

**Press Information Bureau
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Cabinet accords approval for progressive expansion of Central Sector Scheme of 'Agriculture Infrastructure Fund'

The Union Cabinet chaired by Prime Minister, Shri Narendra Modi, today approved the progressive expansion in Central Sector Scheme of financing facility under 'Agriculture Infrastructure Fund' to make it more attractive, impactful and inclusive.

In a significant move to enhance and strengthen the agricultural infrastructure in the country and support the farming community, the Government has announced a series of measures to expand the scope of Agricultural Infrastructure Fund (AIF) scheme. These initiatives aim at expanding the scope of eligible projects and integrate additional supportive measures to foster a robust agricultural infrastructure ecosystem.

Viable Farming Assets: To allow all eligible beneficiaries of scheme for creation of infrastructure covered under 'viable projects for building community farming assets'. 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: To include integrated primary secondary processing projects in list of eligible activities under AIF. However standalone secondary projects would not be eligible and would be covered under MoFPI schemes.

PM KUSUM Component-A: To allow convergence of Component-A of PM-KUSUM with AIF for farmer/group of farmers/ Farmer Producer Organizations/ Cooperatives/ Panchayats. The alignment of these initiatives aims to promote sustainable clean energy solutions alongside the development of agricultural infrastructure.

NABSanrakshan: In addition to CGTMSE, it is proposed to extend AIF credit guarantee coverage of FPOs through the NABSanrakshan Trustee Company Pvt. Ltd. also. 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.

Since its launch by the Prime Minister in 2020, AIF has been instrumental in supporting creation of 6623 warehouses, 688 cold stores and 21 silos projects, resulting in additional storage capacity of about 500 LMT in the country. This includes 465 LMT of dry storage and 35 LMT of cold storage capacity. With this additional storage capacity 18.6 LMT of food grains and 3.44 LMT of horticulture produce can be saved annually. Rs. 47,575 Crore has been sanctioned for 74,508 projects under AIF till date. These sanctioned projects have mobilized an investment of Rs 78,596 Crore in agriculture sector, out of which Rs.78,433 Crore has been mobilised from private entities. In addition, infrastructure projects sanctioned under AIF have helped in generating more than 8.19 Lakh rural employment opportunities in the agriculture sector.

The expansion in the scope of AIF scheme is poised to further drive the growth, improve productivity, enhance 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.

MJPS/BM/SKS