

Government of India
Ministry of Finance

LOK SABHA
STARRED QUESTION NO- †*410
ANSWERED ON 22.07.2019/ASHADHA 31, 1941 (SAKA)

KISAN CREDIT CARDS

†*410 SHRI GIRIDHARI YADAV:
SHRI ASHOK MAHADEORAO NETE:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the eligibility rules/ criteria laid down by the Government for issue of the Kisan Credit Cards (KCC) to farmers;
- (b) the details of the various benefits provided to the KCC holders;
- (c) the number of complaints received by the Government regarding non-issue of KCC to the eligible farmers during each of the last three years, State/UT-wise;
- (d) the action taken by the Government in this regard and the outcome thereof so far; and
- (e) the number of KCCs issued till date and the number of cards targeted to be issued during the current year, State/UTwise?

ANSWER

THE MINISTER OF FINANCE
(SMT NIRMALA SITHARAMAN)

(a) to (e) : A Statement is laid on the Table of the House.

Statement referred in reply to parts (a) to (e) of Lok Sabha Starred Question No. †*410 to be answered on 22.07.2019 regarding Kisan Credit Cards by SHRI GIRIDHARI YADAV and SHRI ASHOK MAHADEORAO NETE:

(a) & (b): The Kisan Credit Card (KCC) scheme was introduced in 1998 for issue of KCC to farmers. The eligible beneficiaries include all Farmers – Individuals / Joint borrowers who are owner cultivators; Tenant Farmers, Oral Lessees & Share Croppers; Self Help Groups (SHGs) or Joint Liability Groups of Farmers including tenant farmers, share croppers etc. The scheme aims at providing adequate and timely credit support from the banking system which enables farmers to meet the short term credit requirements for cultivation of crops; Post-harvest expenses; Produce marketing loan; Consumption requirements of farmer household; Working capital for maintenance of farm assets and activities allied to agriculture; and Investment credit requirement for agriculture and allied activities. The scheme is implemented by Commercial Banks, Regional Rural Banks (RRBs), Small Finance Banks and Cooperative Banks.

The KCC Scheme has since been simplified and provides for issue of ATM enabled RuPay Debit Card, inter alia, with facilities of one-time documentation, built-in cost escalation in the limit, multiple delivery channels for drawal of the limit, any number of drawals within the limit, etc. The short term component of the KCC limit is in the nature of revolving cash credit facility.

The credit limit/ loan amount under KCCs is fixed by Banks as per guidelines prescribed in the Master Circular dated July 4, 2018 issued by RBI. The short term credit limit under KCC for the first year is determined based on Scale of Finance for the crop (as decided by District Level Technical Committee) x Extent of area cultivated + 10% of limit towards post-harvest/household/ consumption requirements + 20% of limit towards repairs and maintenance expenses of farm assets + crop insurance and/or accident insurance including personal accidental insurance scheme (PAIS), health insurance & asset insurance. The limit for second and subsequent years (3rd, 4th and 5th year) is arrived based on first year limit for crop cultivation purpose plus 10% of the limit towards cost escalation / increase in scale of finance and estimated term loan component for the tenure of KCC, i.e., five years. The short term loan limit arrived for the 5th year plus the estimated long term loan requirement will be the Maximum Permissible Limit (MPL) and is to be treated as the Kisan Credit Card limit.

Under the KCC Scheme, a flexible limit of `10,000 to `50,000 has been provided to marginal farmers (as Flexi KCC) based on the land holding and crops grown including post harvest warehouse storage related credit needs and other farm expenses, consumption needs, etc., plus small term loan investments without relating it to the value of land.

Farmers holding KCCs are eligible beneficiaries of the interest subvention scheme through which short term crop loans of upto `3 lakh are provided to farmers at an effective interest rate of 4% per annum. The benefits of KCC along with interest subvention have been extended to Animal Husbandry and Fisheries farmers.

In addition to availing the benefit of crop insurance scheme of the Central Government, the KCC holder has the option to avail the benefit of any type of asset insurance, accident insurance (including PAIS), health insurance (wherever product is available) and have premium paid through his/her KCC account.

(c) & (d): Data on specific nature of complaints, such as complaints regarding non issuing of KCC to eligible farmers, is not centrally maintained as reported by RBI and National Bank for Agriculture and Rural Development (NABARD). RBI has, however, informed that they have introduced Banking Ombudsman Scheme with an object of enabling resolution of complaints relating to services rendered by banks and to facilitate the satisfaction of settlement of such complaints. 22 offices of the Banking Ombudsman across the country receive complaints alleging deficiency in banking services under the ground of complaints prescribed in the Scheme. Complaints pertaining to 'delay in sanction, disbursement or non-observance of prescribed time schedule for disposal of loan applications' and 'non-acceptance of application for loans without furnishing valid reasons to the applicant' are covered under the said scheme.

(e): State-wise details of number of operative KCCs are given at Annexure.

Annexure to Lok Sabha SQ †*410 for 22.07.2019

State-wise Operative / Live KCCs

(No. in Actual)

Sr. No.	State / UT	Operative/Live KCCs
1	Andhra Pradesh	4,537,913
2	A & N Islands	9,041
3	Arunachal Pradesh	61,013
4	Assam	926,778
5	Bihar	2,750,634
6	Chandigarh	7,561
7	Chhattisgarh	1,438,740
8	Dadra & Nagar Havel	445
9	Daman & Diu	393
10	Goa	15,376
11	Gujarat	2,450,022
12	Haryana	2,118,450
13	Himachal Pradesh	316,783
14	Jammu & Kashmir	407,810
15	Jharkhand	988,118
16	Karnataka	4,022,885
17	Kerala	1,248,817
18	Lakshadweep	43,571
19	Madhya Pradesh	6,830,003
20	Maharashtra	5,841,226
21	Manipur	22,866
22	Meghalaya	87,308
23	Mizoram	21,675
24	Nagaland	114,345
25	New Delhi	3,987
26	Odisha	3,839,519
27	Puducherry	34,456
28	Punjab	2,025,906
29	Rajasthan	5,734,802
30	Sikkim	19,817
31	Tamil nadu	2,042,474
32	Telangana	3,951,003
33	Tripura	289,394
34	Uttar Pradesh	12,453,720
35	Uttarakhand	564,092
36	West Bengal	2,862,257
	TOTAL	68,083,200*

Source: RBI and NABARD

*The total number includes KCCs issued by Public & Private Sector Banks as on 31.03.2019 and by Cooperative Banks and Regional Rural Banks as on 31.01.2019.