

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 1974

ANSWERED ON TUESDAY, 10 MARCH, 2026/ 19 PHALGUNA, 1947 (SAKA)

BAD LOANS ON THE KISAN CREDIT CARD

1974. SHRI K.R. SURESH REDDY:

Will the Minister of FINANCE be pleased to state:

- (a) whether there is a significant rise in Non-Performing Assets (NPAs) under the Kisan Credit Card (KCC) scheme, including an increase of over 40 per cent in bad loans in the last four years;
- (b) the reasons identified for this increase in overdue and defaulted KCC accounts;
- (c) the steps taken or proposed by Government to reduce NPAs in the KCC portfolio and ensure timely restructuring or relief for distressed farmers; and
- (d) whether Government plans to strengthen monitoring, risk assessment or support mechanisms to ensure the sustainability of the KCC scheme and protect farmers from falling into debt cycles?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (d): As reported by Reserve Bank of India (RBI) and National Bank for Agricultural and Rural Development (NABARD), there has been a consistent decline in share of Non-Performing Assets (NPAs) in Kisan Credit Card (KCC) accounts during the last four years. The agency-wise details are provided in the following table:

Agency type*	KCC NPA % as on			
	31 st March 2022	31 st March 2023	31 st March 2024	31 st March 2025
Scheduled Commercial Banks (SCBs)	15.1	14.9	13.9	13.9
Regional Rural Banks (RRBs)	8.0	6.9	3.4	4.4
Rural Cooperative Banks (RCBs)	5.4	5.1	4.9	5.1

*Data for RRBs and RCBs is for short-term agricultural loans including KCC loans

RBI allows banks to extend relief to distressed borrowers through various mechanisms such as loan restructuring, one-time settlement, compromise settlements etc. In addition, RBI has issued Master Directions on 17 October 2018 on relief measures by banks in areas affected by natural calamities, which, inter alia, provide for restructuring of loans by banks.
