

(Rs. in crores)

Year	Public Sector Banks		Private Sector Banks	
	Advances to Priority Sector	%age of Priority Sector Advances to ANBC	Advances to Priority Sector	%age of Priority Sector Advances to ANBC
2009	7,24,150	42.7	1,87,849	46.2
2010	8,63,777	41.6	2,14,669	45.8
201*	10,28,615	41.3	2,48,828	46.6

(\*Data Provisional)

(ANBC - Adjusted Net Bank Credit)

(Source: Report on Trend and Progress of Banking in India)

**Control on unnecessary expenditure**

†4228. SHRI RAM JETHMALANI :

SHRI SHIVANAND TIWARI :

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that Government has taken steps to check the unnecessary expenditures in different Ministries and departments;
- (b) if so, the details thereof;
- (c) whether Government has estimated these unnecessary expenditures; and
- (d) if so, the annual average amount thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA) : (a) and (b) In terms of Rule 21 of General Financial Rules (GFRs) expenditure should not be *prima facie* more than the occasion demands. Further, in terms of Rule 64 of GFRs, the Chief Accounting Authority of a Ministry/Department shall take effective and appropriate steps to ensure that his Ministry/Department avoids unauthorized, irregular and wasteful expenditure. Government also issues instructions on expenditure management from time to time. The last set of instructions on expenditure management were issued in May, 2011 and July, 2011. The instructions advise adherence to budgeted estimates of 2011-12 and contain economy measures related to Seminars/Conferences, Purchase of vehicles, Foreign Travel, Consultancy Assignments etc. and guidelines for observance of discipline in fiscal transfers and balanced pace of expenditure.

† Original notice of the question was received in Hindi.

(c) and (d) The responsibility for implementing the instructions rests with the respective Ministries/Departments and data is not maintained centrally.

**Revision of India and Mauritius tax treaty**

4229. SHRI SALIM ANSARI : Will the Minister of FINANCE be pleased to state:

(a) whether India and Mauritius are working on revising their tax treaty to prevent misuse by third country or offshore country players;

(b) if so, the details thereof;

(c) whether during the recent meeting of Mauritius President with Indian Prime Minister in February, 2012, the details of Double Taxation Avoidance Agreement (DTAA) was discussed; and

(d) if so, the details of agreement arrived at between two leaders on DTAA?

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

(b) Government of India has proposed to review the India-Mauritius Double Taxation Avoidance Convention (DTAC) to incorporate appropriate amendments to the DTAC for prevention of treaty abuse and to strengthen the mechanism for exchange of information on tax matters between India and Mauritius. A Joint Working Group (JWG) comprising members from the Government of India and the Government of Mauritius was constituted in 2006 to *inter-alia*, put in place adequate safeguards to prevent misuse of the India-Mauritius DTAC. Seven rounds of discussions have taken place so far. There was unwillingness on the part of Mauritius to co-operate in addressing this problem. Consistent efforts are being made by the Indian Government to find mutually acceptable solutions for addressing India's concerns. Next round of JWG meeting is yet to be scheduled.

(c) There was no meeting between Mauritius President and Prime Minister of India in February, 2012. However, during the State Visit of Dr. Navinchandra Ramgoolam, Prime Minister of Mauritius to India in February, 2012, the two leaders discussed wide-ranging bilateral, regional and multilateral issues of mutual interest and, among other issues, the DTAC matter also came up for discussion.

(d) During discussions between the two Prime Ministers, the Mauritian side submitted proposals to the Indian side. The proposal is under examination of the Indian side. Both sides agreed to continue discussions at the next JWG meeting, dates for which would be decided through diplomatic channels.