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RESERVE BANK OF INDIA

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**Draft-Reserve Bank of India [Small Finance Banks - Kisan Credit Card (KCC)
Scheme] Directions, 2026**

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In exercise of the powers conferred under Section 21 and Section 35A of the Banking Regulation Act, 1949 and of all the powers enabling it in this behalf, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest and in the interest of banking policy to do so, hereby, issues the Directions hereinafter specified.

Chapter I: Preliminary

A. Short Title and Commencement

1. These Directions shall be called the Reserve Bank of India [Small Finance Banks-Kisan Credit Card (KCC) Scheme] Directions, 2026.
2. The Directions shall be applicable to all loans granted under the KCC Scheme from the date of issuance of this Master Direction. Existing loans sanctioned prior to the date of issuance of the Directions shall continue to be governed by the extant guidelines applicable before the issuance of these Directions. However, the Directions shall be applicable to such loans from the date of next review / renewal of the facility.

B. Objective

3. These Directions are issued with a view to laying down the framework for adequate and timely credit support from the banking system to be provided under the Kisan Credit Card (KCC) Scheme to meet the working capital and investment credit needs of borrowers engaged in agriculture and allied activities, through a composite facility, requiring simple and standard procedure.

C. Applicability

4. These Directions shall be applicable to Small Finance Banks, (hereinafter collectively referred to as 'banks' and individually as a 'bank')

D. Definitions/Clarifications

5. For the purpose of these Directions, unless the context or subject otherwise requires, the terms herein shall bear the meanings assigned to them as given below:

(1) "Crop season" means the period up to harvesting and marketing of the crops raised. Crop season for 'short duration crops' shall be considered as 12 months and for 'long duration crops' as 18 months.

(2) "Marginal farmer" means a farmer with landholding of upto one hectare.

(3) "Small farmer" means a farmer with landholding of more than one hectare and upto two hectares.

6. Words and expressions used herein and not defined in these Directions, but defined in the Reserve Bank of India Act, 1934 or the Banking Regulation Act, 1949, shall have the meanings assigned to them in those Acts.

Chapter II: Credit - Purpose, Tenure and Limit

E. Purpose and Tenure

7. Under the KCC Scheme, banks shall extend credit to the eligible borrowers for their farming and other needs as indicated below in the form of a composite facility with a tenure of six years:

- (1) Short term credit requirements for cultivation of crops
- (2) Short term credit requirements for allied activities, an indicative list of which is provided in the table below:

S.No	Allied activity	Purpose
(i)	Animal Husbandry	Rearing of dairy animals / poultry animals / small ruminants illustratively cattle, buffalo, camel, yak, mithun, goat, sheep, pig, rabbit and poultry bird etc.
(ii)	Fisheries & Aquaculture	Rearing and capturing of fish / shrimp / other aquatic organisms illustratively fish culture, composite / integrated fish culture, polyculture, raceways fish culture, sea cage culture, cage / pen culture in reservoir, wetland fisheries, ornamental fish farming, fish angling, fish seed rearing, saline water aquaculture (shrimp / fish), shrimp culture, prawn culture, pearl culture, crab culture, seaweed cultivation, aquaponics, bio-floc fish farming, bivalve culture and brackish water culture etc. and other production related activities concerned with inland / marine fisheries and aquaculture.
(iii)	Other allied activities	Production related activities concerned with sericulture, lac culture, beekeeping and similar other allied activities.

- (3) Post-harvest / post- production expenses
- (4) Consumption requirements of farmer household
- (5) Expenses for maintenance of assets related to agriculture and allied activities, soil testing, real time weather forecasts / other technological support services and organic / good agricultural practices or similar relevant certification
- (6) Crop insurance, accident insurance, health insurance and asset insurance

(7) Produce marketing loans

(8) Investment credit requirements for agriculture and allied activities

8. The aggregate of components at **(1) to (7)** above shall form the short-term credit limit portion of the composite facility and the component at **(8)** shall constitute the long-term credit limit portion of the facility.

