

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

LOK SABHA
UNSTARRED QUESTION NO. 325
TO BE ANSWERED ON 04TH FEBRUARY, 2025

AGRICULTURE INFRASTRUCTURE FUND

325. DR. T SUMATHY ALIAS THAMIZHACHI THANGAPANDIAN:

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

(a) the details of the Agriculture Infrastructure Fund established during the COVID-19 pandemic along with the details of loans disbursed under this scheme from 2020-21 till date, State-wise including Tamil Nadu;

(b) the details of the loan disbursed to various stakeholders such as individual farmers, Farmer Producer Organizations (FPOs), Primary Agriculture Credit Societies (PACS) and Self Help Groups (SHGs);

(c) the details of grants-in-aid provided under the scheme to Scheduled Castes (SC), Scheduled Tribes (ST), women entrepreneurs and other weaker sections of society, State-wise and district-wise including Tamil Nadu;

(d) whether the Government is planning to conduct any study on the impact of this scheme on agricultural productivity and farmers' income; and

(e) if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE
कृषि एवं किसान कल्याण राज्य मंत्री (SHRI RAMNATH THAKUR)

(a) & (b): In order to enhance the income of farmers, it is not only essential to enhance production and productivity of farm produce but also minimize the post-harvest losses and ensure better realization of prices for farmers through creation of modern post-harvest management infrastructure. With an objective to address the existing gaps in post-harvest management infrastructure in the country, the flagship scheme of Agriculture Infrastructure Fund (AIF) was launched in 2020-21 to strengthen the infrastructure in the country through creation of farm gate storage and logistics infrastructure to enable farmers to store and preserve their farm produce properly and sell them in the market at better price with reduced post-harvest losses and lesser number of intermediaries. Improved post-harvest

management infrastructure like warehouses, Cold stores, sorting and grading units, ripening chambers etc will allow farmers to sell directly to a larger base of consumers and hence, increase value realization for the farmers. This will improve the overall income of farmers. Further, AIF scheme aims to benefit all stakeholders in the agricultural ecosystem by contributing in the holistic development of the Agriculture sector. Under AIF, provision for Rs. 1 Lakh crore loan has been made through lending institutions with the a interest rate cap of 9% on loans. The scheme is operational from 2020-21 to 2032-33.

All loans under this financing facility have interest subvention of 3% per annum up to a loan limit of ₹2 crores. This interest subvention is available for a maximum period of 7 years. In case of loans beyond ₹2 crores, interest subvention is limited up to ₹2 crores. Credit guarantee coverage is also 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 ₹2 crores. The fee for this coverage is borne by the Government.

Eligible beneficiaries under scheme include Farmers, Agri-entrepreneurs, Start-ups, Primary Agricultural Credit Societies (PACS), Marketing Cooperative Societies, Farmer Producers Organizations(FPOs), Self Help Group (SHG), Joint Liability Groups (JLG), Multipurpose Cooperative Societies, Central/State agency or Local Body sponsored Public Private Partnership Projects, State Agencies, Agricultural Produce Market Committees (APMC), National & State Federations of Cooperatives, Federations of FPOs and Federations of Self Help Groups (SHGs).

Eligible projects under AIF includes post-harvest management projects and viable farming assets such as warehouses, silos, pack houses, assaying units, sorting & grading units, cold storage, cold chains, logistics facilities, primary processing centres, Integrated primary and secondary processing centres, ripening chambers, supply chain services including e-marketing platforms, organic inputs production, Bio stimulant production units, Infrastructure for smart and precision agriculture, Farm/Harvest Automation, custom hiring centre, Purchase of drones, Setting up of standalone solar pump and grid connected Agri pumps under PM-KUSUM component A, B & C, putting up specialized sensors on field, block chain and AI in agriculture, remote sensing and Internet of Things (IOT) such as automatic weather station, farm advisory services through GIS applications, integrated spirulina production and processing unit, sericulture processing unit, honey Processing unit, plant quarantine unit, hydroponic farming ,mushroom farming , vertical farming, aeroponic farming, poly house/ greenhouse etc.

The Union Cabinet has approved an expansion of the Agriculture Infrastructure Fund (AIF). Key measures include allowing viable community farming assets for all eligible beneficiaries, including secondary processing projects integrated with primary processing in eligible activities, and converging AIF with PM-KUSUM Component-A. Additionally, NABSanrakshan is also included in scheme to extend credit guarantee support to FPOs.

As on 26.1.2025, Rs. 56334 Crore have been sanctioned for 92393 projects under AIF, out of this total sanctioned amount, ₹41996 crores is covered under scheme benefits. These sanctioned projects have mobilized an investment of Rs.91856 crores in agriculture sector. Major projects sanctioned under AIF include 24,477 custom hiring centres, 19,030 primary processing units, 14,727 warehouses, 3,430 sorting & grading units, 2,190 cold store projects, around 8,539 other kinds of post-harvest management projects and viable farming assets. The State-wise and Beneficiary type-wise disbursement details as on 26.01.2025 are given in **Annexure**.

