

Government of India  
Ministry of Finance  
Department of Financial Services  
LOK SABHA  
Unstarred Question No. †4208  
To be answered on Friday, August 11, 2017/Shravana 20, 1939 (Saka)

### **Kisan Credit Cards**

†4208 SHRI MANOHAR UTAWAL

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has conducted any assessment on Kisan Credit Cards (KCCs) during the last three years;
- (b) if so, the details thereof;
- (c) whether the Government proposes to make any changes in KCCs criteria to provide loans and easy renewal of KCCs; and
- (d) if so, the details thereof?

### **Answer**

The Minister of State in the Ministry of Finance  
(Shri Santosh Kumar Gangwar)

(a) to (d): The Kisan Credit Card (KCC) Scheme was revisited in 2012 by a Working Group set up by Reserve Bank of India (RBI) with a view to simplify the scheme and facilitate issue of Electronic Kisan Credit Cards.

As per the revised KCC Scheme issued by RBI and National Bank for Agriculture and Rural Development (NABARD), loan disbursement for the short term component of KCC limit is in the nature of revolving cash credit facility with no restriction in number of debits and credits. Withdrawal through ATM/Debit Cards has been allowed as one of the delivery channels for drawal of the drawing limit.

Under the scheme, banks determine the validity period of KCC and its periodic review, which may result in continuation of the facility, enhancement of limit or cancellation of the limit/ withdrawal of the facility depending upon increase in cropping area/ pattern and performance of the borrower.

The Government has been closely monitoring the progress of conversion of KCCs to RuPay ATM cum Debit Kisan Credit Cards (RKCCs). The Government has decided that NABARD will coordinate the conversion of operative/live KCCs into RKCCs by Cooperative Banks and Regional Rural Banks (RRBs) in a mission mode. Conversion of KCCs into RKCCs will facilitate the farmers in undertaking financial transactions on digital platform. The use of RKCCs may increase the frequency of funds accessed by the farmer as there will be ease in withdrawing cash as and when required. This periodic withdrawal of small amounts will help in reducing the interest burden on the farmers and enable them to access credit as per their needs.