

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE
LOK SABHA
UNSTARRED QUESTION No. 1998
TO BE ANSWERED ON THE 11th March, 2025

Financing Facility under AIF

1998. SHRI SHRIRANG APPA CHANDU BARNE:
SHRI KANWAR SINGH TANWAR:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

- (a) whether the Government has accorded its approval for the progressive expansion of the financing facility under the Agriculture Infrastructure Fund(AIF) to the Central Sector Schemes in the country;
- (b) if so, the details of the financial assistance approved and disbursed under this scheme in the country, especially to the States of Maharashtra and Uttar Pradesh, till date;
- (c) the details of farmers benefitted from the AIF in various States, especially in the Amroha Parliamentary Constituency of Uttar Pradesh, so far;
- (d) the extent to which it has enhanced and strengthened the agricultural infrastructure so far, along with the extent to which it has provided assistance to the farmer community; and
- (e) the details of other measures taken to expand the scope of AIF in various States, especially in the States of Maharashtra and Uttar Pradesh?

ANSWER

MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a & b): Launched in 2020-21, the Agriculture Infrastructure Fund (AIF) aims to bridge gaps in post-harvest management by strengthening farm gate storage and logistics infrastructure. By supporting warehouses, cold stores, sorting units, and ripening chambers, AIF enables farmers to reduce losses, minimize intermediaries, and secure better prices, ultimately enhancing their income. The scheme benefits all agricultural stakeholders, fostering holistic sectoral growth. With a ₹1 lakh crore loan provision, capped at 9% interest, AIF is operational until 2032-33 and comes with 3% interest subvention and reimbursement of credit guarantee fees.

In a significant move to enhance and strengthen the agricultural infrastructure in the country and support the farming community, the Government approved on 28.08.2024 series of measures to expand the scope of AIF scheme. These initiatives aim at expanding the scope of eligible projects and integrate additional supportive measures to make it more impactful and inclusive and to foster a robust agricultural infrastructure ecosystem. The key areas covered under progressive expansion include:

Viable Farming Assets: Currently some technology driven projects like hydroponic farming, vertical farming, aeroponic farming, poly-houses and green houses and mushroom cultivation were reserved for farmer collectives only. However, with this progressive expansion, individual farmers and entrepreneurs can have access to these ventures. This move is expected to facilitate the development of viable projects that will enhance community farming capabilities, thereby improving productivity and sustainability in the sector.

Integrated Processing projects: Post harvest management activities were previously limited to primary processing. Now by expanding the scope integrated primary secondary processing projects are included in the list of eligible activities under AIF. This measure will help in making the projects viable and help farmers in achieving better price realisation. This will also help in holistic post harvest value chain development of Agri Horti crops. However standalone secondary projects would not be eligible and would be covered under MoFPI schemes.

PM KUSUM Component-A: Component-A of PM-KUSUM Scheme which facilitates the establishment of solar power plants up to 2 MW on barren fallow cultivable pastures or marshy lands has now been integrated with the AIF Scheme. with AIF for farmer/group of farmers/Farmer Producer Organizations/ Cooperatives/ Panchayats. This strategic convergence will empower both individual farmers and groups, alleviating their role from being Food providers to Energy providers (Annadaata to Urjadaata), while also promoting development of sustainable clean energy solutions alongside the development of agricultural infrastructure.

NABSanrakshan: In addition to CGTMSE, a dedicated credit guarantees cover window through the NABSanrakshan specially for FPOs under NABARD will now remain open for AIF Beneficiaries where the guarantee fee will be eligible for reimbursement. This expansion of credit guarantee options is intended to enhance the financial security and creditworthiness of FPOs, thereby encouraging more investments in agricultural infrastructure projects.

The progressive expansion in the scope of AIF scheme is poised to further drive the growth, reduce input costs, improve productivity, enhance efficiency thereby increase farm incomes and contribute to the overall sustainability of agriculture in the country. These measures also underscore the Government's commitment to strengthening the agricultural sector through holistic development of farm infrastructure in the country.

The progressive expansion of the AIF Scheme has significantly broadened its impact by including more eligible projects, enhancing financial support mechanisms, and integrating sustainable energy solutions. These measures have made AIF more inclusive, fostering a stronger agricultural infrastructure ecosystem and ensuring greater benefits for farmers and agri-entrepreneurs. Notably, this expansion has contributed to the sanction of 812 additional projects, amounting to ₹1,318 crore by the end of February 2025, further accelerating the growth of agricultural infrastructure. The details of financial assistance approved and

disbursed under AIF in the States of Maharashtra and Uttar Pradesh are given in the **Annexure-A**.

