

**Computation of Income-tax in the
Case of Income Returned by Karta
by HUF**

6850. SHRI DIGAMER SINGH :
Will the Minister of FINANCE be
pleased to state :

(a) whether in case of income returned by a Karta of HUF property in respect of the rental income accruing from it, no standard deduction of Rs. 5,000 is allowed for purposes of computation of Income-tax on that income;

(b) if so, the reasons therefor; and

(c) the steps which he proposes to take to remove this disparity between the two types of assesseees-individual and HUF ?

**THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE (SHRI
S.M. KRISHNA) :** (a) Under the provisions of Income Tax Act, 1961, in computing the income from house property, there is no provision for grant of standard deduction of Rs. 5000/- to any assessee.

(b) and (c) In view of answer to part (a), the questions do not arise.

**Instructions of RBI on Loans given
by Nationalised Banks to Small
Entrepreneurs**

6851. SHRI DIGAMBER SINGH :
Will the Minister of FINANCE be
pleased to state :

(a) what are the instructions, if any, issued by him or the R.B.I. for dealing with the sticky loans/advances given by the various nationalised banks to small entrepreneurs;

(b) whether he is aware that some branches of the nationalised banks in the capital like the Central Bank of India do not pledge or hypothecate either the movable or immovable assets of the loanees;

(c) whether there has been some

cases in the Central Bank of India Branch dealing with the grant of loan for setting up industries in the Okhla Industrial Area where the Branch concerned failed to take either mortgage or hypothecation; and

(d) whether proposes to ascertain the facts of such cases and take necessary action against, the delinquent Bank Management for not properly securing the money of the Bank ?

**THE DEPUTY MINISTER IN
THE MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) :** (a) Reserve Bank of India has reported that in cases where a bank's sticky advances, as revealed by the inspection are relatively higher, half-yearly progress reports are called for indicating the aggregate outstandings in such accounts. Banks are also required to place before their Boards of Directors, review of out of order/irregular/stagnant/sticky loans and advances/suit filed accounts (including bills purchased and discounted) in general and individual accounts beyond cut-off point, with comments on the steps taken/proposed to be taken for recovery/regularisation.

(b) Central Bank of India has reported that generally, for loans exceeding Rs. 5,000/- it takes the mortgage or hypothecation of security.

(c) According to Central Bank of India there has been no case of sticky account concerning it for which a loan has been granted to a unit situated in Okhla Industrial Estate without obtaining mortgage of property or pledge, hypothecation of stocks.

(d) Does not arise.

**U.S. Studying to Return to Gold
Standard**

6852. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased state :

(a) whether U.S. is studying to