

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3933
ANSWERED ON:31.07.2009
AGRICULTURAL LOANS
Joshi Shri Mahesh

Will the Minister of FINANCE be pleased to state:

- (a) whether the cases of refusal to grant agricultural loans to the farmers by banks have come to the notice of Government during 2008-09 and the current year;
- (b) if so, the details thereof and the reasons therefor;
- (c) the action taken by the Government in this regard;
- (d) whether the banks are using the services of private companies for recovery of the agricultural loans;and
- (e) if so, the details thereof?

Answer

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

(a) to (c): No specific report has been received by the Government from the farmers about refusal of agricultural loans to them. The nationalised banks have a robust internal grievance redressal mechanism designed to address all customer complaints including those relating to availing of crop loans by the farmers, etc. Various instructions have been issued to banks from time to time in this regard

(d) & (e): The banks, in general, have been engaging the services of Recovery Agents for recovery of loans. In this regard, Reserve Bank of India has issued specific guidelines to banks for engaging the Recovery Agents, which inter-alia, include the process of appointment of Recovery Agents, methods to be followed by them, training for Recovery Agents and use of other means like Lok Adalats, Credit Counselors etc.