

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:2382

ANSWERED ON:12.03.2013

FUNDING OF SFAC

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Will the Minister of AGRICULTURE be pleased to state:

(a) the details of agri-business ventures/projects of the Small Farmers' Agriculture-Business Consortium (SFAC) under implementation and venture capital assistance provided by the public sector banks for the purposes in the country during each of the last three years and the current year, State-wise;

(b) whether the venture capital assistance by the public sector banks in the form of equity to SFAC is to be converted into term loan till the bank term loan is fully repaid;

(c) if so, the details thereof; and

(d) the details of achievement made in catalysing private investment in setting up of agri- business projects and thereby providing assured market to producers for increasing rural income and employment?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (SHRI TARIQ ANWAR)

(a) State-wise List of Projects Sanctioned under Venture Capital Assistance by SFAC through public sector Banks during last three years and current year is given in Annexure.

(b) & (c) Financial funding from SFAC is in the nature of a soft loan, till the Bank's term loan is fully repaid by the beneficiary and is automatically converted into a term loan on the last date of such repayment as per the original schedule. The venture capital after it becomes term loan could be repaid to SFAC in lump sum immediately or in four quarterly installments together with the amount of interest at the same rate as was applicable on the term loan of the lending Bank.

(d) During the XI Plan, SFAC has sanctioned Venture Capital amount of Rs.120.17 Crore for 409 projects across the country benefitting approximately 48685 farmers for procurement of their produce and generating employment to approximately 30710 persons in rural areas. During the current financial year upto February 2013, SFAC has sanctioned Venture Capital amount of Rs.36.78 Crore for 110 projects across the country benefitting approximately 13210 farmers for procurement of their produce and generating employment to approximately 4635 persons in rural areas.