

of such social audits conducted during a financial year shall be submitted by the State Government to the CAG of India.

**DTAA with Nepal**

2976. SHRI RAJIV PRATAP RUDY:

SHRI NAND KUMAR SAI:

Will the Minister of FINANCE be pleased to state:

(a) whether Double Taxation Avoidance Agreement between India and Nepal was signed during the recent visit of Indian Delegation to Nepal;

(b) if so, the details in this regard;

(c) whether India and Nepal have replaced an earlier Agreement between the two countries which was signed in 1987; and

(d) if so, the extent to which bilateral relations will be improved between the two countries and whether it will attract the Indian Industrialists to invest in Nepal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes.

(b) The revised Double Taxation Avoidance Agreement (DTAA) between India and Nepal was signed on 27th November, 2011 at Kathmandu which will replace the existing DTAA signed in 1987, after the completion of internal procedures for entry into force of the revised DTAA by both the countries. After it enters into force, the revised DTAA will facilitate mutual economic cooperation as well as stimulate the flow of investment, technology and services between India and Nepal.

(c) Yes.

(d) The extent to which bilateral relations will be improved between the two countries and whether it will attract the Indian Industrialists to invest in Nepal cannot be stated at present.

**Interest subsidy on new home loans**

2977. SHRIMATI SMRITI ZUBIN IRANI:

SHRI KANJIBHAI PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government proposes to give one per cent interest subsidy on home loans upto ` 15 lacs;

(b) if so, the details thereof;

(c) whether this subsidy will not be applicable on existing home loans but only on new loans; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):  
(a) to (d) The Government has liberalised the existing Scheme of 1% interest subvention on housing loans upto Rs. 15 lakh where the cost of the house does not exceed Rs. 25 lakh from the previous limit of Rs. 10 lakh to Rs. 20 lakh respectively. The Scheme is in operation till 31.03.2012 and will benefit all housing loans availed in FY 2011-12. National Housing Bank has been designated as the Nodal Agency for this Scheme.

**Cheap agricultural loan**

†2978. SHRIMATI HEMA MALINI:

SHRI PRABHAT JHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that during the year 2009-10, the States like Bihar, Uttar Pradesh and Madhya Pradesh were provided less amount on cheaper rates as agricultural loan in comparison to other States; and

(b) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA):  
(a) and (b) During 2009-10, Government of India provided crop loans upto Rs. 3 lakhs at 7% p. a. Prompt payee farmers were provided additional 1% interest subvention thus making crop loans available at 6% p.a. The details of State wise Agricultural Loan disbursed during 2009-10 are given in the Statement (See below).

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†Original notice of the question was received in Hindi.