

Government of India
Ministry of Finance
Department of Financial Services

RAJYA SABHA
UNSTARRED QUESTION NO. 2012

ANSWERED ON TUESDAY, MARCH 18, 2025/ 27 PHALGUNA, 1946 (SAKA)

Short term loans through KCC

2012 # Smt. Darshana Singh:

Will the Minister of *Finance* be pleased to state:

- (a) the number of Kisan Credit Card (KCC) holders in the country;
- (b) the details of agricultural activities eligible for subsidized short-term agricultural loans under the Modified Interest Subvention Scheme (MISS);
- (c) whether short-term agricultural loans under MISS available to all categories of farmers; and
- (d) whether Government proposes to reduce interest rates or increase subsidy rates under MISS?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): As per information provided by Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD), there are 7.72 crore operative Kisan Credit Card (KCC) accounts in the country as on 31.12.2024.

(b) and (c): As per RBI circular dated August 06, 2024 on Modified Interest Subvention Scheme (MISS) for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial year 2024-25, short term crop loans and short term loans for allied activities including animal husbandry, dairy, fisheries, bee keeping etc. are eligible for interest subvention benefits under MISS.

(d): Government of India under MISS provides Interest Subvention of 1.5% for providing short-term working capital loans upto Rs. 3 lakh at 7% p.a. Further, a Prompt Repayment Incentive of 3% is also provided to farmers on timely repayment of loans. Therefore, effective interest rate for farmers is 4%. In the Union Budget 2025-26, the Government has announced to enhance loan limit under the MISS from Rs. 3 lakh to Rs. 5 lakh for loans taken through the KCC.
