

AGRICULTURE INFRASTRUCTURE FUND (AIF) SCHEME



**Scheme outlay Rs 1,00,000 Crores in six years
(2020-21 to 2025-26)**

BHARAT Campaign : As on 31-08-2023

BHARAT

Banks Heralding Accelerated Rural & Agriculture Transformation

BANK CAMPAIGN 15 July - 31 Aug 2023

8309
No. Total Application Received

5347
No. Application Sanctioned

₹ 4858 Cr
Total Loan Sanctioned

₹ 8149 Cr
Total Investment

₹ 1501 Cr
Amount Disbursed

Amount Sanctioned under AIF



Top Performer in Regional Rural Banks
₹ 21 Cr

Achievers of Campaign Sanction Target

#Commercial Banks



#Regional Rural Banks



No. of Projects Sanctioned



Why AIF

High Post harvest loses



Dependence on intermediaries



Slow technology adoption in Agriculture



Huge infrastructure Gap



Lack of long-term institutional funding



FEATURES OF AIF

Interest Subvention

Cap of ROI \leq 9% & subvention of 3% p.a.
(NABARD loans for PACS at 1% post subvention)

Credit Guarantee

Under CGTMSE scheme for loan up to Rs. 2 Cr.
(FPO Promotion Fund Support for FPOs)

Convergence

Allowed to dovetail with several schemes
(across ministries, state govt.)

Project Eligibility

Up to 25 projects at different locations
Rs.2 Cr. per Project



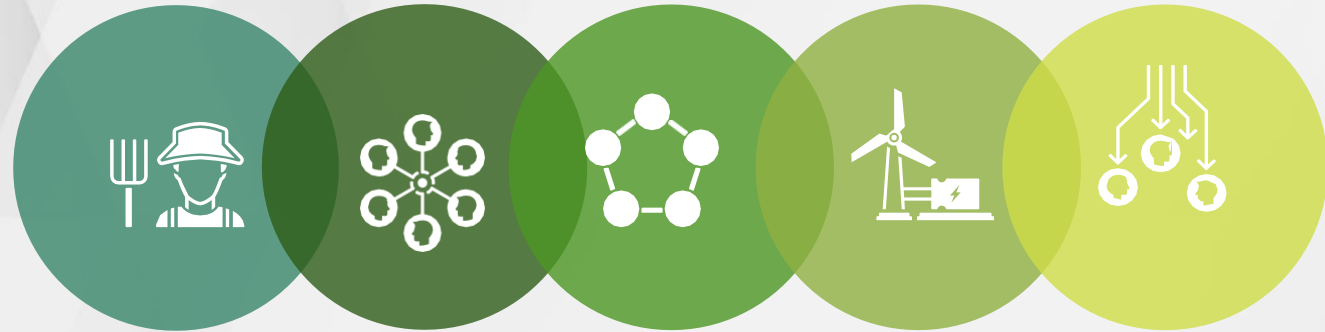
Interest Subvention & CGTMSE fee support upto 7 years
(Including moratorium period of up to 2 years)

Multiple Loans of an Entity

Number of Projects per entity eligible under the scheme: -

- Interest subvention for a loan up to Rs. 2 crores in one location is eligible under the scheme.
- Multiple projects in one location are also eligible with an overall cap of Rs 2 crore.
- If projects in different locations, then all such projects will be eligible under the scheme for loan up to Rs 2 crores.
- **However, for a private sector entity, such as farmer, agri entrepreneur, start-up there will be a limit of maximum of 25 such projects.**
- **This limitation of 25 projects will not be applicable to state agencies, cooperatives, national and state federations of cooperatives, FPOs, federations of FPOs, SHGs and federation of SHGs.**

ELIGIBLE BENEFICIARIES



Farmers

- Individual farmers



Farmer Groups

- Farmer Producer Organizations
- JLGs
- SHGs
- Primary Agricultural Co-op Societies (PACS)



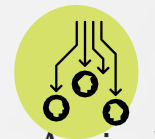
Large businesses

- FMCG players
- Exporters
- Food processors



Agri Entrepreneurs

- Individual business owners - millers, exporters, etc.
- Start-ups
- Supply chain players
- Smart farming entrepreneurs



