

THE MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI KALRAJ MISHRA): (a) and (b) For setting up of new micro-enterprises in the non-farm sector, Government in the Ministry of Micro, Small and Medium Enterprises (MSME) has been implementing a credit-linked subsidy programme named Prime Minister's Employment Generation Programme (PMEGP) since 2008-09 through Banks with Khadi and Village Industries Commission (KVIC) as nodal agency at the national level for generating employment in the country including in Gujarat. Under PMEGP, general category beneficiaries can avail of margin money subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as scheduled castes, Scheduled tribes, OBCs, minorities, women, ex-servicemen, physically handicapped, beneficiaries belonging to North Eastern Region, hill and border areas, etc., the margin money subsidy is 35% in rural areas and 25% in urban area. The maximum cost of project is ₹ 25 lakh in the manufacturing sector and ₹ 10 lakh in the service sector. In Gujarat, since inception of PMEGP, an amount of ₹ 222.78 crore was released by way of margin money subsidy, out of which ₹ 207.69 crore was utilized till June 2014. A total of 6862 micro enterprises have been setup providing employment to about 75,000 persons till June 2014.

Development of domestic air cargo terminals

*219. SHRI AAYANUR MANJUNATHA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has identified 24 airports for being developed as domestic air cargo terminals;

(b) if so, the names of places where these domestic cargo terminals are being developed; and

(c) whether it is a fact that air cargo constitutes about 10 per cent of revenue earning of the airline industry?

THE MINISTER OF CIVIL AVIATION (SHRI ASHOK GAJAPATHI RAJU PUSAPATI): (a) and (b) Government accords priority to the development and strengthening of Air Cargo Logistics infrastructure in the country. Air Cargo terminals including domestic cargo facilities at the airports of Airports Authority of India and Joint Venture airports are developed by the respective airport operators from time to time based on their assessment of existing market conditions and future potential for such facilities. The viability of establishing such facilities including its revenue and expenditure and the timelines are dependent upon the business models of the respective airport operators.

(c) No Sir. As per information furnished by Scheduled carriers in India, revenue from Air Cargo constitutes less than 10% of their total revenue earnings.

**Study by Global Financial Integrity on illegal financial
flow out of the country**

*220. SHRI RITABRATA BANERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether according to a study by the Global Financial Integrity (GFI), India is losing nearly ₹ 240 crores every 24 hours, on average, due to illegal Financial flow out of the country;

(b) if so, the details thereof;

(c) whether Government intends to seek active reform of the taxation agreements with various countries;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) and (b) A news item published in “The Hindu” on 18th November, 2010, stated that India was losing nearly ₹ 240 crore every 24 hours, on average, due to illegal financial flows out of the country. This news item was based on a Report of Global Financial Integrity published in November 2010, titled “The Drivers and Dynamics of illicit Financial Flows from India: 1948-2008”, available at <http://www.gfintegrity.org/wp-content/uploads/2014/02/GFI-India-Final.pdf>, which estimated that between 1948 and 2008, a total amount of US\$ 213.2 billion had been shifted out of India through illicit outflows.

(c) to (e) The Government of India has signed a number of Double Taxation Avoidance Agreements (DTAAs) and Tax Information Exchange Agreements (TIEAs) with various countries/jurisdictions. It has also joined the Multilateral Convention on Mutual Administrative Assistance in Tax Matters (Multilateral Convention) and SAARC Multilateral Agreement. Under these agreements, information as is foreseeably relevant for administration or enforcement of the domestic laws concerning taxes in specific cases can be received from our treaty partners. The status of these Agreements as on 30th, June, 2014, is given in the Statement (*See below*). In addition, negotiations for entering into new DTAAs with Azerbaijan, Chile, Hongkong, Iran, Nigeria and Venezuela and negotiations