9. The short-term credit limit fixed for the sixth year together with the estimated long-term credit limit shall be the Composite Maximum Permissible Limit (CMPL) and is to be treated as the Kisan Credit Card limit.

Note: Refer D of illustrations 1 and 2 given in the Annex I.

10. The short-term component of the KCC limit for the purposes of crop cultivation and allied activities shall be in the nature of revolving cash credit facility. There shall be no restriction on the number of debits and credits.

F. Working capital for cultivation of crops

11. Eligibility

The following shall be eligible to avail credit for working capital requirements for cultivation of crops:

- (1) Farmers (individual / joint borrowers), who are owner cultivators
- (2) Tenant farmers, oral lessees and sharecroppers
- (3) Self-Help Groups (SHGs) and Joint Liability Groups (JLGs) of farmers/cultivators including tenant farmers, oral lessees and sharecroppers.

12. Fixation of Drawing Limit

- (1) The drawing limit for each crop season shall be the sum total of the following:
 - (i) Scale of Finance (SoF) [as notified by State Level Technical Committee (SLTC)] for the respective crop/s for the current crop season multiplied by extent of area of cultivation
 - (ii) 10 per cent of (i) above towards post-harvest expenses and consumption requirements of household

- (iii) 20 per cent of (i) above towards repairs and maintenance of farm assets, soil testing, real time weather forecasts and other technological support services and organic / good agricultural practices certification
- (iv) Crop insurance, accident insurance, health insurance and asset insurance, if any.

(2) In case the cropping pattern adopted by the farmer changes for any subsequent season, the drawing limit shall be reworked by taking into consideration the crops proposed to be grown.

(3) In situations where the SoF has not been notified by SLTC for a particular crop season, at the time of the farmer availing the loan, the bank shall consider applying a 10 per cent notional hike over the SoF applicable for the previous season and determine the drawable limit for the ensuing season.

(4) At the time of sanction, the maximum permissible credit limit for the short-term crop loan shall be arrived at on a notional basis by adding 10 per cent to the limit of the previous crop season, from the second crop season onwards.

Note: Refer A (I), (II), (III) and (IV) of Illustrations 1 and 2 given in the Annex I.

(5) In case of marginal farmers, a flexible limit of ₹10,000 to ₹50,000 shall be provided (as Flexi KCC) based on the land holding and crops grown / being grown for their working capital and investment related credit needs as per the assessment of the bank. The composite KCC limit shall be fixed for a period of six years on this basis. Wherever higher limit is required due to change in cropping pattern and / or scale of finance, the limit shall be fixed as provided in paragraphs from 12(1) to 12(4) above.

13. Repayment Period

Banks shall fix the repayment period as per the crop season applicable.

G. Working Capital for Allied Activities

14. Eligibility

The following borrowers shall be eligible to avail credit for working capital requirements for allied activities.

(1) Animal husbandry farmers, fishers, fish farmers and farmers (including tenant farmers and sharecroppers), undertaking allied activities as per para 7(2) as individual / joint borrowers; and

(2) SHGs / JLGs of individuals as above.

15. Fixation of Drawing Limit

(1) Banks shall fix the drawing limits for allied activities based on the SoF [as notified by SLTC] for the respective activities and number of units (acre / unit / animal / bird etc.) by adopting the method analogous to that of working capital loans for cultivation of crops as indicated at paragraph 12 above.

Note: Refer B (I), (II), (III) and (IV) of Illustrations 1 and 2 given in the Annex I.

(2) The drawing power for the working capital limit for allied activities shall be determined based on the latest valuation of stocks, receivables and/or cash flows as per terms of sanction.

16. Repayment Period

Banks shall fix the repayment period as per the cash flow / income generation pattern of the activity undertaken by the borrower.