State Agencies

- Agricultural Produce Marketing Committees (APMCs)
- Federations of FPOs,
- Federation of SHGs,
- National/ State level Federation of Cooperatives
- National & state level Agencies, e.g., State Warehousing Corporations

ELIGIBLE ACTIVITIES UNDER AIF

Post-harvest Management Projects

For all Beneficiaries

(including individual/private entities)

- Warehouse, Silos
- Cold Storage & Cold Chain
- Packaging units
- Assaying units
- Ripening chamber
- Primary processing activity
- Sorting & Grading units
- Supply chain services including e-marketing facility
- Solar panel on eligible infrastructure
- Farm residue / waste management infrastructures

Community Farming Assets

For all Beneficiaries

(including individual/private entities)

- Org. input production – Vermicomposting etc
- Input Production (Seed processing, Tissue culture, Nursery)
- Supply chain infrastructure
- Bio-stimulant production
- Farm/Harvest Automation
- Infrastructure for Smart and Precision agriculture
- Purchase of drones, sensors on field, Blockchain and AI in agriculture etc.
- Remote sensing and Internet of Things (IOT)
- Farm advisory services through GIS applications
- Integrated Spirulina production & processing units
- Sericulture processing unit
- Honey processing
- Plant quarantine units
- Custom Hiring Centre (min 4)
- Compressed Biogas Plant

Only for Groups

Only for FPOs, PACS, SHGs, JLGs, Cooperatives, National and State Level Federation of Co-operatives, FPOs federations, Federations of SHGs, National and State Level Agencies etc as they qualify as community farming assets.

- a. **Hydroponic Farming** – Hydroponics is a type of horticulture and a subset of hydro culture which involves growing plants without soil, by using mineral nutrient solutions in an aqueous solvent.
- b. **Mushroom farming** – Mushroom Spawn, preparing of compost, Spawning of mulch, Casing, mushroom production, harvest, and supply chain infrastructure
- c. **Vertical farming** – It is the practice of growing crops in vertically stacked layers. It often incorporates controlled-environment agriculture, which aims to optimize plant growth, and soil-less farming techniques.
- d. **Aeroponic farming-** It is the process of growing plants in an air or mist environment without the use of soil or an aggregate medium.
- e. **Poly house/ Greenhouse** - It is a technique where specialized polythene sheet is used as a covering material under which the crops can be grown in partially or fully controlled climatic condition.
- f. Logistics facilities (including non refrigerated/insulated vehicles)
- g. Tractors

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF |
|---------|--|--|--|
| 1 | Cereals & Millets (Wheat, Paddy, Sorghum, Barley, Maize Oat, etc.) | <ul style="list-style-type: none"> • Cleaning • De-stoning • Sorting & grading • Hulling • Milling (Flour, Maida, Sooji, Dalia) • Pounding • Grinding • Tempering • Parboiling • Soaking • Drying • Sieving • Irradiation • Storage (warehouse, Silos) | <ul style="list-style-type: none"> • Fermentation • Baking • Puffing • Flaking • Frying • Extrusion • Blending • Roasting • Rice fortification • Bread, Biscuit, Pasta, Snack foods etc. |

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF | |
|---------|-----------------------|---|--|---|
| 2 | Fruits and vegetables | <ul style="list-style-type: none"> . Washing . Drying . Grading . Waxing . Cold storage, Ripening Chamber . Packaging, Reefer van, etc. . Freezing (IQF & Blast) . Blanching for primary processing | <ul style="list-style-type: none"> . Cleaning . Sorting . Cooling . Conditioning | <ul style="list-style-type: none"> . Dehydration . Concentrated products . Canning . Juice extraction . Sterilization . Jam & jellies, . Pickles . Sauces |
| 3 | Oilseeds & Oil Palms | <ul style="list-style-type: none"> . Cleaning . De-stoning . De-husking (decorticating machines) . Winnowing . Oil extraction (ghani, hydraulic press etc.) . Oil seed cake | <ul style="list-style-type: none"> . Refining | |

