

SCHEME FOR FINANCING MINOR IRRIGATION

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| Objective | To provide financial assistance for Investment Credit needs of farmer for development of irrigation potential. |
| Purpose | For construction of new Wells, Bore Wells, deepening & repairing of wells, in safe and semi-critical areas. For purchase of Pump sets, Sprinkler sets, Drip sets, construction of Diggies in canal command areas, laying of conveyance pipes, lining of water courses etc. |
| Eligibility | Farmer having agriculture land for cultivation. |
| Quantum of loan | As per unit cost approved by State Level Technical Committee less margin to be borne by the farmer. |
| Margin | i) For loans upto Rs.1.00 lakh - -NIL- - ii) For loans above Rs.1.00 lakh 15% to 25% depending on the purpose (No margin upto the extent of subsidy available from the Govt. for the activity) and repaying capacity of the farmer. |
| Security | <p><u>Where Movable Assets are created:</u></p> <ol style="list-style-type: none"> 1. For Loans upto ₹.1.00 lakh Hypothecation of assets created out of Bank loan. 2. For Loans above ₹.1.00 lakh <ol style="list-style-type: none"> i. Primary: Hypothecation of assets created out of Bank loan. ii. Collateral: Charge over agriculture land/ mortgage of land or IIIrd party guarantee at the discretion of the bank. <p><u>Where movable assets are not created:</u> Like loans for wells, bore wells, deepening of wells etc. For loans above ₹.1.00 lakh Mortgage of Agriculture land.</p> |
| Repayment | 5 to 9 years, depending upon the purpose of loan and repayment capacity of the farmer. |
| Rate of Interest | As applicable to Agriculture Term Loans. |