H. Investment Credit for Agriculture and Allied Activities

17. Eligibility

Beneficiaries specified in paragraph 11 and 14 above shall be eligible to avail investment credit for purposes related to agriculture and allied activities, illustratively:

- (1) land development,
- (2) minor irrigation,
- (3) purchase of farm / fishing etc. equipment,
- (4) construction of animal / bird shed,
- (5) purchase of livestock,
- (6) purchase of equipment related to allied activities, and
- (7) similar other purposes

18. Fixation of Limit

(1) The term loan limit shall be based on the proposed investment(s) during the tenure of the KCC facility and the bank's assessment of the repaying capacity of the borrower.

Note: Refer C (I), (II) and (III) of Illustrations 1 and 2 given in the Annex I.

(2) The draw down of instalments shall be allowed based on the nature of investment.

19. Repayment Period

The term-loan component shall be repayable within a period of six years depending on the type of activity / investment, as per the bank's credit policy applicable for investment credit.

Chapter III: General Instructions

I. Rate of Interest

20. The rate of interest shall be as stipulated in [Reserve Bank of India \(Small Finance Banks - Interest Rates on Advances\) Directions, 2025 dated November 28, 2025](#), as updated from time to time and as per other relevant guidelines issued in respect of charging interest on agricultural advances.

21. The periodicity of charging interest in respect of loans for short duration crops and allied activities shall be fixed by banks taking into consideration the cash flow pattern of borrowers and harvesting / marketing season. Banks may compound the interest if the loan / instalment becomes overdue.

22. In respect of loans for long duration crops, banks shall charge interest at annual rests.

23. In respect of short-term loans to small and marginal farmers, the total interest debited to an account should not exceed the principal amount.

24. Banks shall pay interest on the minimum credit balance in the cash credit account during the period from the 10th to the last day of each calendar month as stipulated in the [Reserve Bank of India \(Small Finance Banks - Interest Rates on Deposits\) Directions, 2025 dated November 28, 2025](#), as updated from time to time.

J. Collateral Security and Margin

25. Banks shall waive collateral security and margin requirements for agricultural loans including loans for allied activities upto ₹2 lakh per borrower. However, the voluntary pledge of gold and silver as collateral for agriculture loans up to the collateral-free limit will not be considered as a violation of the guidelines on collateral-free lending to the agriculture sector. Banks shall obtain and retain explicit declaration from the borrower in such cases.

26. Banks shall decide the collateral security and margin requirements for loans above ₹2 lakh as per their credit policy and in adherence with RBI guidelines issued from time to time.

27. In case of KCC loans against hypothecation of crops / stock and involving tie-up arrangements for recovery, banks may waive collateral security for loans up to a limit of ₹3 lakh.

K. Segregation of Limits

28. Considering the different interest rates and repayment schedules applicable to various types of credit provided under KCC, the facility may be divided into sub-limits for short-term cash credit limit-cum-savings accounts for crop cultivation and allied activities separately, and long term loan for agriculture and allied activities.

L. Monitoring of End Utilization

29. Banks shall ensure ongoing monitoring of the end use of the credit facility by the borrower as per the terms of sanction through field inspections and other means, as per their credit policy.

M. Review and Renewal

30. Banks shall undertake review and renewal of the short-term limits for crop cultivation and allied activities as per their credit policy.

N. Other instructions

31. Banks shall obtain a one-time documentation including land record / tenancy certificate / equivalent certificate as per their credit policy at the time of application for fresh loan. During the tenure of the facility, at the time of each review, the bank shall obtain declaration from the borrower(s) regarding proposed activity / activities.

32. In case of loans to sharecroppers and oral lessees, banks shall accept certificates provided by local administration / panchayati raj institutions regarding the cultivation of crops by such borrowers. Where there are difficulties in getting certification regarding identity and occupational status of sharecroppers and oral lessees, banks shall accept an affidavit submitted by such borrowers giving their occupational status (i.e. details of land tilled / crops grown), for loans upto ₹50,000.

33. Processing fees, inspection charges and other charges shall be as per the bank's policy on applicable charges and applicable regulatory guidelines, if any.