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF |
|---------|--------|--|--|
| 4 | Pulses | <ul style="list-style-type: none"> • Cleaning • De-stoning • Drying • Sorting & grading • De-husking • Splitting • De-hulling • Milling • Irradiation | <ul style="list-style-type: none"> • Canning • Besan • Papads • Pulse based foods • Puffed chickpea |
| 5 | Cotton | <ul style="list-style-type: none"> • Cleaning • Drying • Ginning • Pressing & Bailing • Lintering • Cotton seed oil • Seed cake | <ul style="list-style-type: none"> • Fibre finishing • Fibre Scouring • Weaving |

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF |
|---------|---|---|---|
| 6 | Sugarcane | <ul style="list-style-type: none"> • Cane unloading • Cleaning • Cane breaking • Cane milling • Straining • Evaporators • Centrifugation • Storage tanks • Dryers • Jaggery | <ul style="list-style-type: none"> • Making paper & Board with Bagasse, • Fermentation, • Alcoholic distillation |
| 7 | Spices Red chilli, Cumin, Clove, Coriander, Cinnamon, Garlic, Ginger, Turmeric, Fenugreek, Cardamom etc. | <ul style="list-style-type: none"> • Cleaning • Drying • Sorting • Boiling • Polishing • Grinding • Packaging • Storage • Irradiation | <ul style="list-style-type: none"> • Roasted products, • Paste |

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF |
|---------|--------------|--|---|
| 8 | Coconut | <ul style="list-style-type: none"> . Dehusking, Deshelling . Cutting, Drying (Copra) . Grinding, . Extraction of Coconut water . Coconut milk extraction . Centrifugation . Hot processing . Virgin coconut oil . Packaging | <ul style="list-style-type: none"> . Cream, Butter |
| 9 | Tea & Coffee | <ul style="list-style-type: none"> . Cleaning & washing . Drying of cherries . Withering, Rolling . Fermentation, . Drying , Shorting . Hulling, Pulping . Oxydation . Packaging | <ul style="list-style-type: none"> . Chocolates making |

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF | |
|---------|--|---|--|---|
| 10 | Jute | <ul style="list-style-type: none"> . Cutting . Retting . Stripping . Washing . Drying . Bailing . Packing . Storage | Making jute cloth, Bags, Sacks | |
| 11 | Nuts Cashew Almonds Walnuts Pistachios etc. | Cleaning Streaming in boiler Shell cutting Peeling Packaging Separation Hulling Drying Conveying belts | Grading Drying Grading Shelling Packaging Washing Storage Packaging | <ul style="list-style-type: none"> • Cashew fruit juice • Roasted products • Nut spreads • Almond milk • Powder • Spreads • Roasting |

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF |
|---------|---|---|---|
| 12 | Rubber | <ul style="list-style-type: none"> • Mastication • Mixing • Shaping • Curing • Irradiation | <ul style="list-style-type: none"> • Secondary rubber products like tyres, mattresses, bottles, boots etc. |
| 13 | Herbal, Medicinal & Aromatic Crops Barberry, Liquorice, Bael, Isabgol, Guggal, Kerth, Aonla, Chandan, Senna, Baiberang, Brahmi, Eucalyptus, Jatamansi etc. | <ul style="list-style-type: none"> • Cleaning • Sorting • Drying • Milling • Extraction of oil • Packaging • Storage | <ul style="list-style-type: none"> • Syrup • Pills • Cream • Frying |

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF |
|---------|---------|--|--|
| 14 | Tobacco | <ul style="list-style-type: none"> • Cleaning • Grading • Sorting • Curing • Drying • Storage | <ul style="list-style-type: none"> • Making of Chew, Cigars, Dips etc. |
| 15 | Bamboo | <ul style="list-style-type: none"> • Drying • Cutting • Stripping • Formation of sheets • Bamboo Charcoal • Powder • Granules • Bamboo treatment plant • Bamboo depots & godown | <ul style="list-style-type: none"> • Processed food products like pickles, curry etc. • Products such as fibre, furniture, agarbatti, etc. |

