

Deductions from KCC accounts for weather alerts

*192. SHRI RAVI PRAKASH VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether the SBI has collected a total of ₹ 1000 crore by deducting ₹ 990/- from each farmers' Kisan Credit Card (KCC) accounts for weather alerts without their consent during 2017-18;

(b) if so, the details thereof;

(c) the details of such deductions made by other Public Sector Banks (PSBs) during the last three years, PSB-wise and year-wise;

(d) whether Government would initiate inquiry into these deductions; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI ARUN JAITLEY): (a) and (b) State Bank of India (SBI) has reported that they had a national level Memorandum of Understanding (MoU) with Reuters Markets Light Information Services Private Limited (RML) under which the company provided various SMS-based and App-based agriculture-related information services including weather related information to farmers. The fee for farmers under this tie-up had been negotiated at ₹ 450/- and ₹ 999/- against normal fee of ₹ 1000/- and ₹ 2500/- respectively. Out of 60.24 lakh Kisan Credit Cards (KCCs), only 1.62 lakh farmers availed this service and the total amount collected was ₹ 13.18 crore. Out of the 1.62 lakh KCC farmers, who had availed this service, written consent was not available in case of 7636 farmers amounting to ₹ 68.04 Lakh. SBI has ensured refund of full amount in all these 7636 accounts. The Agreement with RML was terminated by the SBI in March 2017. SBI has further reported that it has not deducted any amount from any farmer's accounts without consent during 2017-18.

(c) to (e) Punjab National Bank (PNB) has reported that it had signed an MoU with RML on 18.07.2014 for providing agriculture credit related services to farmers and collected a total sum of ₹ 98,375 from 207 KCC accounts on voluntary basis during 2015-16 for such services. The MoU expired on 18.07.2016 and was not renewed by PNB.

All other Public Sector Banks have reported that they have not deducted any amount from farmers Kisan Credit Card accounts for weather alerts etc. during the last three years.