The levels of growth in the GDP at CMP and gross tax revenues since 2008-09 is a reflection of initial demand slowdown on account of the impact of the global financial and economic crisis, subsequent recovery based on fiscal stimulus packages which have affected the tax-GDP ratio. The Budget for 2010-11 had estimated a tax-GDP ratio of 10.8 per cent based on estimated growth of 19.1 per cent in gross tax revenues and 12.5 per cent in the GDP at CMP. However, as per the Advance Estimates released by the Central Statistics Office, the GDP at CMP is estimated to grow by 20.3 per cent, which revises the budgeted tax-GDP ratio to 9.5 per cent. Gross tax revenues have grown by 26.8 per cent in the first nine months of the current financial year. On an ongoing basis, Government has been taking a number of steps to augment the tax revenues like widening the base through lower and fewer rates of taxes, rationalization measures, better enforcement and putting in place a modern risk management system. Going forward, with the pick-up in gross tax revenues, the tax-GDP ratio would improve with restoration of trend rates of growth in GDP at CMP.

Lowering the age of senior citizen under IT Act

38. SHRI SHIVANAND TIWARI : Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to lower the age for grant of benefits under the provision of Income Tax Act to the senior citizen which is 65 years at present; and

(b) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) Any decision regarding lowering the age limit for grant of benefits under Income-tax Act to the senior citizen can be effected only through the Finance Act during the annual budgetary exercise. The budgetary exercise for the current year 2011-12 is currently under progress. Various representations have been received on this issue. These have been taken note of and the Government's response shall be reflected in the form of Finance Bill, 2011.

Scope for increased lending to SMEs

39. SHRIMATI T. RATNA BAI : Will the Minister of FINANCE be pleased to state:

(a) whether there is scope for banks to increase their lending to SMEs by Rs.50,000 crore;

(b) if so, the details thereof; and