

communication facilities were not adequate. Further, the letter referred to some instances of air-miss and suggested upgradation of navigational and communication facilities at Delhi, Bombay, Calcutta, Madras, Nagpur, Bangalore, Trivandrum, Ahmedabad, Bhopal etc. Implementation of the DGCA award was also mentioned in the letter.

(c) At present, there is a shortage of Commanders on all types of aircraft in Indian Airlines. IA has 30 Co-pilots who have requisite experience to be trained as Commanders on B-737 type of aircraft. 10 Co-pilots are already undergoing command training. Next batch of 6 pilots has already been sent to CTE, Hyderabad for their ground refresher prior to simulator/aircraft training. Rest of the eligible Co-pilots will be sent for training in due course.

As far as Air India is concerned, out of 118 eligible Co-pilots 23 Co-pilots are undergoing command training. All the eligible Co-pilots cannot be released for command training at the same time.

#### **Income tax on interest of deposits**

916. SHRI S.S. SURJEWALA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have imposed order on all the parties to deduct income tax at source on the interest of deposits amounting to Rs. 10,000 from July 1, 1995;

(b) whether this has led to scare among the banks and depositors;

(c) if so, whether this proposal would hit the amount of deposits in the banks creating financial problems; and

(d) whether Government would withdraw the order; and if not, what are the reasons therefor?

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): (a) Yes, Sir.

(b) and (c) Information is being collected and will be placed on the table of the House.

(d) No, Sir. These provisions have been incorporated to widen the tax base and to avoid tax evasion. However, following safeguards have been provided to avoid any inconvenience to bonafide depositors:

(i) Any person in whose case tax payable on income, including the income from interest on the bank deposits, is Nil, he can make a declaration under section 197A(1A) to the bank to this effect and in such cases, tax is not required to be deducted at source;

(ii) If the total income of a recipient justifies deduction of income-tax at a lower rate or no deduction of income tax, he can apply to his Assessing Officer to issue an appropriate certificate. In such a case, tax will be deducted at the rate specified in such certificate.

#### **Decentralisation of B.I.F.R.**

917. SHRI SANJAY DALMIA:  
DR. BAPU KALDATE:  
SHRI K.M. KHAN:  
SHRI AJIT P. K.

JOGI:  
MAULANA OBAIDULLAH  
KHAN AZMI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to decentralise the Board for Industrial and Financial Reconstruction; and

(b) if so, the stage at which the proposal stands at present?

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): (a) No such proposal is under consideration of Government at present

(b) Does not arise.