34. The KCC holder will have the option to avail any type of crop insurance, asset insurance, accident insurance (including Personal Accident Insurance Scheme) or health insurance and may pay the premium through the KCC account. Premium shall be borne by the farmer / bank according to the terms of the scheme. Beneficiaries shall be made aware of the insurance covers available, and their explicit consent shall be obtained, at the application stage itself.

35. In case insurance (crop insurance, asset insurance and personal accident insurance) is funded under the KCC facility, the same shall be assigned in favour of the lending bank.

36. Draw down of the limit shall be allowed as per the convenience of the farmer using any of the following delivery channels:

- (1) operation through banking outlet/part-time banking outlet (as defined in the [Reserve Bank of India \(Small Finance Banks - Branch Authorisation\) Directions, 2025 dated November 28, 2025](#)) and business correspondents
- (2) operation through ATMs /micro-ATMs / PoS terminals, etc. in an interoperable manner
- (3) mobile based transactions at agricultural input dealers and mandis
- (4) operation through any other permitted digital delivery channel

37. Banks shall enable operations in KCC accounts through Unified Payments Interface (for working capital credit), debit cards (as stipulated in [Reserve Bank of India \(Small Finance Banks – Credit Cards and Debit Cards: Issuance and Conduct\) Directions, 2025 dated November 28,2025](#)), mobile banking, internet banking, National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), Central Bank Digital Currency (CBDC) or any other regulated digital delivery channel, after obtaining explicit consent of the account holder.

38. In case the farmer applies for loan against the warehouse receipt of his produce, the bank shall consider such request as per the established procedure and guidelines. The loan extended to the farmer against warehouse receipts of produce shall be linked with the related short-term KCC loan, if any, and the outstanding amount in such loan shall be adjusted at the time of disbursement of the loan secured by warehouse receipt.

39. Banks shall adhere to the instructions regarding interest subvention and prompt repayment incentive on KCC loans, as applicable from time to time.

40. The extant prudential norms on income recognition, asset-classification and provisioning as stipulated in the [Reserve Bank of India \(Small Finance Banks – Income Recognition, Asset Classification and Provisioning\) Directions, 2025 dated November 28, 2025](#), as updated from time to time shall apply for loans granted under the KCC Scheme.

Chapter IV: Disclosure and Repeal Provisions

O. Data Reporting

41. Banks shall submit data on KCC loans as per the prescribed [reporting format](#), at quarterly intervals, within 15 working days from the end of the quarter.

P. Repeal

42. With the issue of these Directions, the Circulars / Master Circulars listed in the Appendix stand repealed.

43. All the repealed Circulars are deemed to have been in force prior to the coming into effect of these Directions.

Illustrations

Illustrative examples for assessment of Kisan Credit Card limit

Illustration 1 – Short duration crops (1 Crop Season = 12 months)

(A) Working capital for crop cultivation

I. Assumptions:

- i) Land Holding: 2 acres
- ii) Cropping Pattern

SI No	Crop	Season	Cropped area (in acre)
a	Paddy	Kharif	2
b	Wheat	Rabi	2

- iii) Scale of Finance (SoF) notified by State Level Technical Committee

(per acre)

Crop season	1	2	3	4	5	6
Paddy	₹15,000	₹16,000	₹17,000	₹18,000	₹20,000	₹21,500
Wheat	₹20,000	₹21,000	₹22,000	₹24,000	₹27,000	₹29,000

- iv) Cost of insurance

Crop season	1	2	3	4	5	6
Actual cost	₹2,000	₹2,100	₹2,200	₹2,350	₹2,650	₹2,850

II. Assessment of drawing limit:

Crop to be grown	Land Holding (in acres)	Season	Scale of Finance per acre	Eligible loan amount
(a)	(b)	(c)	(d)	(e) = (b) X (d)
Paddy	2	Kharif	15,000	₹30,000
Wheat	2	Rabi	20,000	₹40,000
Sub-total (A)				₹70,000

ii	Add: Towards post-harvest and consumption requirements of farmer household (10 per cent of the total limit)	₹7,000
iii	Add: Towards repairs and maintenance expenses of farm assets, expenses for technological interventions involved in crop cultivation and organic/good agricultural practices certification (20 per cent of the total limit)	₹14,000
iv	Add: Cost of insurance, if any.	₹2,000
Sub-total (B)		₹ 23,000

