

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:4102  
ANSWERED ON:05.09.2012  
ASSISTANCE TO SMALL FARMERS  
Choudhary Shri Bhudeo

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

- (a) whether the Government proposes to provide any assistance including bank loans to the small farmers whose crops have got ruined due to drought, floods and other types of natural calamities;
- (b) if so, the details thereof;
- (c) whether the attention of the Government has been drawn to the situation of those farmers who have not paid their loan installment due to failure of the crops; and
- (d) if so, the amount of financial assistance for which instructions are likely to be given to the banks for providing the same to these farmers along with the details thereof?

**Answer**

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

(a) to (d): In order to provide relief to bank borrowers in times of natural calamities, Reserve Bank of India has issued standing guidelines to banks. The guidelines, inter alia, contain directions to banks to ensure that the meetings of the District Consultative Committees or State Level Banker's Committees are convened at the earliest to evolve a co-ordinated action plan for implementation of the rehabilitation programme in coordination with the state/ district authorities. Banks have been advised to consider moratorium period of atleast one year in all cases of restructuring and not to insist for additional collateral security for such restructured loans. Asset classification for restructured loans will remain the same as prevalent at the time of restructuring for a period of one year. Banks are required to give adequate publicity to their relief arrangements. The rehabilitation measures, inter alia, include issuance of fresh loans for consumption and resumption of normal business as well as restructuring of existing loans.