

**Guidelines for relief measures by Banks in areas
affected by natural calamities**

RPCD.NO.PLFS.BC./ 2 / 05.04.02 /2002-2003

3 August 2002

All Scheduled Commercial Banks
(excluding RRBs)

Dear Sir,

**Guidelines for relief measures by Banks
in areas affected by natural calamities**

As you are aware, several parts of the country have been affected by drought and floods resulting in damage to crop and property. Banks are required to assess the situation and take immediate measures to provide appropriate relief to the affected persons.

2. In this connection, we invite a reference to our circular letter RPCD.NO. PS.BC.6/PS.126-84 dated 2nd August 1984 wherein detailed guidelines have been issued to the banks for providing relief to the affected persons without waiting for separate instructions from Reserve Bank of India each time. The above guidelines were further modified vide our circular RPCD.NO.PLFS.BC.128 / 05.04.02 /97-98 dated 20th June 1998 delegating more powers and discretion to banks in relation to operational aspects and in deciding upon the quantum of relief assistance to be provided to the affected farmers in respect of agricultural advances. The above instructions were reiterated vide our circular RPCD.NO.PLFS.BC. 37 /05.04.02 /1999-2000 dated 11th November 1999.

3. We shall be glad if you will take immediate action in terms of the standing guidelines as above in providing appropriate relief to the persons affected by natural calamities. The action taken by your bank in this regard may be advised to us immediately.

Please acknowledge receipt.

Yours faithfully,
(Smt. Vani J.Sharma)
Chief General Manager