

**GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION**

**LOK SABHA  
UNSTARRED QUESTION NO. 1588  
ANSWERED ON 29.07.2025**

**KISAN CREDIT CARDS TO COOPERATIVE SOCIETIES**

**1588. Shri Shankar Lalwani:**

Will the Minister of Cooperation (सहकारिता मंत्री) be pleased to state:

- (a); whether Kisan Credit Cards are now being distributed to the members of cooperative societies under a campaign;
- (b); if so, the details thereof; and
- (c); the manner in which the RuPay Kisan Credit Card is likely to provide financial benefits to the Members?

**ANSWER**

**THE MINISTER OF COOPERATION**

**सहकारिता मंत्री (SHRI AMIT SHAH)**

(a) to (b); Yes Sir. To achieve the prosperity in the country through the mantra of “Sahakar Se Samriddhi” given by the Prime Minister, a pilot project to promote ‘Cooperation among Cooperatives’ was launched on 21st May, 2023 in Banaskantha and Panchmahal Districts of Gujarat. After the success of the pilot project, a statewide campaign on ‘Cooperation among Cooperatives’ was launched in all the districts of Gujarat on January 15, 2024. Based on the experiences of the pilot project, a Standard Operating Procedure (SOP) for nationwide implementation of the campaign was issued on 19.09.2024.

One of the objectives of the Campaign is distribution of RuPay Kisan Credit Cards (KCC) to all members of Primary Agricultural Credit Societies (PACS), Primary Dairy Cooperative Societies (PDCS) and other cooperative societies to provide concessional loan facility to them at zero or low interest rate (interest subvention).

(c) The RuPay Kisan Credit Card (KCC) enables easy access to short-term credit for agricultural needs, facilitates digital transactions, reduces dependency on cash and informal lenders, and allows farmers to avail interest subvention benefits under

government schemes, all while promoting financial inclusion through a secure and interoperable payment platform.

Interest subvention under the Kisan Credit Card (KCC) scheme provides direct financial benefits to members of cooperative societies by reducing the cost of borrowing for agricultural and allied activities. The Central Government provides an interest subvention of 1.5%. In addition, farmers who repay the loan on or before the due date get another 3% subvention as a prompt repayment incentive given by Government of India. This brings down the effective interest rate to 4% only.

Certain States provide further interest subvention that cover the remaining interest of 4%. As a result, farmers who repay loans on time effectively pay 0% interest on loans up to ₹3 lakh, making credit through Primary Agricultural Credit Societies completely interest-free in such cases.

This significantly reduces their interest burden, promotes timely repayment, enhances access to affordable institutional credit, and enables greater investment in farming inputs, thereby improving their productivity and income.