



## Agriculture Infrastructure Fund

**For Prelims:** Farmer Producer Organisations (FPOs), Self Help Groups (SHGs), Management Information System (MIS), NABARD, Stubble Burning, Crop diversification, Rainwater Harvesting, Genetic engineering.

**For Mains:** Agriculture Infrastructure Fund(AIF), Issues related to Post Harvest Management.

### Why in News?

[Agriculture Infrastructure Fund \(AIF\)](#) crosses Rs.30,000 crore mark of **capital mobilisation** for projects in agriculture sector for creation of **post-harvest management infrastructure and community farming assets**.

### What is Agriculture Infrastructure Fund?

#### ▪ About:

- AIF is a financing facility launched in **July 2020**.
- It aims to provide **all-around financial support to the farmers**, agri-entrepreneurs, farmer groups like [Farmer Producer Organisations \(FPOs\)](#), [Self Help Groups \(SHGs\)](#), **Joint Liability Groups (JLGs) etc.** and many others to create **post-harvest management infrastructure** and build community farming assets throughout the country.

#### ▪ Features:

- AIF provides support of **3% interest subvention**, credit guarantee support through **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme for loan of up to Rs. 2 crore** and facility of convergence with other Central and State Government schemes.
- AIF is helping in **reducing post-harvest losses by creating and modernising agriculture infrastructure**, which includes primary processing centres for vegetables, hi-tech hubs for rental of agricultural machinery.

#### ▪ Management:

- The fund will be managed and monitored through an online [Management Information System \(MIS\) platform](#). It will enable all the qualified entities to apply for loans under the Fund.
  - The **National, State and District level** monitoring committees will be set up to ensure real-time monitoring and effective feed-back.

### What is Post Harvest Management?

#### ▪ About:

- **Post-harvest management** refers to the activities and techniques used to preserve and protect crops after they have been harvested.
  - This includes activities such as **cleaning, sorting, grading, packaging, storage, and transportation**.
- The **goal of post-harvest management** is to maintain the quality and safety of the crops, as well as to **extend their shelf life, so that they can be sold and consumed**

at a later time.

▪ **Challenges:**

- **Lack of Convenient Access to Credit:** A convenient line of credit is not available to small and marginal farms. As per the [NABARD 2018 survey](#), farmers with smaller plot sizes took a greater share of loans from the non-institutional lenders than did farmers with larger plot sizes (> 2 hectares).
  - This indicates that more **small and marginal farmers rely on (expensive) informal sources** of credit than large ones.
- **Stubble Burning:** The problem of 'on-farm' burning or [stubble burning](#) is intensifying in recent years **due to shortage of human labour, high cost of removing the crop residue** from the field and mechanised harvesting of crops, contributing majorly to air pollution in Northern India.
- **Infrastructure Bottlenecks:** More than **30% of the produce from farm gate is lost** due to inadequate cold chain infrastructure.
  - The NITI Aayog cited a study that estimated annual **post-harvest losses** close to **Rs 90,000 crore**.
  - **Lack of all-weather roads** and connectivity make supply erratic.

## How can India Harvest Rich Returns from Agriculture?

- **Integrating Traditional and Frontier Technologies:** [Rainwater harvesting](#) and recycling of organic waste for plant nutrient, pest management, etc., are examples of traditional technologies that can be used to complement frontier technologies like **tissue culture**, [genetic engineering](#), to achieve higher productivity.
- **Upgrading Agricultural Surplus Management:** An infrastructure upgrade and development program are needed for **post-harvest handling, seed, [fertiliser](#) and agrochemical quality regulation**.
  - Additionally, it is necessary to promote grading and standardisation of procurement centres.
- **Harvesting Rich Returns Through Market Integration:** There is a need to **streamline domestic markets and put in place the infrastructure and institutions to connect local markets** with national and global markets.
  - To facilitate smooth integration between domestic and world markets, and to manage [trade liberalisation](#) more effectively, India needs a nodal institution that can monitor **world and domestic price movements** closely and take timely and appropriate measures to avoid major shocks.

## UPSC Civil Services Examination, Previous Year Question (PYQ)

### Prelims

#### Q.1 How is permaculture farming different from conventional chemical farming? (2021)

1. Permaculture farming discourages monocultural practices but in conventional chemical farming, monoculture practices are predominant.
2. Conventional chemical farming can cause an increase in soil salinity but the occurrence of such phenomenon is not observed in permaculture farming.
3. Conventional chemical farming is easily possible in semi-arid regions but permaculture farming is not so easily possible in such regions.
4. Practice of mulching is very important in permaculture farming but not necessarily so in conventional chemical farming.

Select the correct answer using the code given below.

- (a) 1 and 3
- (b) 1, 2 and 4
- (c) 4 only
- (d) 2 and 3

**Ans: (b)**

**Q.2 Which of the following is the chief characteristic of 'mixed farming'? (2012)**

- (a) Cultivation of both cash crops and food crops
- (b) Cultivation of two or more crops in the same field
- (c) Rearing of animals and cultivation of crops together
- (d) None of the above

**Ans: (c)**

**Q.3 With reference to micro-irrigation, which of the following statements is/are correct? (2011)**

1. Fertiliser/nutrient loss can be reduced.
2. It is the only means of irrigation in dry land farming.
3. In some areas of farming, receding ground water tables can be checked.

**Select the correct answer using the codes given below:**

- (a) 1 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

**Ans: (c)**

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### **Mains**

**Q.1** What are the present challenges before crop diversification? How do emerging technologies provide an opportunity for crop diversification? **(2021)**

**Source: PIB**

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