

KISAN CREDIT CARD

Kisan Credit Card (KCC) scheme is a credit scheme introduced in August 1998 by Indian banks. This model scheme was prepared by the [National Bank for Agriculture and Rural Development \(NABARD\)](#) on the recommendations of R.V.GUPTA committee^[1] to provide term loans for agricultural needs.

Its objective is to meet the comprehensive credit requirements of the agriculture sector and by 2019 for fisheries and animal husbandry by giving financial support to farmers. Participating institutions include all commercial banks, [Regional Rural Banks](#), and state co-operative banks. The scheme has short term credit limits for crops, and term loans. KCC credit holders are covered under personal accident insurance up to ₹50,000 for death and permanent disability, and up to ₹25,000 for other risk. The premium is borne by both the bank and borrower in a 2:1 ratio. The validity period is five years, with an option to extend for up to three more years. Kisan Credit Card (KCC) offering credit to the farmers in two types viz, 1. Cash Credit 2. Term Credit (for allied activities such as pump sets, land development, plantation, drip irrigations).

Individuals who meet the following requirements can get a Kisan Credit Card

Minimum age – 18 years.

Maximum age – 75 years at the end of loan tenure.

For borrowers above the age of 60, **co-borrower** less than 60 years old is mandatory

Farmers can take out a loan of up to Rs.3 lakh and also avail produce marketing loans.

- Assistance in the purchase of fertilizers, seeds, etc. as well as in availing cash discounts from merchants/ dealers.
- Credit is available for a period of up to 3 years and repayment can be made once the harvest season is over.
- No collateral will be required for loans amounting up to Rs.1.60 lak