

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

**LOK SABHA**  
**UNSTARRED QUESTION No. 1512**  
TO BE ANSWERED ON THE 12<sup>th</sup> DECEMBER, 2023

**Budget disbursement under AIF**

1512. SHRI SHASHI THAROOR:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) the details of the budget allocated to the Agriculture Infrastructure Fund (AIF) in 2022-23;
- (b) the reasons for only 9.68% of the Rs. 1 lakh crore Agriculture Infrastructure Fund (AIF) has been disbursed in the first three years since its launch in 2020;
- (c) whether the Government is taking any steps to expedite the disbursement of the remaining funds from the AIF by the financial year 2025-26;
- (d) if so, the details thereof and if not, the reasons therefor;
- (e) whether the Government is aware that the financing facility allocation to the States/UTs based on the value of the output of agriculture and allied activities is skewed towards some States; and
- (f) if so, the details of any measures taken by the Government to rectify this anomaly?

**ANSWER**

MINISTER OF AGRICULTURE AND FARMERS WELFARE  
(SHRI ARJUN MUNDA)

(a): Agriculture Infrastructure Fund is a medium - long term debt financing facility scheme launched in 2020. for investment in viable projects for post-harvest management Infrastructure and community farming assets. Under the Scheme, one lakh crore rupees is to be provided to the eligible borrowers by banks and financial institutions with Interest Subvention @ 3% and Credit Guarantee facility. As on date Rs.32,472 Crores have been sanctioned for 43,318 projects under AIF, out of this total sanctioned amount Rs. 20102

crores have already been disbursed. These sanctioned projects have mobilized an investment of Rs 55,248 Crores in agriculture sector.

Accordingly, Rs 500 crores as B.E. and 150 crores as R.E. was allocated in 2022-23 for payment of interest subvention and CGTMSE fee to banks and financial institutions.

(b): During the initial years of the launch of the Agriculture Infrastructure Fund (AIF) Scheme, the widespread Covid-19 infection all over the country badly hit the progress of the Scheme. Also, the severity of the deadly virus prevented reaching out to various stakeholders that hindered the spread of awareness about the Scheme. The slow pace of disbursement out of the sanctioned loan is also due to the fact that setting up of infra projects takes time and disbursement takes place in a phased manner over a period of time. However, during FY 22-23, there has been a growth of around 251% from last year i.e. FY 21-22, and the progress of the FY 2023-24 is expected to bring in good results in so far as an amount of Rs 9854 crore has been sanctioned with the disbursement of Rs 7272 crore as on 01.12.2023. In total, Rs.32,472 Crores have been sanctioned for 43,318 projects under AIF, out of this total sanctioned amount Rs. 20102 crores have already been disbursed.

(c) & (d): Yes Sir, the Department of Agriculture and Farmers Welfare holds periodic review sessions with the Central Project Monitoring Unit (CPMUs), the State Project Monitoring Units (SPMUs), Nodal Officers of Banks and State Governments both in physical and virtual mode. Department of Agriculture and Farmers Welfare participates in AIF Conclaves of different States and organizes Bankers Conclave with the sole objective of spreading awareness on AIF. One-to-one meeting with Banks for increased sanction and prompt disbursement of sanctioned loans has been a routine exercise of this department. Campaigns like NOBOL (Nationwide One Branch One Loan), BEST (Bankers Enabling Sustainable Transformation), BHARAT (Banks Heralding Acceleration of Rural and Agricultural Transformation) etc. among Banks are being conducted periodically and as of now, 5 campaigns have been run, which contributed Rs. 16937 crores i.e. over 52% of the total sanctions under AIF. Last year the best performing Banks and States in these contests were honoured by the Hon'ble Agriculture Minister in an Award Ceremony. Also, this department participates in various workshops with the training institutions /Colleges of Banks and Central and State level Exhibitions to promote AIF Scheme. These activities help in sourcing more applications and sanction loans by banks and other lending institutions. Apart from coordinating with SLBC meetings of States and BLBCs, DLCs, this department conducts many other outreach programs with various stakeholders like Agripreneurs and Farmers, PACS, FPOs & CBNBOs, APMCs etc. with the said purpose in mind.

(e) & (f): Allocation of financing facility has been worked out tentatively State-wise based on the ratio of total value of output of Agriculture and allied sectors of States/UTs.

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