

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:1984  
ANSWERED ON:02.12.2011  
AGRICULTURAL LOANS BY BANKS  
Antony Shri Anto

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Banks are accepting gold as collateral security for agricultural loans;
- (b) if so, the details thereof alongwith the amount disbursed during each of the last three years, bank-wise and State-wise;
- (c) whether Government has received complaints against banks regarding non-payment of agricultural loans during this period;
- (d) if so, the details thereof and the action taken on such complaints by the Government?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a)to(d): As per extant guidelines, banks do not require collateral security for agricultural loans upto Rs. one lakh. Beyond this limit, there is no restriction on banks to accept collateral security for agricultural loans. The Bank-wise and State-wise details of the agricultural loans disbursed by banks by accepting gold as collateral security are not maintained by Reserve Bank of India (RBI). RBI has issued instructions to all banks for putting in place a four tier institutional arrangement consisting of (i) Customer Service Committee of the Board, (ii) Standing Committee on Customer Service, (iii) a nodal department/office for customer service at the Head Office and controlling Offices and (iv) a Customer Service Committee at the branch level. Complaints of various types, including complaints on agriculture lending by banks received by the Government are forwarded to the concerned Bank for redressal.