

National Agriculture Infra Financing Facility

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 – ₹ 1 lakh Crore. Credit Guarantee for loans up to ₹ 2 Crore. Interest subvention of 3% p.a., limited to ₹ 2 crore per project in one location, 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, RRBs, Small Finance Banks, NCDC, NBFCs etc. One eligible entity puts up projects in different locations then all such projects will be eligible under the scheme for loan upto ₹ 2 crore. For a private sector entity, such as farmer, agri entrepreneur, start-up there will be a limit of maximum of 25 such projects. Limitation of 25 projects will not be applicable to state agencies, national and state federations of cooperatives, federations of FPOs and federation of SHGs. Location mean physical boundary of a village or town having a distinct LGD (Local Government Directory) code. Each of such project should be in a location having a separate LGD (Local Government Directory) Code. APMCs will be eligible for multiple projects (of different infrastructure types) within their designated market area. Interest subvention will be available for a maximum period of 7 years. Moratorium for repayment under this financing facility may vary subject to minimum of 6 months and maximum of 2 years. Disbursement will complete in six years from 2020-21. Need based refinance support will be made available by NABARD to all eligible lending entities including cooperative banks and RRBs as per its policy.