

Illustration I

A. Small farmer cultivating multiple crops in a year

1. Assumptions

A. Land holding : 2 acres

B. Cropping Pattern

Paddy - 1 acre (Scale of finance plus crop insurance per acre : ₹.11000)

Sugarcane - 1 acre (Scale of finance plus crop insurance per acre : ₹.22,000)

C. Investment / Allied Activities

i Establishment of 1+1 Dairy Unit in 1st Year () (Unit Cost : ₹ 20,000 per animal)

ii Replacement of Pump set in 3rd year (Unit Cost : ₹.30,000)

2. (i) Crop loan Component

Cost of cultivation of 1 acre of Paddy and 1acre of Sugarcane (11,000+22,000) : ₹.33,000

Add : 10% towards post-harvest / household expense / consumption : ₹. 3,300

Add : 20% towards farm maintenance : ₹. 6,600

Total Crop Loan limit for 1st year : **₹. 42,900**

Loan Limit for 2nd year

Add : 10% of the limit towards cost escalation / increase in scale of finance (10% of 42900 i.e 4300) : ₹. 4,300

₹. 47,200

Loan Limit for 3rd year

Add : 10% of the limit towards cost escalation / increase in scale of finance (10% of 47,200 i.e., 4,700) : ₹. 4,700

₹. 51,900

Loan Limit for 4th year

Add : 10% of the limit towards cost escalation / increase in scale of finance (10% of 51,900 i.e 5,200) : ₹. 5,200

₹. 57,100

Loan Limit for 5th year

Add : 10% of the limit towards cost escalation / increase in scale of finance (10% of 57100 i.e 5700) : ₹. 5,700

₹. 62,800

Say(A) : ₹. 63,000

(ii) **Term loan component :**

1st Year : Cost of 1+1 Dairy Unit	:	₹. 40,000
3rd Year : Replacement of Pumpset :	:	₹. 30,000
Total term loan amount(B) :	₹. 70,000
Maximum Permissible Limit /	:	₹. 1,33,000
Kisan Credit Card Limit (A) +(B)	:	Rs. 1.33 lakh

Note: Drawing Limit will be reduced every year based on repayment schedule of the term loan(s) availed and withdrawals will be allowed up to the drawing limit.

B Other farmer cultivating multiple crops in a year

1. Assumptions :

2. Land Holding : 10 acres

3. Cropping Pattern :

Paddy - 5 acres (Scale of finance plus crop insurance per acre ₹.11,000) Followed by

Groundnut - 5 acres (Scale of finance plus crop insurance per acre ₹.10,000)

Sugarcane - 5 acres (Scale of finance plus crop insurance per acre ₹.22,000)

4. Investment / Allied Activities :

i. Establishment 1+1 Dairy Unit in 1st Year (Unit cost : ₹.50,000)

ii. Purchase of Tractor in 1st Year (Unit Cost : ₹.6,00,000)

2. **Assessment of Card Limit**

(i) **Crop loan Component**

Cost of cultivation of 5 acres of Paddy, 5 Acres of Groundnut and 5 acres of Sugarcane	:	₹ 2,15,000
Add : 10% towards post-harvest / household expense / consumption	:	₹ 21,500
Add : 20% towards farm maintenance	:	₹ 43,000
Total Crop Loan limit for 1st year	:	₹ 2,79,500
Loan Limit for 2nd year		
Add : 10% of the limit towards cost escalation / increase in scale of finance (10% of 2,79,500 i.e., 27,950)	:	₹ 27,950
	:	₹ 3,07,450

Loan Limit for 3rd year

Add : 10% of the limit towards cost escalation / increase :	₹ 30,750
in scale of finance (10% of 3,07,450 i.e., 30,750)	
:	₹ 3,38,200

Loan Limit for 4th year

Add : 10% of the limit towards cost escalation / increase :	₹ 33,800
in scale of finance (10% of 338200 i.e., 33,800)	
:	₹ 3,72,000

Loan Limit for 5th year

Add : 10% of the limit towards cost escalation / increase :	₹ 37,200
in scale of finance (10% of 3,72,000 i.e., 37,200)	
:	₹ 4,09,200

Say....	:	₹ 4,09,000
----------------	---	-------------------

(A)**(ii) Term loan component :**

1st Year : Cost of 1 +1 Dairy Unit	:	₹ 1,00,000
: Purchase of Tractor	:	₹ 6,00,000
Total term loan amount(B)	₹ 7,00,000

Maximum Permissible Limit /

Kisan Credit Card Limit (A) +(B)	:	₹ 11,09,000
---	---	--------------------

Drawing Limit will be reduced every year based on repayment schedule of the term loan(s) availed and withdrawals will be allowed up to the drawing limit.