

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:941
ANSWERED ON:10.07.2009
LOAN TO FARMERS
Reddy Shri Anantha Venkatarami

Will the Minister of FINANCE be pleased to state:

- (a) whether farmers are being asked to produce no dues certificate from other banks for procuring fresh loans from any nationalised bank;
- (b) if so, whether various banks have been collecting sums of money for issuing such no dues certificate and the farmer is incurring expenditure even before applying for a loan;
- (c) if so, the details thereof;
- (d) whether the Government has constituted any Committee in this regard;
- (e) if so, the details thereof and the main recommendations made therein; and
- (f) the action taken/proposed to be taken by the Government in this regard?

Answer

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

- (a) to (c): As per extant guidelines of Reserve Bank of India, loans upto Rs.50,000/- have been made collateral and margin free and the requirement of `No Dues Certificate` has been dispensed with.
- (d): No, Sir.
- (e) & (f): Do not arise.