CENTRAL SECTOR SCHEME FOR "FINANCING FACILITY UNDER AGRICULTURE INFRASTRUCTURE FUND" (AIF)

- **Objective of Scheme –** To mobilize a medium- long term debt finances facility for investment in viable projects for post- harvest management infrastructure and community farming assets through incentives and financial support in order to improve agriculture infrastructure in the country.

- **Eligible Beneficiaries –** Primary Agricultural Credit Societies (PACS), Marketing Cooperative Societies, Farmer Producers Organizations (FPOs), Self Help Groups (SHGs), Joint Liability Groups (JLGs), Farmers, Multi-Purpose Cooperative Societies, Agri-entrepreneurs, Start-Ups and central/ state agency or local body sponsored Public Private Partnership Projects.
    - PACS who have adopted digitization for handling its operations will be given preference under the scheme.

- **Extent of Loan –** Need based. Limit will be decided on the basis of project cost and total financial outlay of the project.

- **Nature of facility –** Term loan

- **Eligible projects –** The scheme will facilitate setting up and modernization of key elements of the value chain including:

  a. Post-Harvest Management Projects like:
  Supply chain services including e-marketing platforms, Warehouse, silos, pack houses, assaying units, sorting & grading units, cold chains, logistics facilities, primary processing centers, ripening chambers.

  b. Viable projects for building community farming assets including:
  Organic inputs production, Bio- stimulant production units, infrastructure for smart and precision agriculture, projects identified for providing supply- chain infrastructure for clusters of crops including export clusters, projects promoted by central/ state/ local governments or their agencies under PPP for building community farming assets or post- harvest management projects.

- **Identification of beneficiaries and monitoring –** District level monitoring committee (DLMC) shall be the first line of implementation and monitoring system within overall government framework. DLMC will identify the beneficiaries to ensure viability of project and prepare viable project reports to support beneficiaries.

  State level monitoring committee and National Level monitoring committee shall also be in place to steer the implementation of the project at state and national level.

- **Rate of Interest –** ROI will be applicable in terms of bank's extant guidelines.

  a. Upto a limit of Rs. 2.00 Cr: MCLR (6 Months) + 1% (Subject to Max. 9%)

  b. More than Rs. 2.00 Cr: Linked to External Risk Rating (ERR) & Internal Risk Rating (IRR)

- **Interest Subvention –**

  a. All loans under this facility will have interest subvention of 3% per annum up to a limit of Rs. 2.00 Crores.

  b. The subvention will be available for a maximum period of 7 years.

  c. In case of loans beyond 2.00 Crores, the interest subvention will be limited up to 2 Crores.

d. Subvention will be allowed only till the account is under standard category. In case of accounts which have turned NPA, subvention will be allowed from the date of up gradation of account to standard category.
e. Interest subvention will be given from the date of first disbursal and from next year it will be applicable from 1st of the April every year upto 7 year for outstanding loan.

- **Margin –**

Limit up to	Margin (% of Project cost)
Up to Rs. 2.00 Cr	10%
>2 Cr to 10 Cr	15%
>10 Cr	25%

- **Repayment period –** The loan is to be repaid within a maximum period of 8- 10 years inclusive of moratorium period of 6 months to 2 years, on case to case basis depending upon the total financial outlay of the project.