



Bee and Silkworm Farmers will get Interest Free Loan

Why In News?

On October 5, 2023, the Ministry of Agriculture Department of Chhattisgarh issued an order to provide an interest free loan facility to beekeeping and silkworm farming in the state in compliance with the announcement of Chief Minister Bhupesh Baghel.

Key Points:

- Under the order issued by the Ministry of Agricultural Development and Agricultural Welfare and Department of Biotechnology, institutional short-term and medium-term agricultural loans will be provided to bee and silkworm farmers in Chhattisgarh based on 'Interest Subsidy on Cooperative Loans to Farmers of the State Rules 2021'.
- It is noteworthy that under the centrally promoted Integrated Horticulture Mission, the unit cost of one unit of beekeeping has been fixed at Rs 2.31 lakh, in which 40 percent subsidy is given to the beneficiaries.
- In case of 100% fulfillment of the targets of beekeeping under the Integrated Horticulture Mission in the financial year, short-term agricultural loans will be given by banks and financial institutions to the pending applications as per the prescribed loan scale.
- The interest on cooperative loans to farmers of the state on the loans received by beekeepers through banks and other financial institutions will be borne by the Cooperative and Finance Department under the Subsidy Rules 2021. The maximum limit on the interest subsidy payable will be the same as in the main scheme.
- Similarly, silkworm farmers will get interest subsidies on institutional medium agricultural loans and subsidy on electricity charges like the farmers of the state.
- In the order issued, it has been clarified that under the Silk Samagra-2 scheme run by the Government of India, a total of 90 percent grant, including central share and state share, will be given to small and marginal category farmers rearing silkworms and 70 percent grant to other farmers.
- Loan approval will be given on the basis of a loan scale of Rs 5 lakh per acre for rearing silkworms on mulberry plants.
- In addition to the prescribed loan scale, the farmer category wise beneficiary share of the grant payable in Silk Samagra-2 will be approved as medium-term agricultural loan through banks and other financial institutions in the form of institutional loan at zero percent interest like agricultural crops.
- In case of 100% fulfillment of the targets given to the state under Silk Samagra-2 Scheme in the financial year, the pending applications will be provided medium term agricultural loan facility by the banks and financial institutions as per the prescribed loan scale and the loan received will be financed for 03 years. Nutrition will be borne by the Cooperative and Finance Department under the Interest Subsidy Rules 2021 on cooperative loans to the farmers of the state.
- All banks and financial institutions will sanction loans to farmers as per the norms set by the Government of India under the Silk Samagra-2 Scheme. The maximum limit on the interest subsidy payable will be equivalent to the main scheme.

