

O.I.H.

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION No. 3357
TO BE ANSWERED ON 21st March, 2023

LOANS TO KCC HOLDERS

3357. SHRIMATI GOMATI SAI:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the details of the amount of loans sanctioned for the Kisan Credit Card (KCC) holders particularly district-wise in Uttar Pradesh including Banda and Chitrakoot constituencies of Bundelkhand region;
- (b) whether the Government proposes to increase the loan amount for the said credit card holders in view of the increase in the expenditure of the farmers, if so, the details thereof, and if not, the reasons therefor;
- (c) whether the farmers have the option of repaying only the interest while repaying the outstanding amount of KCC holders to the banks; and
- (d) if not, whether the Government proposes to launch such provision of repayment and if so, the details thereof?

ANSWER

MINISTER OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a): The district-wise detail of loan sanctioned to the KCC holders is not maintained. However, total loan amount outstanding against operative KCCs in Uttar Pradesh upto Oct, 2022 is Rs. 115566.62 crore.

(b): As per the KCC Master Circular of RBI, the credit limit under KCC is decided as per following method:

The amount of credit limit provided is as per Scale of finance for the crop (as decided by District Level Technical Committee) x Extent of area cultivated + 10% of limit towards

post-harvest/household/ consumption requirements + 20% of limit towards repairs and maintenance expenses of farm assets + crop insurance and/or accident insurance including Personal Accidental Insurance Scheme (PAIS), health insurance & asset insurance. For second & subsequent years the calculation is as follows:- First year limit for crop cultivation purpose arrived at as above plus 10% of the limit towards cost escalation / increase in scale of finance for every successive year (2nd, 3rd, 4th and 5th year) and estimated term loan component for the tenure of Kisan Credit Card, i.e., five years. Hence, the maximum limit for KCC loan is not fixed and this takes into account the increase in expenses.

(c) & (d): The farmers are required to pay both the principal and interest amounts while repaying the outstanding amount to the banks. On timely repayment of loan amount farmers are given additional subvention of 3% per annum.