Crop-wise eligible Post-Harvest Management & Primary Processing Activities

| Sl. No. | Crops | Eligible PHM & Primary Processing Activities | Not eligible under AIF |
|---------|---|---|--|
| 16 | Fodder crops (Berseem, forage sorghum, etc.) | <ul style="list-style-type: none"> • Cutting • Mixing • Grinding | <ul style="list-style-type: none"> • Pelleting |
| 17 | Tuber crops (Sweet Potatoes, Cassava etc.) | <ul style="list-style-type: none"> • Peeling and washing • Grating • Fermentation • Drying • Sieving • Milling • Storage | <ul style="list-style-type: none"> • Alcoholic products • Starch |
| 18 | Arecanut | <ul style="list-style-type: none"> • Cleaning • Dehusking • Peeling • Splitting • Boiling • Drying • Packaging | <ul style="list-style-type: none"> • Preparation of hardboard, insulation wool, cushions, paper, paper board etc. |

Facility,

Quantum
of Loan,

Margin

Term Loan

No Minimum or maximum Loan limit stipulated

Interest subvention and Credit guarantee available up to Rs. 2 Cr limit

Interest subvention amount and credit guarantee support will be released to Banks through PFMS. (Public Finance Management System-PFMS ; o/o Controller General of Accounts, Ministry of Finance) Government of India.

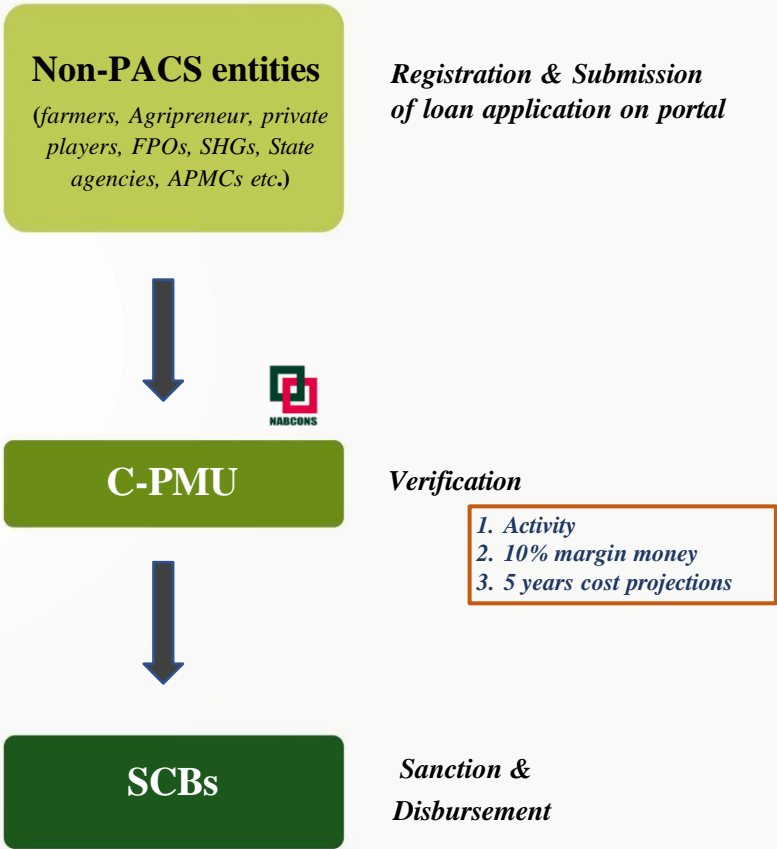
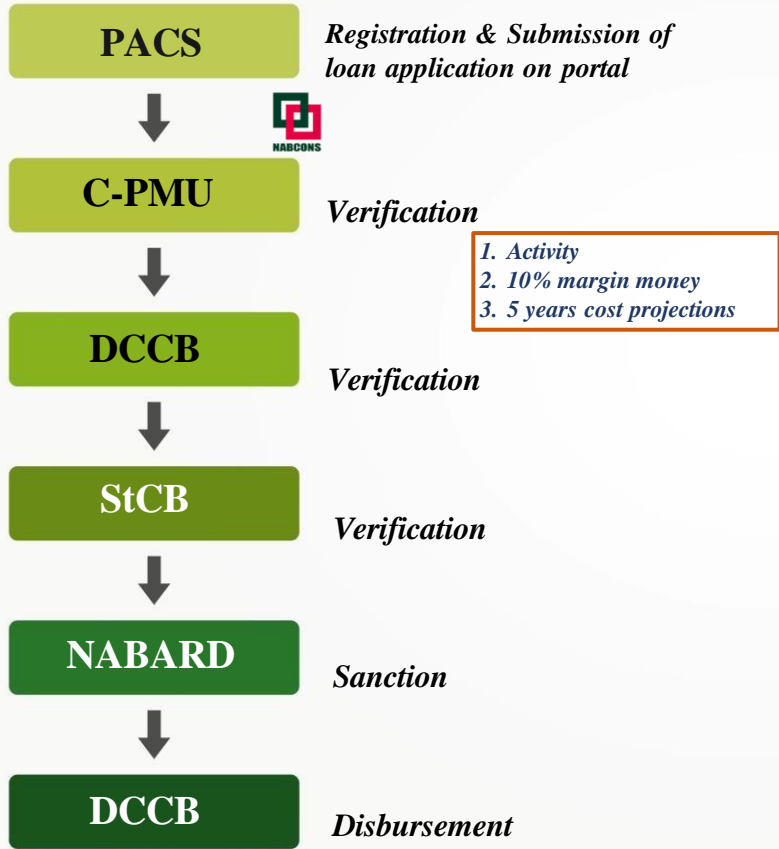
Margin:

