

(c) what are the other suggestions made by the Planning Commission in their mid-term appraisal on foreign airline operations;

(d) whether Government have seriously considered to remove bar on foreign airlines in domestic sector; and

(e) if so, by what time a final decision in this regard is likely to be taken?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) The Government has in November, 2004 raised the Foreign Direct Investment (FDI) limits in Air Transport Services (domestic airlines) as under:

- 49% through automatic route
- 100% by Non-Resident Indians (NRIs) through automatic route (no direct or indirect equity by foreign airlines is allowed)

(c) The Planning Commission has in mid-term appraisal of the Tenth Five Year Plan (2002-2007) stated that foreign airlines are still debarred from equity participation in domestic air transport operations. There is a case for reviewing this policy as operation of airlines requires expertise as much as it does capital.

(d) No, Sir.

(e) Does not arise.

Delay in allotment of PAN

†*239. **SHRI AJAY MAROO:** Will the Minister of FINANCE be please to state:

(a) whether Government's attention has been drawn to the delay occurring in the matter of allotting a Permanent Account Number (PAN);

(b) if so, what steps have been taken by Government in this regard; and

(c) the number of cities where computerised system is being used for allotting a Permanent Account Number (PAN) at present?

†Original notice of the question was received in Hindi.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) At present, over 96% of PANs are allotted within 15 days of receipt of valid PAN applications. During Financial Year 2004-05, over 63 lakh PAN was allotted, i.e. over 5 lakh per month while the total number of PAN allotted upto 31.7.2005 was 3.96 crore. In order to further expedite the process of obtaining PAN, facilities for on-line filing of PAN applications and 'Tatkal' allotment of PAN have also been set up. However, since PAN allotment is an on-going process, a small number of applications remain in the pipeline. As on 31.7.2005, a total number of 76,556 PAN applications were pending.

(c) PAN is allotted under an automated process. While PAN applications are received in over 1600 centres set up for the purpose, PAN application data is electronically transmitted to the Income Tax Department which allots PAN through an automated process and transmits the same electronically to these centres for issuance of PAN cards.

Review of States' debt relief schemes

***240. SHRI B.J. PANDA:** Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Hon'ble Prime Minister has promised a review of States' debt relief schemes;

(b) whether Government proposes to evolve some mechanism to address the concerns regarding the debt burden of States; and

(c) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Consequent upon the acceptance of the recommendations of the Twelfth Finance Commission, Government of India has formulated a scheme called "The States' Debt Consolidation and Relief Facility (DCRF)," which provides that the Central loans to States contracted till 31.3.04, and outstanding on 31.3.05, may be consolidated and rescheduled for a fresh term of 20 years, to be repaid in 20 equal installments, with an interest rate of 7.5 per cent, subject to fulfillment of certain laid down conditions.

In the 51st meeting of the National Development Council chaired by the Prime Minister held on June 27 and 28, 2005, it was decided to set up a Committee separately under the Union Finance Minister to examine relevant issues relating to the debt burden of States and debt relief with reference to their debt outstanding against the National Small Saving Fund (NSSF).