III. Maximum Permissible Limit (for documentation purpose)

Crop season	Calculation	Loan limit
1	Crop Loan Limit – 1st Season [Sub-total (A) + (B)]	₹93,000
2	Add: 10% of the previous season's limit towards cost escalation	₹1,02,300
3	Add: 10% of the previous season's limit towards cost escalation	₹1,12,530
4	Add: 10% of the previous season's limit towards cost escalation	₹1,23,783
5	Add: 10% of the previous season's limit towards cost escalation	₹1,36,161*
6	Add: 10% of the previous season's limit towards cost escalation	₹1,49,777*

*amount rounded off

IV. Drawing limit for subsequent seasons

Crop Season	Calculation	Drawing limit
1	Drawing Limit- 1st Season [Sub-total (A) + (B)]	₹93,000
2	= 74,000 (2 acre × 16,000 + 2 acre × 21,000) + 10% + 20% + 2,100 (Cost of insurance)	₹98,300
3	= 78,000 (2 acre × 17,000 + 2 acre × 22,000) + 10% + 20% + 2,200 (Cost of insurance)	₹1,03,600
4	= 84,000 (2 acre × 18,000 + 2 acre × 24,000) + 10% + 20% + 2,350 (Cost of insurance)	₹1,11,550
5	= 94,000 (2 acre × 20,000 + 2 acre × 27,000) + 10% + 20% + 2,650 (Cost of insurance)	₹1,24,850
6	= 1,01,000 (2 acre × 21,500 + 2 acre × 29,000) + 10% + 20% + 2,850 (Cost of insurance)	₹1,34,150

(B) Working capital for allied activities

I. Assumptions:

- (i) Proposed activity: Dairy

Livestock owned	No. of units	Scale of Finance per unit
a	b	c
Cross Breed Cow	1+1=2	₹7,000

- The above assessment is an illustration. The assessment of the KCC limit for allied activities will vary depending on the type of activity undertaken. Banks shall refer to the Scale of Finance approved by the State Level Technical Committee for determining the KCC limit.

(ii) Scale of Finance notified by State Level Technical Committee

Year	1	2	3	4	5	6
SoF	₹7,000	₹7,500	₹8,000	₹8,600	₹9,500	₹10,200

(iii) Cost of insurance

Year	1	2	3	4	5	6
Cost	₹400	₹450	₹500	₹550	₹600	₹650

II. Assessment of drawing limit

Livestock owned	No. of units	Scale of Finance per unit	Eligible loan amount
a	b	c	d = bXc
Cross Breed Cow	1+1=2	₹7,000	₹14,000
Sub-total (A)			₹14,000

ii	Add: Towards post-production and consumption requirements [*] of farmer household (10 per cent of the total limit)	₹1,400
iii	Add: Towards repairs and maintenance expenses for related assets, expenses for technological interventions as applicable in and organic or such other relevant certification, if any (20 per cent of the total limit)	₹2,800
iv	Add: Cost of insurance, if any [#]	₹400
Sub-total (B)		₹4,600

*If a borrower avails KCC loan for both agriculture and allied activities, consumption requirements shall be covered only in any one category and not both.

#If a borrower avails KCC loan for both agriculture and allied activities, distinct forms of insurance coverage are to be reckoned only once each.