Up to the loan limit Rs. 2 Cr : Min 10% of the project cost.
Above the loan limit of Rs. 2 Cr : 25% of the project cost.

In cases of capital subsidy, if eligible, such amount shall be considered as promoter's contribution.

Process Flow of AIF Applications

AIF Portal: agriinfra.dac.gov.in



Major Schemes :

Convergence Support Available with AIF



Sub schemes under Mission for Integrated Development of Horticulture

35% – 50% capital subsidy for infra including cooling units, pack house, ripening chambers, reefer vans, etc.



PM Formalization of Micro Food Processing Enterprises Scheme (PMFME)

35% capital subsidy along with additional support for FPOs, SHGs and Cooperatives for working capital, training, DPR preparation



Sub Mission on Agriculture Mechanization (SMAM)

Up to **40% subsidy** for establishment of custom hiring service centers



Gobar-Dhan- Ministry of Jal Shakti

Financial Assistance of **Rs 1.0 Cr. per 12000cum/day** for Bio Gas plants and **Rs 4.0 Cr. per 4800 Kg/day** for Bio-CNG plants



Sub-schemes under PM Kisan Sampada (PMKSY)

35% capital subsidy for infra like cleaning, grading, sorting, packaging, drying, IQF etc.



Agricultural Marketing Infrastructure Scheme (AMI)

Up to **33.33% subsidy** for Warehouse and Primary Processing Infrastructure

Major Schemes: Convergence Support Available with AIF



Integrated Scheme on Agricultural Cooperation (ISAC) by NCDC
Financial Assistance to PACS for agro processing, horti processing, storage etc.



PACS as MSC (Multi service Centre) Scheme
4% rate of Interest for agriculture allied activities for PACS



Rashtriya Krishi Vikas Yojana (RKVY)
Convergence with state plan for funds provided by centre under RKVY scheme for several production and PHM activities



Operation Greens: From TOP to TOTAL
50% capital subsidy for Collection centres, transportation, storage, E-marketing facilities etc. for perishable agri commodities



PM-KUSUM- Component B and C
50% subsidy for setting up of stand-alone solar pumping system and solarization of grid connected agriculture pump



PM – Employee Generation Programme (PMEGP), Ministry of Micro, Small and Medium Enterprise
Upto 35% capital subsidy for Micro Enterprise

Security

Primary :

Hypothecation of machinery, equipments, Mortgage of land
(Obtaining land as Primary security only for projects involving constructions on land.)

Hence Obtaining land as Primary security not required for finance to Logistics facilities, if loan is not for land and building.