(c) to (e): As on 28th February, 2025, an amount of Rs. 59,943 Crore has been sanctioned for 98744 projects under AIF, out of this total sanctioned amount ₹44,264 Crores are covered under scheme benefits. These sanctioned projects have mobilized an investment of Rs 96,680 Crores in agriculture sector. Major projects sanctioned under AIF include 25671 custom hiring centres, 20216 primary processing units, 15125 warehouses, 3534 sorting & grading units, 2265 cold store projects, around 31933 other kinds of post-harvest management projects and viable farming assets. Out of 98744 projects 43,239 projects have been sanctioned to farmers for amount 10,406 crore. From Amroha Parliamentary Constituency of Uttar Pradesh, 9 farmers have been benefitted under AIF Scheme to whom Rs. 2 crores have been sanctioned. State-wise details of farmers benefitted under AIF is given in the **Annexure-B**.

To expand the scope of the Agri Infra Fund (AIF) across various states, including Maharashtra and Uttar Pradesh, several strategic measures are being undertaken:

Bankers Conclave and State Conclave are organized in coordination with State Governments to spread awareness and facilitate collaboration for AIF implementation.

Workshops and skill-building programs are conducted for Bankers to strengthen their understanding of AIF processes and encourage higher participation in financing agri-infrastructure projects.

The last three annual National Bankers Conclaves on AIF were successfully organized at NABARD Head Office, Mumbai, serving as a platform for deliberations with bankers on expanding AIF's impact.

In Uttar Pradesh, continuous engagement with State agencies, the State Project Monitoring Unit (SPMU), and the State Level Bankers' Committee (SLBC) at Lucknow ensures effective implementation and resolution of operational challenges.

Regular meetings with SPMUs and Banks' AIF Nodal Officers are conducted to monitor progress, address bottlenecks, and accelerate project approvals and disbursements under AIF.

ANNEXURE-A**State wise Sanctioned Number and Sanctioned Amount under AIF as on
28.02.2025****(Amount in Rs Crore)**

S.N	State/ UT	Sanctioned No.	Sanctioned Amount
1	Madhya Pradesh	12,495	8,494
2	Maharashtra	10,418	6,790
3	Uttar Pradesh	8,563	6,269
4	Punjab	21,740	5,162
5	Gujarat	3,615	3,991
6	Karnataka	3,877	3,527
7	Telangana	2,687	3,286
8	Rajasthan	3,314	3,261
9	Haryana	5,508	3,361
10	Andhra Pradesh	2,831	2,902
11	Tamil Nadu	7,600	2,440
12	West Bengal	4,946	2,235
13	Chhattisgarh	1,816	1,751
14	Odisha	2,639	1,564
15	Bihar	1,485	1,240
16	Kerala	2,929	1,141
17	Assam	532	907
18	Uttarakhand	513	528
19	Jharkhand	399	441
20	Jammu And Kashmir	177	345
21	Himachal Pradesh	588	205
22	Delhi	11	14
23	Tripura	9	14
24	Chandigarh	5	11
25	Goa	27	40
26	Meghalaya	3	10
27	Arunachal Pradesh	5	6
28	Nagaland	3	4
29	Puducherry	5	4
30	The Dadra And Nagar Haveli And Daman And Diu	1	1
31	Manipur	3	1
	Grand Total	98,744	59,943

ANNEXURE-B**State wise AIF Projects Sanctioned to Farmers as on 28 February, 2025****(Amount in Rs. Crore)**

District	No. of Projects	Sanctioned Amt.
PUNJAB	15487	2079
MADHYA PRADESH	4282	1593
MAHARASHTRA	4969	1337
KARNATAKA	1444	1050
HARYANA	3468	766
UTTAR PRADESH	3187	649
WEST BENGAL	3402	620
RAJASTHAN	1055	421
GUJARAT	1255	402
TAMIL NADU	827	347
TELANGANA	425	224
BIHAR	457	206
ODISHA	713	199
ANDHRA PRADESH	561	131
CHHATTISGARH	557	129
KERALA	280	78
HIMACHAL PRADESH	418	67
UTTARAKHAND	226	57
JAMMU AND KASHMIR	81	23
JHARKHAND	108	13
ASSAM	27	9
GOA	6	3
PUDUCHERRY	2	2
CHANDIGARH	1	0
TRIPURA	1	0
Grand Total	43,239	10,406