III. Maximum Permissible Limit (for documentation purpose)

Year	Calculation	Limit
1	Loan limit for 1 st year	₹18,600
2	Add: 10% of the previous year limit towards cost escalation	₹20,460
3	Add: 10% of the previous year limit towards cost escalation	₹22,506
4	Add: 10% of the previous year limit towards cost escalation	₹24,757*
5	Add: 10% of the previous year limit towards cost escalation	₹27,233*
6	Add: 10% of the previous year limit towards cost escalation	₹29,956*

*amount rounded off

IV. Drawing limit for subsequent seasons

Year	Calculation	Drawing Limit
1	Drawing Limit – 1st Cycle [(A) + (B)]	₹18,600
2	= ₹15,000 (SoF notified by SLTC × 2 units involved) + 10% + 20% + ₹450 (Cost of insurance)	₹19,950
3	= ₹16,000 (SoF notified by SLTC × 2 units involved) + 10% + 20% + ₹500 (Cost of insurance)	₹21,300
4	= ₹17,200 (SoF notified by SLTC × 2 units involved) + 10% + 20% + ₹550 (Cost of insurance)	₹22,910
5	= ₹19,000 (SoF notified by SLTC × 2 units involved) + 10% + 20% + ₹600 (Cost of insurance)	₹25,300
6	= ₹20,400 (SoF notified by SLTC × 2 units involved) + 10% + 20% + ₹650 (Cost of insurance)	₹27,170

(C) Investment credit for Agriculture and Allied Activities

I. Assumptions:

- Replacement of Pump set in 2nd year (Unit cost ₹50,000)
- Establishment of 1+1 Dairy Unit in 3rd year (Unit cost ₹50,000 per animal)

II. Disbursement

Year	Particulars	No of units	Cost per Unit	Total Cost
2 nd Year	Replacement of Pump set	1	₹50,000	₹50,000
3 rd Year	Cost of 1+1 Dairy Unit	1+1=2	₹50,000	₹1,00,000
Total term loan Component				₹1,50,000

III. Maximum permissible limit: ₹1,50,000

(D) Composite Maximum permissible KCC limit for 6th year (for documentation purpose)

A	Working capital for crop cultivation [A (III)]	₹1,49,777
B	Working capital for allied activities [B (III)]	₹29,956
C	Investment credit (Term loan) [C (III)]	₹1,50,000
	Composite KCC Limit	₹3,29,733

Illustration 2 – Long duration crops (1 crop season = 18 months)

(A) Working capital for crop cultivation

I. Assumptions:

- i. Land Holding: 2 acres
- ii. Cropping Pattern

Sr. No.	Crop	Cropped area (in Acre)	Scale of Finance per acre
a	Sugarcane	2	₹50,000

iii. SoF notified by State Level Technical Committee

(per acre)

Crop season	1	2	3	4
Sugarcane	₹50,000	₹52,000	₹55,000	₹60,500

iv. Cost of insurance

Crop season	1	2	3	4
Actual cost	₹3,000	₹3,500	₹4,000	₹4,500

II. Assessment of drawing limit

Crop to be grown	Land Holding (in acres)	Scale of Finance per acre	Eligible loan amount
(a)	(b)	(c)	(d) = (b) X (c)
Sugarcane	2	₹50,000	₹1,00,000
Sub-total (A)			₹1,00,000

ii	Add: Towards post-harvest and consumption requirements of farmer household (10 per cent of the total limit)	₹10,000
iii	Add: Towards repairs and maintenance expenses of farm assets, expenses for technological interventions involved in crop cultivation and organic/good agricultural practices certification (20 per cent of the total limit)	₹20,000
iv	Add: Cost of insurance, if any.	₹3,000
	Sub-total (B)	₹33,000
Drawing Limit – 1st Crop Season [(A) + (B)]		₹1,33,000

III. Maximum Permissible Limit (for documentation purpose)

Crop Season	Calculation	Loan limit
1	Crop Loan Limit – 1 st Cropping Season [Sub-total (A) + (B)]	₹1,33,000
2	Add: 10% of the previous season's limit towards cost escalation	₹1,46,300
3	Add: 10% of the previous season's limit towards cost escalation	₹1,60,930
4	Add: 10% of the previous season's limit towards cost escalation	₹1,77,023

