

Trade Agreements with WTO

2631. SHRI KRISHANLAL SHARMA: Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have signed a number of agreements with the World Trade Organisation during the last three months;

(b) if so, the details thereof; and

(c) the reaction of the Trade Organisation of the Country to these agreements?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) No, Sir.

(b) and (c) The question does not arise.

[Translation]

Loans to Farmers

2632. SHRI HARIKEWAL PRASAD :
SHRI DAROGA PRASAD SAROJ :

Will the Minister of FINANCE be pleased to state :

(a) the details of the amount provided as loans by banks to the farmers of various States during the last three years and till now, State-wise particularly in Uttar Pradesh;

(b) the percentage of loans provided to the farmers of the State during the aforesaid period as compared to the national statistics; and

(c) the number of applications received from the farmers for providing loans during the aforesaid period?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The information is being collected and, to the extent available, will be laid on the Table of the House.

Setting up of Heavy Industry

2633. SHRI MAHESH KANODIA : Will the Minister of INDUSTRY be pleased to state :

(a) whether there is any scheme under consideration of the Government to set up any heavy industry in the public or private sector in the country, with the assistance of World Bank or any other International organisation;

(b) if so, the details thereof, state-wise, particularly in Gujarat;

(c) if so, the details of the budgetary provisions made therefor and the time by which the scheme is likely to be implemented; and

(d) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT) : (a) There is no such proposal in the Ministry of Industry for setting up any Heavy Industry in the Public Sector. As regards the Private Sector, this depends on negotiations and tie-ups between the private investors and the World Bank/International organisation.

(b) to (d) Does not arise.

[English]

I.T. Deductions

2634. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state :

(a) whether there are different standard deductions for different income groups;

(b) if so, whether it is *prima facie*, discriminatory;

(c) if so, whether Government are providing some minuscule relief;

(d) if so, whether the said minuscule relief proposed to be passed on to all, irrespective of income criteria; and

(e) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) Standard deduction for salary income earned in financial year 1997-98 relevant for assessment year 1998-99 is 1/3 of the gross salary or Rs. 20,000 whichever is lower, for all salaried tax-payers.

The Finance Bill, 1998 proposes to raise the standard deduction to Rs. 25,000 for assessee's having salary income upto Rs. 1 lac. The Bill seeks to withdraw the benefits of standard deduction for assessee's having salary income of Rs. 5 lac. The proposals are as under :

Salary Income	Standard Deduction
Salary income upto Rs. 1 lac.	33-1/3% or Rs. 25,000 whichever lower.
Salary income from Rs. 1 lac to Rs. 5 lac.	33-1/3% or Rs. 20,000 whichever is lower
Salary income more than 5 lac.	Nil

(b) No Sir. It is more equitable, as the incidence of tax is more in the case of persons in the higher salary brackets who can afford to pay more taxes.

(c) The relief sought to be provided is to mitigate the hardship faced by the lower income salary earners.

(d) No, Sir.

(e) As stated in reply to (c), the relief sought to be provided is to mitigate the hardship faced by the lower income salary earners. With the increase in the minimum threshold limit exempt from income tax, from Rs. 40,000 to Rs. 50,000 and in the increase in standard deduction from