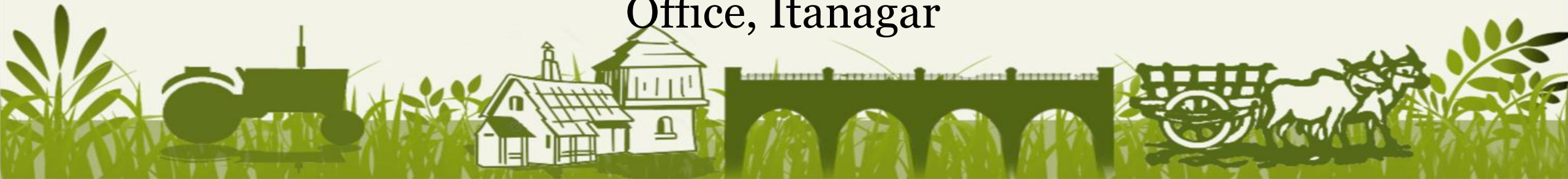




# “Chief Minister’s Krishi Rinn Yojona”

NABARD, Arunachal Pradesh Regional  
Office, Itanagar



# Notification

GoAP vide Notification No. FIN/E-II/15/2017 dated 07.05.17 issued the notification for “**Chief Minister’s Krishi Rinn Yojona**” to provide a facility of Zero interest crop loan to farmers of the state.



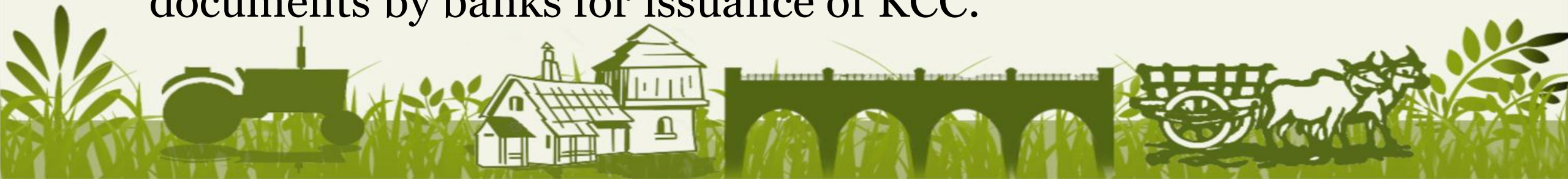
# Objectives

- Adequate and timely credit support under single window for cultivation and other needs.
- Cultivation of crops
- Post harvest expenses
- Produce Marketing loan
- Consumption requirements
- Working capital for maintenance of farm assets & activities allied to agriculture like dairy, fishery, etc.
- Investment credit for agriculture & allied activities like pump sets, sprayers, dairy animals, etc.



# Brief Background

- GoAP would provide interest subvention of 4% on crop loan/KCC limit upto Rs 3.00 Lakh.
- This interest subvention will be over & above the subvention given by GoI.
- Additional 3% interest relief for prompt repayment.
- GoAP will be issuing a notification wherein a certificate of area and crop being cultivated issued by CO may be accepted as valid documents by banks for issuance of KCC.





# Brief Background

- Loan upto Rs 3.00 lakhs with timely repayment will get access to zero interest credit facility.
- Perennial food crop/plantation crop not eligible.
- GoAP has set a target of 7500 farmers.
- District-wise/bank wise target will be circulated separately to all DCs and concerned banks.
- Progress will be reviewed in DLCC/DCC & SLBC meetings.
- Circle Officers will function as Financial Extension Officers.
- NABARD shall act as channel partner for reimbursement to banks.



# Salient Features

- Eligibility
- Owner cultivators – Individuals/ Joint Borrowers
- Tenant farmers, oral lessees & share croppers
- SHGs/ JLGs of farmers including tenant farmers, share croppers, etc.
- Valid for 5 years subject to annual review
- One time documentation at first availment.
- Simple declaration about crops raised/ proposed, for subsequent years.
- No processing fee for card limits up to Rs.3 lakh



# Salient Features contd...

## ▪ Assessment of Credit

### ✓ crop loan component: For first year

- SoF X Cropped Area ... A
- **Plus** 10% of 'A' towards post harvest/ household / consumption requirement ... B
- **Plus** 20% of 'A' towards maintenance of farm assets + crop Insu +PAIS + Asset Insu ... C
- ST loan requirement for first year: A + B + C ...D

### ✓ For second and subsequent years

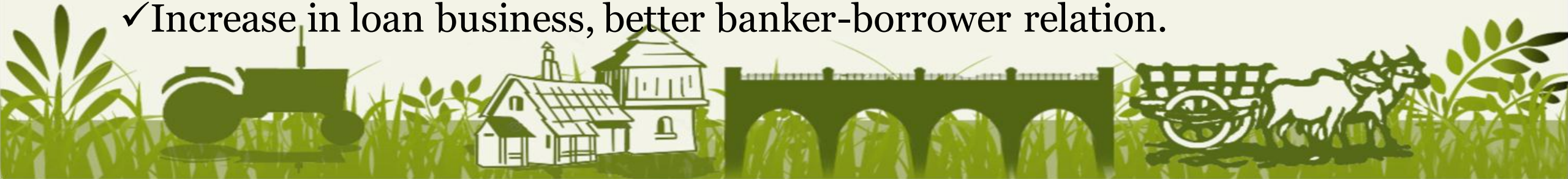
- D **plus** 10 % towards cost escalation/ increase in scale of finance for every successive year





# Benefits

- Farmers:
  - ✓ Timely and hassle free credit
  - ✓ Assured availability & easy renewal
  - ✓ Flexibility to draw from another branch
  - ✓ Less interest burden
  - ✓ Less visits to branch for sanction
  - ✓ Consumption loan
  - ✓ Availability of PAIS
- Banks:
  - ✓ Less work load/ paper work and lower transaction cost
  - ✓ Improved recycling of funds, better recovery
  - ✓ Increase in loan business, better banker-borrower relation.





THANK YOU

