then had the largest industrial force any single Indian company had in those years, witnessed three strikes, the book says.

"At such a tumultuous time, Mahatma Gandhi arrived in Jamshedpur to mediate. Along with eminent freedom fighter Deshbandhu Chittaranjan Das and CF Andrews, he tried to rekindle the relationship between the management and the workers," it says.

Bose sided with the workers and battled for their rights by negotiating a historic settlement. He became the Jamshedpur Labour Association's leader and would regularly visit Jamshedpur to engage with the workers, Shah writes.

"However, Bose's involvement had reduced by 1932. He was also imprisoned by the British government as part of the freedom movement."

The Tatas invited Rajendra Prasad and Jawaharlal Nehru to arbitrate between the workers and the management.

"Their prompt arrival indicated the importance of Tata Steel in the larger priorities of national leadership."

There was a settlement soon with both sides compromising on certain issues. ZMN RDS RDS