

Loan related Documents requirements:

- (a) Land /Farm records, Activity particulars
- (b) Kisan Card issued by State Govt. (if available)
- (c) KYC particulars like Aadhaar card, Voters ID, PAN card etc.
- (d) Documents related to Security (wherever security is provided)

Frequently Asked Questions (FAQs) in Kisan Credit Card (KCC) Scheme

Q.1) What is Kisan Credit Card (KCC) Scheme?

Kisan Credit Cards is a loan scheme to farmers for purchase agriculture inputs such as seeds, fertilizers, pesticides etc. and draw cash for their production needs.

Q.2) Can a KCC can be availed in nearest branch of the bank which is not in the service area?

Yes, KCC can be availed with any bank.

Q.3) What are the objective of KCC Scheme?

Scheme aims at providing adequate and timely credit to farmers.

To meet the short term credit requirements for cultivation of crops; Post-harvest expenses; Produce marketing loan; Consumption requirements of farmer household; Working capital for maintenance of farm assets and activities allied to agriculture; Investment credit requirement for agriculture and allied activities.

Q.4) I'm a farmer, but I don't own any land in my name. Whether I'm eligible for KCC?

Yes. Farmers - individual/joint borrowers who are owner cultivators; Tenant farmers, oral lessees & share croppers; Self Help Groups (SHGs) or Joint Liability Groups (JLGs) of farmers including tenant farmers, share croppers etc. are eligible to avail loan under KCC scheme.

Q.5) What is the tenure of the KCC Card?

The tenure of the KCC card is for 5 years.

Q.6) How will the quantum of finance will be arrived?

The KCC limit will be arrived for 5 years.

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 PAIS, health insurance & asset insurance.

Then every year, 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 will be calculated.

Q.7) Whether KCC can be availed for multiple crops?

Yes. In a single KCC accounts, loan for multiple crops can be availed.

Q.8) Can I avail Milch animal loan through KCC?

Yes. Milch animal loan can be availed through KCC.

Q.9) What about fishery loan?

Yes. Loan for fisheries can also be availed through KCC.

Q.10) What will be the tenure of my milch animal loan availed through KCC?

The long term loan limit should be based on the proposed investment(s) during the five year period and the bank's perception on the repaying capacity of the farmer.

Q.11) What is Interest Subvention?

Short term crop loans upto ₹ 3 lakh are covered under Interest Subvention Scheme/Prompt Repayment Incentive scheme of the Government of India.

Q.12) Can I get Interest Subvention for allied activities and fisheries?

Yes. Loans upto ₹ 2 lakh are covered under Interest Subvention.

Q.13) What is flexi KCC?

A flexible limit of ₹ 10, 000 to ₹ 50, 000 may be provided (as Flexi KCC) based on the land holding and crops grown including post-harvest warehouse storage related credit needs and other farm expenses, consumption needs, etc., plus small term loan investment(s) like purchase of farm equipment(s), establishing mini dairy/backyard poultry as per assessment of the Branch Manager without relating it to the value of land.

Q.14) What is the mode of operation of KCC account?

The short term component of the KCC limit is in the nature of revolving cash credit facility. There should be no restriction in number of debits and credits. The drawing limit for the current season/year could be allowed to be drawn using any of the following delivery channels.

- Operation through branch
- Operation using cheque facility
- Withdrawal through ATM /debit cards
- Operation through Business Correspondents and 'banking outlet/part-time banking outlet
- Operation through PoS available in Sugar Mills/Contract farming companies, etc., especially for tie-up advances
- Operations through PoS available with input dealers
- Mobile based transfer transactions at agricultural input dealers and mandies

Q.15) What is the Rate of Interest?

The rate of interest will be as stipulated in DBR Master Directions on Interest Rate on Advances.

Q.16) How the Repayment period will be fixed?

- The repayment period may be fixed by banks as per the anticipated harvesting and marketing period for the crops for which the loan has been granted.
- The term loan component will be normally repayable within a period of 5 years depending on the type of activity/investment as per the existing guidelines applicable for investment credit
- Financing banks may, at their discretion, provide longer repayment period for term loan depending on the type of investment

Q.17) What is the collateral that I need to give to avail KCC facility?

Collateral security may be obtained at the discretion of Bank for loan limits above ₹ 1.60 lakh in case of non-tie-up and above ₹ 3.00 lakh in case of tie-up advances.

Q.18) Is Aadhaar is mandatory for availing KCC loan facility?

No. Aadhaar is not mandatory for availing KCC loan facility. But to receive Interest subvention Aadhaar is mandatory.

Q.19) Whether I have to take compulsory crop Insurance under PMFBY/RWBCIS?

No. Crop insurance under PMFBY/RWBCIS is optional only.