*amount rounded off

IV. Drawing limit for subsequent seasons

Crop season	Calculation	Drawing limit
1.	Drawing Limit – 1 st Crop Season [(A) + (B)]	₹1,33,000
2	= ₹1,04,000 (2 acre × ₹52,000) + 10% + 20% + ₹3,500 (Cost of insurance)	₹1,38,700
3	= ₹1,10,000 (2 acre × ₹55,000) + 10% + 20% + ₹4,000 (Cost of insurance)	₹1,47,000
4	= ₹1,21,000 (2 acre × ₹60,500) + 10% + 20% + ₹4,500 (Cost of insurance)	₹1,61,800

(B) Working capital for allied activities

I. Assumptions:

- (i) Proposed activity: Fish culture (in ponds)

Asset owned	No. of units (acre)	Scale of Finance per acre
a	b	c
Pond (1 acre)	1 acre	₹2,00,000

- The above assessment is an illustration. The assessment of the KCC limit for allied activities will vary depending on the type of activity undertaken. Banks shall refer to the Scale of Finance approved by the State Level Technical Committee for determining the KCC limit.
- Scale of Finance notified by State Level Technical Committee per unit to cover recurring expenses illustratively seed, feed, labour, and maintenance etc.

Year	1	2	3	4	5	6
SoF	₹2,00,000	₹2,08,000	₹2,20,000	₹2,35,000	₹2,50,000	₹2,60,000

(iii) Cost of Insurance

Year	1	2	3	4	5	6
Cost	₹4,500	₹4,800	₹5,200	₹5,600	₹6,100	₹6,600

II. Assessment of drawing limit

Asset owned	No. of units	Scale of Finance per unit (acre)	Eligible loan amount
a	b	c	d = b X c
Pond	1 acre	₹2,00,000	₹2,00,000
Sub-total (A)			₹2,00,000

ii	Add: Towards post-production and consumption requirements* of farmer household (10 per cent of the total limit)	₹20,000
iii	Add: Towards repairs and maintenance expenses for related assets, expenses for technological interventions as applicable and organic or such other relevant certification, if any (20 per cent of the total limit)	₹40,000
iv	Add: Cost of insurance, if any [#]	₹4,500
Sub-total (B)		₹64,500

*If a borrower avails KCC loan for both agriculture and allied activities, consumption requirements shall be covered only in any one category and not both.

[#]If a borrower avails KCC loan for both agriculture and allied activities, distinct forms of insurance coverage are to be reckoned only once each.

III. Maximum Permissible Limit (for documentation purpose)

Year	Calculation	Limit
1	Loan limit for 1st year	₹2,64,500
2	Add: 10% of the previous year limit towards cost escalation	₹2,90,950
3	Add: 10% of the previous year limit towards cost escalation	₹3,20,045
4	Add: 10% of the previous year limit towards cost escalation	₹3,52,050*
5	Add: 10% of the previous year limit towards cost escalation	₹3,87,255
6	Add: 10% of the previous year limit towards cost escalation	₹4,25,981*

*amount rounded off

IV. Drawing limit for subsequent seasons

Year	Calculation	Drawing Limit
1	Drawing Limit – 1st Cycle [(A) + (B)]	₹2,64,500

2	= ₹2,08,000 (SoF notified by SLTC × 1 unit involved) + 10% + 20% + ₹4,800 (Cost of insurance)	₹2,75,200
3	= ₹2,20,000 (SoF notified by SLTC × 1 unit involved) + 10% + 20% + ₹5,200 (Cost of insurance)	₹2,91,200
4	= ₹2,35,000 (SoF notified by SLTC × 1 unit involved) + 10% + 20% + ₹5,600 (Cost of insurance)	₹3,11,100
5	= ₹2,50,000 (SoF notified by SLTC × 1 unit involved) + 10% + 20% + ₹6,100 (Cost of insurance)	₹3,31,100
6	= ₹2,60,000 (SoF notified by SLTC × 1 unit involved) + 10% + 20% + ₹6,600 (Cost of insurance)	₹3,44,600

