केनरा बैंक Canara Bank
भारत सरकार का उपक्रम
A Government of India Undertaking
सिंडिकेट Syndicate

Agriculture as the Primary Driver of the Indian economy

Understanding the strategic importance of farm credit in national development and technological

Economic Contribution

Agriculture contributes significantly
to both national employment and

Technological Advancement

Agricultural credit facilitates new technology adoption and farm-sector development.

Canara Bank Initiatives

Facilitating growth through credit facilities for retail, SME, and corporate farmers.

Infrastructure Development

Credit enables development from cold storage to bio-gas plants.

2025-26 Policy Focus

Emphasis on sustainable asset creation and reducing informal credit dependence.

Strategic Alignment

Commitment aligns with Atma Nirbhar Bharat vision for rural infrastructure.













Agriculture Advances & Policy of Canara Bank.







NIKHIL ARORA DM
CLDC PATNA

Presented by Nikhil Arora 9094957993

37 KEY BULLET POINTS TO REMEMBER AS PER EXAM POINT OF VIEW.

1. Urban co-operative Banks Not having Agriculture Priority sector targets.
2. AM HEROES or SEA HORSE (S= SME) to remember 8 priority Sector .
3. In MSME only Micro enterprise having Target of 7.5%
4. Export 2% incremental growth & 50 Crore per Borrower.
5. Foreign Banks above 20 branches Target as per DCBs. Below 20 Branches 32% in Export & 8% in any of 7 Priority Sectors.
6. Agri in Allied Activity Priority sector amount 2.5 lakh under SF/MF.
7. Agri On lending Amount is upto 10 Lakh in case of MFIs , NBFCs and in case of Retail & MSME its 20 Lakh.
8. Distressed Person 1 lakh & distressed farmer No Limit.
9. NRI is not eligible to take Any Agri Loan.
10. Agri GST Scheme only WC , NFB can be sanctioned. CGTMSE coverage not Available as collateral to be obtained & USP is Stock Audit Waiver .
11. Margin Not required for Agri GST scheme and Current Ratio also just 1 only .
12. Estate Purchase loan is Non Priority Loan & MARGIN OF LOAN IS 50%.
13. SHG CGFMU Coverage 20 Lakh.

KEY POINTS TO REMEMBER CONTD…….

1. No age Criteria for KCCS Loan.
2. Command Area guidelines 30KM.
3. Plantation advances – always to be sanctioned in Nearest branch to the estate.
4. Agri Loan upto 2 Crore Scoring Norms Applicable.
5. **Agri-Clinics & Agri-Business Centers (AC&ABC) Program Upper age limit modification so now age is 62 to avail credit facility after training recant modifications.**
6. **Deep Sea , Kisan OD , Estate Purchase 200 % Security .**
7. Land record waiver for upto 2 lakh as aggregate exposure , in case of online land record amount is 3 Lakh.
8. Agri Alternate Security permission from NHA . But circle head CAC RSA.
9. Canara Kisan OD also can be sanctioned to GPA holder .
10. Canara kisan OD Min 1 Lakh per Acre & Max 10 Lakh but in case of relaxed Norms 1.5 lakh /acre And Max amount iS 12.50 lakh by Ro head
11. CARS should not be financed under ALLHV scheme.
12. Observing NOVEMBER 2026 as “Self Help Group Credit Linkage Month”
13. Agriculture Interest rate @ MCLR for Farm Credit & Agriculture Infrastructure loans .

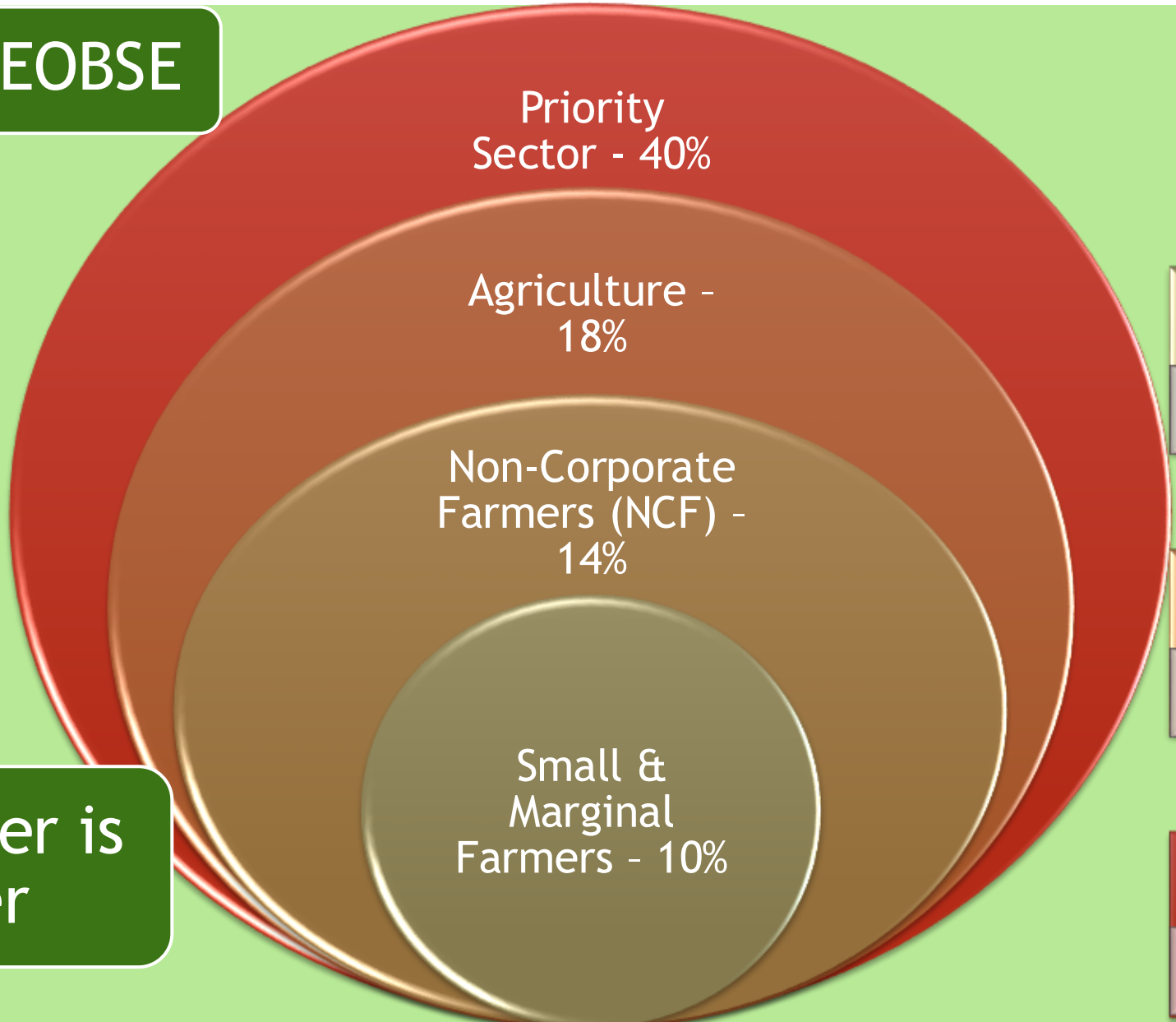
KEY POINTS TO REMEMBER CONTD…….

