

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO. 2348

ANSWERED ON MONDAY, DECEMBER 15, 2025/AGRAHAYANA 24, 1947 (SAKA)

Waiver for KCC loans

†2348. ADV. CHANDRA SHEKHAR:

SHRI HANUMAN BENIWAL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that the Indian Banking Association has advised waiving processing, documentation, inspection, ledger folio fees and other service charges for Kisan Credit Card (KCC) loans upto three lakh, keeping in view the financial hardship faced by small and marginal farmers, if so, the details thereof;
- (b) whether this advisory is being followed by banks, if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government proposes to make the said advisory mandatory in the interest of farmers and for strict compliance by the banks; and
- (d) if so, the details thereof?

ANSWER

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

(a) to (d) Indian Bank Association issued an advisory on 04 February 2019 and requested all the member banks to waive the processing, documentation, inspection and all other service charges for Kisan Credit Card (KCC)/crop loans upto ₹ 3 lakhs, keeping in view the hardship of small and marginal farmers.

However, in a deregulated credit environment, banks have been accorded the discretion to take credit related decisions, including levy of charges and fees, in terms of their Board approved policy subject to prudential norms of Reserve Bank of India (RBI). Accordingly, banks take decision on processing fee, inspection charges and other charges for KCC loans as per their respective Board approved policies and in accordance with the provisions of Master Circular on Kisan Credit Card (KCC) scheme dated 04.07.2018 issued by RBI.
