

National Agriculture Infrastructure Financing Facility

The National Agriculture Infrastructure Financing Facility is a transformative Central Sector Scheme designed to revolutionise agricultural infrastructure across India. This comprehensive financing programme empowers farmers, cooperatives, and agri-entrepreneurs to build world-class post-harvest management facilities and community farming assets. With attractive interest subvention of 3% per annum and credit guarantee coverage, the scheme makes agricultural infrastructure development accessible and affordable for eligible entities nationwide.

The scheme offers flexible financing up to ₹2 crore per project with substantial government support, including interest subvention for the entire 7-year loan tenure. What makes this facility particularly attractive is the unsecured loan structure—no mortgage required—combined with credit guarantee coverage under CGTMSE. Eligible entities can undertake multiple projects in different locations, each qualifying for the full benefits, making it an ideal vehicle for scaling agricultural infrastructure across regions.

Loan Structure and Financial Benefits

Loan Amount Details

Maximum with Benefits: ₹2 crore per project with interest subvention

Above ₹2 Crore: Available without interest subvention

No Minimum Limit: Flexible financing based on project requirements

Borrower Contribution: Minimum 10% of total project cost (mandatory for loans under ₹2 crore); 25% for loans above ₹2 crore

Repayment Structure

Total Tenure: Up to 7 years with full interest subvention coverage

Moratorium Period: 6 months to 2 years based on project nature

Effective Interest Rate: 6% per annum (after 3% subvention)

Flexibility: Repayment schedule aligned with project cash flows

Interest Subvention

3% per annum reduction on loans up to ₹2 crore for maximum 7 years, bringing effective rate to just 6%

Credit Guarantee

CGTMSE coverage for loans up to ₹2 crore with government bearing the guarantee fee

Unsecured Financing

No mortgage or collateral required, making access easier for small and medium enterprises

Multiple Projects

Eligible entities can develop multiple projects in different locations, each qualifying for full benefits

Eligible Projects: Post-Harvest Management Infrastructure

The scheme supports a comprehensive range of post-harvest management infrastructure projects designed to reduce agricultural wastage, improve supply chain efficiency, and enhance farmer income. These facilities address critical gaps in India's agricultural value chain, from storage and preservation to processing and marketing. By financing modern infrastructure, the scheme enables farmers and agri-entrepreneurs to capture greater value from their produce whilst ensuring food security and reducing post-harvest losses.



Storage Facilities

Warehouses, silos, and cold chain infrastructure for preserving agricultural produce, maintaining quality, and enabling strategic market timing for better price realisation



Logistics & Transport

Modern transport facilities and logistics infrastructure to ensure efficient movement of agricultural produce from farm to market, reducing transit time and wastage



Processing Units

Sorting, grading, and packaging units along with ripening chambers and primary processing centres to add value and meet quality standards for domestic and export markets



E-Marketing Platforms

Digital platforms for agricultural produce marketing, enabling direct farmer-to-buyer connections, transparent price discovery, and access to wider markets beyond traditional mandis

Community Farming Assets and Eligible Entities

Community Farming Infrastructure

The scheme extends beyond individual post-harvest facilities to support community-based farming assets that promote sustainable agriculture and collective prosperity. These include organic input production units that reduce dependence on chemical fertilisers, smart and precision agriculture infrastructure leveraging technology for optimal resource utilisation, and supply chain assets specifically designed for cluster-based farming operations. Such infrastructure strengthens farmer collectives and enables economies of scale in production and marketing.

- Organic input production units for sustainable farming practices
- Smart and precision agriculture infrastructure with IoT and automation
- Supply chain assets supporting cluster-based farming models
- Shared facilities reducing individual investment burden



1

Farmer Producer Organisations (FPOs)

Collective entities of farmers working together for better market access and economies of scale

2

PACS & Cooperatives

Primary Agricultural Credit Societies and Marketing Cooperative Societies serving farming communities

3

Agri-Entrepreneurs & Startups

Innovative businesses bringing technology and modern practices to agricultural value chains

4

SHGs & JLGs

Self Help Groups and Joint Liability Groups promoting collective action and financial inclusion

5

PPP Projects

Public-private partnership entities combining government support with private sector efficiency

Eligibility Criteria and Important Requirements

To ensure responsible lending and project success, the scheme has established clear eligibility criteria that applicants must meet. These requirements balance accessibility with financial prudence, ensuring that loans are extended to creditworthy entities capable of successfully implementing and operating agricultural infrastructure projects. Understanding these criteria is essential for prospective borrowers to prepare their applications effectively and increase approval chances.



Credit Score Requirement

CIBIL score must exceed 700 points with clean credit history—no written-off loans, no suits filed, and no overdue payments throughout lifetime



Promoter's Margin

Minimum 10% contribution for loans under ₹2 crore; 25% contribution mandatory for loans above ₹2 crore, ensuring skin in the game



Land Classification

For projects involving construction, land must be classified as non-agricultural; agricultural land requires conversion before project commencement



Critical Compliance Note: All applicants must maintain impeccable credit history with CIBIL scores above 700, zero written-off loans, no legal suits, and no lifetime overdues. Additionally, ensure land classification compliance before initiating construction-based projects to avoid delays in loan disbursement and project implementation.

Documentation Requirements

A comprehensive set of documents is required to process loan applications under the National Agriculture Infrastructure Financing Facility. These documents establish the identity, creditworthiness, and project viability of applicants whilst ensuring regulatory compliance. Prospective borrowers should prepare these documents in advance to expedite the application process and avoid delays in loan approval and disbursement.

01

Basic Application Documents

Bank's loan application form or Customer Request Letter duly filled and signed, along with passport-size photographs of promoters, partners, or directors

02

Identity & Address Proofs

Voter ID, PAN card, Aadhaar card, or Driving Licence for identity; electricity bills, property tax receipts, or registration certificates for address verification

03

Registration & Incorporation

Articles of Association for companies, Certificate of Registration for partnerships, Udyog Aadhaar for MSMEs, and GST certificate if applicable

04

Financial Documents

Income Tax Returns for last three years, audited Balance Sheets, bank statements for one year, and repayment track record of existing loans

05

Property & Legal Documents

Land ownership records including title deed or lease deed, ROC Search Report, permission to mortgage if property is leasehold, and KYC documents

06

Project Documentation

Detailed Project Report outlining project scope, financial projections, implementation timeline, and Net Worth Statements of promoters

Ensuring all documentation is complete, accurate, and up-to-date significantly improves the likelihood of swift loan approval. Applicants should work closely with their chosen lending institution to verify specific documentation requirements and format preferences, as these may vary slightly between banks whilst maintaining compliance with the scheme's core requirements.