(c): The AIF Scheme does not provide grants-in-aid to borrowers. However, it facilitates affordable loans from lending institutions with a 3% interest subvention and reimbursement of the guarantee fee, aiming to extend ₹1 lakh crore in loans by 2025-26. Loan sanctions are granted on a first-come, first-served basis, including Scheduled Castes (SCs), Scheduled Tribes (STs), or women beneficiaries. However, as per norms a separate provision is there in Budget for the scheme for interest subvention and reimbursement of the guarantee fee for Scheduled Castes (SCs), Scheduled Tribes (STs). As of January 26, 2025, ₹1,411 crores have been sanctioned for 4,738 projects under the SC & ST category, while ₹12,268 crores have been approved for 19,417 women beneficiaries. During AIF meetings and workshops, PMUs, bankers and lending institutions are consistently encouraged to onboard reserved category beneficiaries. Further utilization of fund still remains open and accessible to all eligible beneficiaries including schedule castes and schedule tribe category.

(d) & (e): An impact assessment study of AIF was conducted by Agro Economic Research Centre, Gokhale Institute of Politics and Economics, Pune in December 2023 to evaluate overall performance of the scheme, primarily based on feedback from beneficiaries as well as farmers in selected states. The major findings are as below

1. Based on this study, investment in the agri sector under AIF has generated more than 9 lakh employment opportunities. Out of the sanctioned projects, nearly 97% of the projects created are in rural areas promoting investment and employment opportunities in rural areas.
2. The average number of persons employed per unit in the peak season was found to be 11. The average was highest i.e. 27 in Rajasthan and lowest i.e. 5 in the state of Maharashtra.
3. Further, the storage infrastructure created under AIF has added nearly 550 LMT of storage capacity which includes approx. 510.6 LMT of dry storage and nearly 39.4 LMT of Cold storage capacities (as on 26.01.2025). This additional storage capacity can save up to 20.4 LMT of food grains and 3.9 LMT of horticulture produce annually.
4. The Agro processing centres created under the scheme is promoting timely value-addition of farmer's produce resulting in increase in farmer's income up to 20% and reduction of post-harvest losses. Custom hiring centres set up under the scheme is boosting farm mechanization and adoption of better crop residue management practices.
5. 31 percent of the AIF units have availed of government subsidies also. Thus they have been benefitted due to Convergence under AIF.
6. For around 85 percent of the total units, availability of AIF loan was the main reason for starting the unit.

The State-wise and Beneficiary type-wise disbursement details as on 26.01.2025

1. State-wise Disbursement of AIF Loans as on 26.01.2025

State	Disbursed No.	Disbursed Amt. (₹ Cr)
MADHYA PRADESH	10893	6245.1
MAHARASHTRA	8642	4171.4
PUNJAB	19342	3982.1
UTTAR PRADESH	6711	3384.7
KARNATAKA	3322	2551.5
GUJARAT	3007	2114.8
HARYANA	4470	2024.5
TELANGANA	2289	1965.4
RAJASTHAN	2656	1926.1
TAMIL NADU	6625	1449.1
WEST BENGAL	4091	1399.1
CHHATTISGARH	1529	1201.8
ANDHRA PRADESH	1620	1013.9
ODISHA	2047	923.9
KERALA	2334	639.7
BIHAR	1008	613.1
ASSAM	442	489.7
UTTARAKHAND	380	272.6
JHARKHAND	291	226.1
JAMMU AND KASHMIR	112	140.7
HIMACHAL PRADESH	509	121.4
DELHI	10	10.1
MEGHALAYA	2	6.9
TRIPURA	4	6.7
GOA	18	5.7
CHANDIGARH	4	4.7
ARUNACHAL PRADESH	5	3.9
NAGALAND	2	3.5
PUDUCHERRY	3	2.1
THE DADRA AND NAGAR HAVELI AND DAMAN AND DIU	1	1.0
MANIPUR	2	0.5
Grand Total	82371	36901.7

2. Disbursements Beneficiary type-wise as on 26.01.2025

Beneficiary Type	Disbursed No.	Disbursed Amt. (₹ Cr)
Agri-Entrepreneur	35347	26421.7
Farmer	36333	7657.4
Primary Agricultural Credit Society	7699	1094.3
Startup	1732	1166.8
Farmer Producers Organization	938	392.9
Multipurpose Cooperative Society	131	66.0
State Agencies	6	8.0
Self Help Group	149	37.0
Agricultural Produce Market Committee (APMC)	20	40.0
Marketing Cooperative Society	14	14.5
Public-Private Partnership Project	2	3.0
Total	82371	36901.7
