

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:49  
ANSWERED ON:08.08.2012  
QUESTION ASSESSEMENT OF KCCS  
Lal Shri Kirodi

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

- (a) whether the Government has made any provision for assessment of Kisan Credit Card Scheme;
- (b) if so, the details thereof;
- (c) whether the Government proposes to make any change in due norms prescribed for providing loans under Credit Card Scheme;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

**Answer**

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

(a) to (e): The Kisan Credit Card has emerged as an innovative credit delivery mechanism to meet the production credit requirements of the farmers in a timely and hassle-free manner. The scheme has been under implementation in the entire country since 1998 involving Commercial Banks, Regional Rural Banks and Cooperatives Banks.

With a view to simplify and attune the Scheme to suit the current requirements of farmers and to facilitate issue of Electronic Kisan Credit Cards, a revised KCC scheme has been put in place in May 2012. The salient features of the scheme are as under:-

(i) The KCC limit will include crop loan portion, post harvest expenses, consumption requirements of farmers household, working capital for maintenance of farm assets and allied activities. The farmer would also be eligible for investment credit for agriculture and allied activities like pump sets, dairy animals etc.

(ii) All farmers i.e. Individuals/Joint borrowers who are owner cultivators, Tenant Farmers, Oral Lessees & Share Croppers are eligible for finance under KCC.

(iii) The short term component of the KCC limit is in the nature of revolving cash credit facility. There is no restriction in number of debits and credits. The drawing limit for the current season/year is allowed to be drawn using any of the delivery channels, such as Operations through branch, Operations using Cheque facility, withdrawal through ATM/Debit cards, Operations through Business Correspondents, Operation through PoS and Mobile based transfer transactions at agricultural input dealers.

(iv) Interest Subvention/Incentive for prompt repayment as advised by Government of India and/or State Governments.