

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4747
ANSWERED ON:07.08.2009
DISBURSEMENT OF AGRICULTURAL LOAN
Sivasami Shri C.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes to take any action against the erring officials of nationalized banks for adopting corrupt practices in disbursing agricultural loan or not achieving the target fixed for disbursement of agricultural loan;
- (b) if so, the details thereof and if not, the reasons therefor;and
- (c) the corrective measures taken/ being taken by the Government in this regard?

Answer

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

(a) to (c): Reserve Bank of India (RBI) has reported to have received, in the past, a few complaints alleging that the employees of banks were not discharging their responsibilities properly while sanctioning/rescheduling/ writing off of advances. If the complainants give specific details of the allegations, they are looked into by Regional Offices of RBI during the Annual Financial Inspection (AFI) of the bank or through special scrutinies. Further, Reserve Bank of India as a part of its supervisory responsibility has been advising banks from time to time about the common corruption/fraud prone areas and the precautionary measures to be taken by them to prevent/reduce the incidence of corruption/fraud in banks.