

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE
LOK SABHA
UNSTARRED QUESTION NO-2734
TO BE ANSWERED ON 05th August, 2025

Credit Access under PMDDKY

2734. Adv. Chandra Shekhar:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) the measures to ensure credit access for SC/ST/OBC farmers under PMDDKY;
- (b) the details of PMDDKY's caste-specific impacts on SC/ST/OBC farmer's income and productivity, why disaggregated evaluations absent, what plans exist for independent studies assessing outcomes for these communities;
- (c) the manner in which recent KCC loan limit increase benefit these communities and the expected outcomes;
- (d) the steps taken to monitor progress to prevent capture of the scheme by elite farmers;
- (e) the manner in which PMDDKY through targeted interventions address the credit access challenges faced by SC/ST/OBC farmers;
- (f) the steps taken to address concerns about inequitable benefit distribution and rising input costs;
- (g) the details of caste-specific assessment, whereby PMDDKY supports marginalized farmers;
- (h) the details of specific inclusion strategies, to support marginalized farmers who form 86% of India's small farmers; and
- (i) the details of mechanisms to prevent fund diversion and address landlessness, discriminatory lending, and limited technology access faced by SC/ST/OBC farmers?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) to (i): The Union Cabinet approved the Prime Minister Dhan-Dhaanya Krishi Yojana (PMDDKY) on 16th July, 2025 to cover 100 districts. Implementation of the scheme is being done through convergence of appropriate schemes. Prime Minister Dhan-Dhaanya Krishi Yojana aims to enhance agricultural productivity, increase adoption of crop diversification and sustainable agricultural practices, augment post-harvest storage at the panchayat and block levels, improve irrigation facilities and facilitate availability of long-term and short-term credit.

The Government is implementing a 100% centrally funded Central Sector Scheme known as the Modified Interest Subvention Scheme (MISS) across various States and UTs in pan India. This scheme aims to provide concessional interest rates on short-term agricultural loans obtained by farmers through Kisan Credit Cards (KCC) for their working capital requirements.

Along with other schemes, Modified Interest Subvention Scheme (MISS)/Kisan Credit Card (KCC) is one of the schemes converged under the PM-DDKY to ensure credit access to the farmers.

Under MISS/KCC scheme, farmers (including SC/ST/OBC/ landless and small & marginal farmers) receive KCC loans at a subsidized interest rate of 7%. To facilitate this, an up front interest subvention (IS) of 1.5% is provided to financial institutions. Additionally, farmers who repay their loans promptly receive a 3% Prompt Repayment Incentive (PRI), effectively reducing the interest rate to 4% per annum. the Interest Subvention (IS)/ Prompt Repayment Incentive (PRI) benefit under MISS is limited to Rs. 3 lakh with a limit of Rs 2 lakh for the loan taken for allied activities (viz., Animal Husbandry / Dairy/ Poultry/ Fisheries) only. MISS is a demand driven scheme and benefit is available to all farmers.

To facilitate easy access to Small and Marginal Farmers (SMF), the RBI has recently increased collateral free loan limit in KCC for existing Rs 1.6 lakh to Rs 2 lakh w.e.f., 01.01.2025.