Collateral :

For loans covered under CGTMSE up to a loan limit of Rs. 5 Cr : Nil

For loans (FPO) covered under Guarantee scheme : Nil

Collateral should be SARFAESI compliant property (within 25 km radius from Branch)

Lead Generation & Customer Contact

Managed and monitored through an online MIS platform .
(www.agriinfra.dac.gov.in)

Fill application form online.

Application, soft copy of Detailed Project Report
(DPR) and related documents will be uploaded

This application along with DPR will then be forwarded to the
lending institution

Offline applications can be considered, but to be routed through
MIS platform.

The lending institutions will appraise the project and decide

Once the loan is sanctioned and disbursement in stages.

After the disbursal interest subvention and credit guarantee fee
will be released by GOI

Handover check-list if prima facie eligible .

Lead Generation & Customer Contact



Main Features

- Convergence with all schemes of central or state government.
- Online single window facility in collaboration with participating lending institutions.
- Project Management Unit to provide handholding support for projects including project preparation
- Size of the financing facility – Rs. 1 lakh Cr.
- Credit Guarantee for a loan up to INR 2 crore.
- Interest subvention of 3% p.a., limited to INR 2 crore, though loan amount can be higher.
- Cap on lending rate, so that benefit of interest subsidy reaches the beneficiary and services to farmers remain affordable.
- Multiple lending institutions including Commercial Banks, Cooperative Banks, NCDs, NBFCs etc.
- Disbursement in four years starting with sanction of Rs.10,000 crore in the first year and Rs 30,000 crore each in next three financial years.
- Moratorium for repayment under this financing facility may vary subject to minimum of 6 months and maximum of 2 years.
- Need based refinance support will be made available by NABARD to all eligible lending entities including cooperative banks and RRBs as per its policy.

National Agriculture Infra Financing Facility

The role of infrastructure is crucial for agriculture development and for taking the production dynamics to the next level. It is only through the development of infrastructure, especially at the post harvest stage that the produce can be optimally utilized with opportunity for value addition and fair deal for the farmers. Development of such infrastructure shall also address the vagaries of nature, the regional disparities, development of human resource and realization of full potential of our limited land resource.

In view of above, the Hon'ble Finance Minister announced on 15.05.2020 Rs 1 lakh crore Agri Infrastructure Fund for farm-gate infrastructure for farmers. Financing facility of Rs. 1,00,000 crore will be provided for funding Agriculture Infrastructure Projects at farm-gate & aggregation points (Primary Agricultural Cooperative Societies, Farmers Producer Organizations, Agriculture entrepreneurs, Start-ups, etc.). Impetus for development of farmgate & aggregation point, affordable and financially viable Post Harvest Management infrastructure.

Accordingly, DAC&FW has formulated the Central Sector Scheme to mobilize a medium - long term debt financing facility for investment in viable projects relating to postharvest management Infrastructure and community farming assets through incentives and financial support.

Credit guarantee coverage will be available for eligible borrowers from this financing facility under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme for a loan up to Rs. 2 crore. The fee for this coverage will be paid by the Government. In case of FPOs the credit guarantee may be availed from the facility created under FPO promotion scheme of DACFW.

All loans under this financing facility 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 7 years. In case of loans beyond Rs.2 crore, then interest subvention will be limited up to 2 crore. The extent and percentage of funding to private entrepreneurs out of the total financing facility may be fixed by the National Monitoring Committee.

- [Loan Application Process \(English\)](#)
- [Loan Application Process \(Hindi\)](#)

Beneficiary Corner



Beneficiary Registration



Scheme Guidelines



DCCBs



MoU with Banks



Circulars



Login



Interest Rates

Win-win situation for all stake holders

Farmers:

- Marketing Infrastructure
- Increase Value realization
- Reduced post harvest losses
- Less Intermediaries
- Access to modern packaging and cold Storage
- Community farming asset for improved productivity & optimization of inputs

Government:

- ✓ Interest subvention
- ✓ Credit Guarantee
- ✓ Reduce wastage
- ✓ Competitive market
- ✓ Attract Investment

Startups :

Innovation
Connecting players

Bank: Lower risk,
Diversification of
portfolio

Consumers : Better
quality, prices

Thank You

