

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:4358
ANSWERED ON:04.08.2009
NO DUES CERTIFICATE FOR LOAN
Reddy Shri K. Jayasurya Prakash

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government seeks 'No Dues Certificate' from the farmers who apply for loans;
- (b) if so, the details thereof and the reasons therefor, State-wise; and
- (c) the procedure followed in the case of online applications for loans in the country including Andhra Pradesh?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS)

(a): No, Madam. The Reserve Bank of India (RBI) has issued instructions to the Banks directing them to dispense with the requirement of 'No Dues Certificate' for small loans upto Rs.50000/- to small and marginal farmers, share croppers and the like and instead, obtain self-declaration from the borrowers.

(b): Does not arise.

(c): As per available information, Banks do not follow the system of online applications for farm loans in the country including Andhra Pradesh.