



Agriculture Infrastructure Fund

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Why in News

Agriculture Infrastructure Fund has crossed the eight thousand crore mark. The investment will give a boost to several agricultural projects which will unlock value for farmers across the country.

Key Points

- It is a **central sector scheme**
- **Aim:**
 - To provide **medium - long term debt financing facility** for investment in viable projects **for post-harvest management Infrastructure** and community farming assets.
 - The funds will be provided for setting up of cold stores and chains, warehousing, grading and packaging units, e-marketing points linked to e-trading platforms, besides PPP projects for crop aggregation sponsored by central/state/local bodies.
- **Duration:** Financial Year **2020 to 2029.**

- **Features:**

- **Eligible Beneficiaries:**

- They are **Farmers, FPOs, PACS**, Marketing Cooperative Societies, SHGs, Joint Liability Groups (JLG), Multipurpose Cooperative Societies, Agri-entrepreneurs, Start-ups, and Central/State agency or Local Body sponsored Public-Private Partnership (PPP) Projects.

- **Financial Support: Rs. 1 Lakh Crore will be provided by banks and financial institutions as loans** to eligible beneficiaries.

- Moratorium for repayment may vary subject to minimum of 6 months and maximum of 2 years.

- **Interest Subvention:** Loans will have interest subvention of 3% per annum up to a limit of Rs. 2 crore. This subvention will be available for a maximum period of seven years.

- **CGTMSE Scheme:** A credit guarantee coverage will be available for eligible borrowers from the scheme under **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme** for a loan up to Rs. 2 crore.

Central Sector Scheme

- These schemes are 100% funded by the Central government.
- Implemented by the Central Government machinery.
- Formulated on subjects mainly from the Union List.
- E.g.: Bharatnet, Namami Gange-National Ganga Plan, etc.

Source: PIB