

LOK SABHA

Unstarred Question No. 1155

Answered on Monday, December 11, 2023/Agrahayana 20, 1945 (Saka)

KISAN CREDIT CARD SCHEME

1155. SHRI P.C. MOHAN:

Will the Minister of FINANCE be pleased to state:

- (a) the current status of the Kisan Credit Card (KCC) Scheme;
- (b) the number of farmers, fishermen and live stock farmers who have been issued KCCs so far;
- (c) the total amount of loans disbursed under the KCC scheme;
- (d) the steps being taken to increase the penetration of the KCC scheme among farmers; and
- (e) the common reasons for the rejection of the KCCs to farmers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR. BHAGWAT KARAD)

(a) to (c): Kisan Credit Card Scheme which had been in operation since August 1998, has emerged as an innovative credit delivery mechanism to meet production credit requirement of farmers in a timely and hassle-free manner. The KCC Scheme has since been simplified by providing the farmers with ATM enabled debit card based on one-time documentation, multiple withdrawals within the limit and built-in cost escalation in the limit, etc. During 2018-19, KCC Scheme along with benefits of interest subvention has been extended to Animal Husbandry and Fisheries Farmers.

Under Interest Subvention Scheme, concessional interest rates are offered to farmers on loans up to ₹3 lakh for short-term crop and allied activity through KCC. The applicable lending rate to farmers and the rate of interest subvention for the financial years 2022-23 and 2023-24 is 7% and 1.5% per annum respectively.

Additional 3% prompt repayment incentive (PRI) is also given to the farmers for prompt and timely repayment of loans; thus, reducing the effective rate of interest to 4% per annum, subject to a maximum period of one year from the date of disbursement. The total number of operative KCC accounts of farmers, fishermen & live stockers alongwith amount outstanding is placed at Annexure I.

(d): The details of steps being taken to increase the penetration of the KCC scheme among farmers are placed at Annexure II.

(e): The common reasons for rejection of the KCC applications are:

- i. Defaulter applicant
- ii. Already having KCC with another bank

Total number of operative KCC accounts and amount outstanding as on 30th September, 2023

(Accounts in actual. Amount in Rs. crore)

Overall		Animal Husbandry		Fisheries	
No. of Operative Accounts	Amount Outstanding	No. of Operative Accounts	Amount Outstanding	No. of Operative Accounts	Amount Outstanding
7,44,77,917	9,17,532	26,20,378	30,034	1,04,856	3,203

Details of steps being taken to increase the penetration of the KCC scheme among farmers:

Over the years the GoI has undertaken various drives to ensure KCC coverage in saturation mode.

Phase-I: Department of Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture and Farmers' Welfare, Govt. of India, launched a campaign from 08.02.2020 to cover all PM Kisan Samman Scheme beneficiaries under Kisan Credit Cards. Adequate publicity and awareness campaigns were conducted under the campaign to ensure maximum coverage. During Phase-I, 12.57 lakh KCCs were issued by Cooperative Banks and RRBs with credit limit of Rs. 8,499.86 crore.

Phase-II: As part of the Atmanirbhar Bharat Package, the Government had announced coverage of 2.5 crore farmers under the Kisan Credit Card (KCC) scheme with a credit boost of Rs. 2 lakh crore through a special saturation drive. Department of Animal Husbandry and Dairying, Govt. of India also decided to simultaneously launch a special drive to provide KCC to 1.5 crore dairy farmers belonging to milk unions and milk producing companies and 1 crore fish farmers. During phase -II 1.32 crore KCCs were issued by Cooperative Banks and RRBs with credit limit of Rs.1,24,950.68 crore.

A short sprint campaign was also organized by Ministry of Agriculture & Farmers' Welfare from 26 April to 01 May 2022 to cover all PM Kisan beneficiaries. During this campaign 4.26 lakh KCCs were issued by Cooperative Banks and RRBs with a credit limit of Rs. 3,497.42 crore.

On 19 September 2023, the Hon'ble Minister of Finance & Corporate Affairs and the Hon'ble Minister of Agriculture & Farmers Welfare, Government of India, launched the "Ghar Ghar KCC Abhiyan". The campaign period is from 01 October 2023 to 31 December 2023 aiming to saturate all eligible non-KCC holder PM-KISAN beneficiaries with short-term agriculture loans through Kisan Credit Cards (KCC).