(C) Investment credit for Agriculture and Allied Activities

I. Assumptions

- a) Purchase of Harvester in 2nd year (cost ₹1,50,000)
- b) Renovation of pond in 3rd year (cost ₹50,000)

II. Disbursement

Year	Particulars	Total Cost
2 nd Year	Purchase of Harvester	₹1,50,000
3 rd Year	Renovation of pond	₹50,000
Total term loan Component		₹2,00,000

III. Maximum permissible limit: ₹2,00,000

(D) Composite Maximum permissible KCC limit for 6th year (for documentation purpose)

A	Working capital for crop cultivation [A (III)]	₹1,77,023
B	Working capital for allied activities [B (III)]	₹4,25,981
C	Investment credit (term loan) [C (III)]	₹2,00,000
Composite KCC Limit		₹8,03,004

Appendix

List of circulars repealed with the issuance of Master Direction

Sr. No.	Circular No.	Date	Subject
1	<u>RPCD.No.PLFS.BC.20/05.05.09/98-99</u>	05.08.1998	Kisan Credit Cards
2	<u>RPCD.PLNFS.No.BC.99/05.05.09/99-2000</u>	06.06.2000	Kisan Credit Card Scheme – Modification
3	<u>RPCD.No.PLFS.BC.63/05.05.09/2000-01</u>	03.03.2001	Kisan Credit Cards
4	<u>RPCD.PLFS.BC.No.1/05.05.09/2000-01</u>	02.07.2001	Kisan Credit Card Scheme – Master Policy on Personal Accident Insurance Scheme for KCC Holders
5	<u>RPCD.PLFS.BC.No.64/05.05.09/2001-02</u>	28.02.2002	Kisan Credit Card
6	<u>RPCD.PLFS.BC.No.24/05.05.09/2004-05</u>	28.10.2004	Personal Accident Insurance Scheme (PAIS) For KCC holders – Renewal of Master Policy
7	<u>RPCD.PLFS.BC.No.38/05.05.09/2004-05</u>	04.10.2004	Scheme to Cover Term Loans for Agriculture & Allied Activities under KCC
8	<u>RPCD.PLFS.BC.No.58/05.05.09/2004-05</u>	08.11.2004	Personal Accident Insurance Scheme (PAIS) For KCC holders – Renewal of Master Policy – Clarification
9	<u>RPCD.PLFS.BC.No.8/05.05.09(PAIS)/2005-06</u>	05.07.2005	Personal Accident Insurance Scheme (PAIS) For KCC holders
10	<u>RPCD.FSD.BC.No.77/05.05.09/2011-12</u>	11.05.2012	Revised Kisan Credit Card (KCC) Scheme
11	<u>RPCD.FSD.BC.No.23/05.05.09/2012-13</u>	07.08.2012	Revised Kisan Credit Card (KCC) Scheme
12	<u>FIDD.FSD.BC.No.18/05.05.010/2016-17</u>	13.10.2016	Revised Kisan Credit Card (KCC) Scheme
13	<u>FIDD.CO.FSD.BC.No.7/05.05.010/2017-18</u>	03.07.2017	Master Circular - Kisan Credit Card (KCC) Scheme
14	<u>FIDD.CO.FSD.BC.No.6/05.05.010/2018-19</u>	04.07.2018	Master Circular - Kisan Credit Card (KCC) Scheme
15	<u>FIDD.CO.FSD.BC.12/05.05.010/2018-19</u>	04.02.2019	Kisan Credit Card (KCC) Scheme: Working Capital for Animal Husbandry and Fisheries
16	<u>FIDD.CO.FSD.BC.No.6/05.05.010/2022-23</u>	18.05.2022	Kisan Credit Card Scheme - Eligibility Criteria for Farmers Engaged in Fisheries/ Aquaculture