

Taxman freezes **Air India's** bank A/Cs

The service tax department has once again frozen the bank accounts of Air India for non-payment of service tax dues. This is the second time in two months that the Central Board of Excise and Customs has frozen the account of the national carrier.

In December, the department had frozen 11 accounts of Air India and 10 accounts of Kingfisher Airlines, which were later de-frozen following part payments.

Sources told the Indian Express that the airlines had promised to make payment of service tax from December to March regularly. However, even after the expiry of January 6 deadline for December payment, Air India has not made the payment.

“December due is Rs 25 crore. This is over and above the arrear of Rs 300 crore,” the official source said.

The official said that after the payment of Rs 8 crore last month, the airlines has not made any payment.

The development comes even as bankers have reportedly met today to consider a fresh CDR proposal for the debt-laden flag carrier.

Source: indianexpress.com