

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4526
ANSWERED ON:21.02.2014
BANK LOAN
Ajmal Shri Badruddin

Will the Minister of FINANCE be pleased to state:

- (a) whether the people who have lost their lands due to floods including people residing in Char area of Assam are being provided loans by banks;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether the Government has received complaints about the denial of loans by banks to the flood affected people living in Char area of Assam; and
- (e) if so, the details thereof and the corrective steps taken or proposed to be taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) to (c) : In order to provide relief to borrowers in times of natural calamities, the Reserve Bank of India(RBI) and National Bank for Agriculture & Rural Development(NABARD) have issued standing guidelines for relief measures to be provided by respective lending institutions in areas affected by natural calamities which, inter alia, include identification of beneficiaries, extending fresh loans and restructuring of existing loans, relaxed security and margin norms etc. The moment calamity is declared by the concerned District Authorities, these Guidelines have been so designed that they are automatically set in motion without any intervention and this saves precious time.

The National Bank for Agriculture and Rural Development(NABARD) has reported that banks are providing crop loans to farmers whose lands are in Char areas in Assam. However, crop loans are not provided to the farmers if the land is washed away and beneficiary does not have any document as well as physical land in their possession.

(d) & (e) : Whenever any complaint relating to agriculture credit is received the same is taken up at appropriate level, for redressal thereof. However, no specific complaint about the denial of loans by banks to the flood affected people living in Char area of Assam has been reported to Government by RBI/NABARD.