GOVERNMENT OF INDIA

MINISTRY OF AGRICULTURE AND FARMERS WELFARE

DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

**RAJYA SABHA**
**UNSTARRED QUESTION No. 1447**
TO BE ANSWERED ON 31/07/2026

CHANGE IN PROVISIONS OF KCC

1447. Dr. Radha Mohan Das Agrawal:
Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether Government is making any changes in the provisions of Kisan Credit Card (KCC);and

(b) if so, the difference between the earlier and the new provisions and the benefits the farmers will get from these?

**ANSWER**

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
(SHRI RAMNATH THAKUR)

(a) & (b): The Reserve Bank of India issued consolidated instructions on the Kisan Credit Card (KCC) Scheme vide Reserve Bank of India (KCC) Directions, 2026 dated June 19, 2026 which is applicable to Commercial Banks, Regional Rural Banks, Small Finance Banks and Rural Cooperative Banks, which will be enforceable w.e.f. January 01, 2027. Further, some of the major enhancements incorporated in the aforesaid revised directions vis-à-vis those in the earlier KCC scheme, along with potential benefits to farmers availing KCC loans, are enclosed as Annexure-I.

**Annexure- I**

**Statement referred to part (a) to (b) of Rajya Sabha Question No. 1447 on "Change in Provisions of KCC" due for answer on 31.07.2026**

| Sl. No. | Earlier instructions | New Provisions | Benefit to farmers |
|---|---|---|---|
| 1. | Crop season duration was not specified. | Crop seasons have been standardized in terms of months i.e., short duration crops (12 months) and long duration crops (18 months). | (i) Uniformity in fixation of loan repayment date.<br>(ii) Ease in digitalization of the KCC product by banks. |
| 2. | KCC loan tenure was for 5 years. | The tenure of KCC loans has been extended from 5 years to 6 years. | Convenience to farmers raising long duration crops as the tenure of the KCC facility will be dovetailed with the crop season. |
| 3. | There was no provision for covering expenses related to technological interventions. | Eligible expenses relating to technological interventions have been brought within the scope of finance under KCC. | Farmers will be encouraged to utilize such technological interventions facilitating higher productivity. |
| 4. | There was a provision for 10% addition every year towards cost escalation/increase in | Drawing limit is fixed based on the actual Scale of Finance (SoF) prescribed for | Helps in curbing over financing |

| | | | |
|---|---|---|---|
| | Scale of Finance (SoF) of the concerned crop/s. | respective crops for the year/crop season. | |
| 5. | Eligibility for KCC for allied activities was based on specific criteria, and no indicative list of allied activities was provided. | Eligibility criteria for KCC for allied activities have been modified to include all types farmers/fishers engaging in allied activities. Further, an indicative list of allied activities has also been provided. | Facilitates increased flow of credit to allied activities. |
| 6. | Operations of KCC accounts were enabled through ATMs/Micro ATMs, Business Correspondents (BCs) using smart cards, PoS machines at input dealers, Mobile Banking (with IMPS)/IVR, and Aadhaar-enabled cards | The modes of operation of KCC accounts have been widened to cover UPI, mobile banking, internet banking, NEFT, RTGS, CBDC, etc. | Increase in digital payments through KCC accounts. |