

has recently formulated a financial package for revitalization of the SFCs. The Package envisages that those SFCs which enter into a Memorandum of Understanding (Moll) with SIDBI along with the respective State Governments would be eligible for following reliefs/concessions:

- (1) Reduction in the rate of interest on outstanding retira nee/Line of Credit by 2% p.a.
- (2) A Rebate of 2% in the Rate of Interest for all future refinance/Line of Credit; and
- (3) A Moratorium of One Year for Repayment of existing dues.

Income Tax Ombudsman

691. SHRIMATI KAMLA MANHAR:

SHRI RAJU PARMAR:

SHRIMATI BIMBA RAIKAR:

SHRI RAMA MUNI REDDY SIRIGIREDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to constitute Income Tax Ombudsman to resolve tax payers' grievances in the country;

(b) if so, the details thereof; and

(c) whether the proposed Ombudsman will handle technical disputes, legal disputes, etc. as in the case of banking and insurance sectors, and if not, what will be the power of proposed Ombudsman?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) to (c) Yes, Sir. Necessary action for setting up of the Institution of Income-Tax Ombudsman, including assigning functions and powers to the Ombudsman, is being taken by the Government.

Softening of Interest Rate

692. SHRI TARINI KANTA ROY:

DR. AKHILESH DAS:

Will the Minister of FINANCE be pleased to state:

(a) whether Bankers and business community have been optimistic about the Reserve Bank's known stand of a softening interest rate regime, the poor common depositors including the pensioners and the senior