1. 10% Annual increase in KCC limit subject SOF if SOF increase by suppose 7 % then only 7% limit may increase if no increase in SOF then renewal with same amount.
2. In KCC nil Margin as already factored in SOF by DLTC.
3. Flexi KCCS from 10K TO 50 K can be sanctioned .
4. Agri Gold Limit for Crop Purpose Max 10 Lakh and total cap is 35 lakh.
5. For financing HCV applicant should have 15 Acre Perennially land.
6. Drone schemes drone manufacturer must be approved by DGCA (Director General Civil aviation) in case of individuals applicant should possess Remote Pilot License from institute specified by the DGCA further for own use 6 Acre irrigated Agri land or 12 Acre rainfed land.
7. Aggregation of Lons liability to be done by excluding (Gold Lons ,Bio Gas Loans, Marine Fishery Loans , Allhv, ALVSl.
8. Credit Review Agri Accounts PRR 20 D NB140.
9. Loans sanctioned for constructions of Farm House to be classified under priority Agri irrespective of loan sanctioned .
10. Display of hypothecation board waived till 25K and for KCC & Kisan OD irrespective of amount .
11. Debt Swap – it’s a clean advance co obligation of spouse/adult children (to ensure Non-Institutional borrowing again) mortgage of landed property if amount exceed above 2 lakh.

Targets / Sub Targets for Agriculture

ANBC / CEOBSE

Whichever is higher



Weightage till 2026-27

Incremental Priority Sector Credit

Per Capita PSL < ₹ 9000

125% weightage

Per Capita PSL > ₹ 42000

90% weightage

Others

100% weightage



Classification based on Repayment

OD Accounts Tenability – **12 months** for CKOD / WC excl KCC & Area specific schemes

Short Term: 6 – 18 months crop Based & other till 36 months

- Meeting Annual recurring purchases (seed/feed/labor/fertilizers/hire chgs etc..)
- Repaid after Harvest

Medium Term: 36 months - 5 years

- Longer lived assets – Machine/ Engine/ shed/ irrigation structure etc.,
- Returns spread over > 1 production period

Long Term: Above 5 years

- Long life assets – Heavy machine/ Permanent structure/ Horticulture/ Plantation
- Benefits spread over entire life of asset

Entities Eligible for KCC

- **All farmers - Individuals / joint borrowers who are owner cultivators**
- **Tenant farmers, Oral lessees & share croppers**
- **SHG or JLG of farmers including Tenant Farmers, share croppers etc.**

Agriculture allied activities (Purchase of animals/fodder /feed/equipment)

Obtaining Document Proof of **land record - Waived for loans upto ₹ 2.00 lakhs** wherever only movable assets are created

Small & Marginal Farmers (SMFs)

Land Holding Criteria

Marginal: Up to 1 hectare

Small: 1-2 hectares

Other SMF Categories

1.Landless Laborers

2.SHGs/JLGs

3. Loans up to Rs **2.5 lakh** to Individuals solely engaged in allied Activities.

4. FPOs having more than **75% SMFs**.



AGRICULTURE (3 CATEGORIES)

- ❖ FARM CREDIT(AGRI & ALLIED) = Category One
- ❖ Agriculture Infrastructure = Category Two
- ❖ Ancillary activities = Category Three

- ➢ LET US UNDERSTAND THESE 3 CATEGORIES

FARM CREDIT (PART A : INDIVIDUL FARMERS)

- ➢ A)Loans to individual farmers including SHG or JLG , Proprietorship firms of farmers .
- ➢ (Directly engaged in Agriculture and Allied Activities, viz., Dairy, fishery, animal husbandry, poultry, bee-keeping and sericulture.

Contd….

- CROP LOANS/ SF/MF/PLANTATION/HORTICULTURE
- Medium and Long-term loans to farmers for Agri and allied activities
- Loans to farmers for pre and post-harvest activities
- Loans to distressed farmers (Indebted to NON institutional lenders)
- Loans under the Kisan Credit Card Scheme
- Loans to SF/MF for purchase of land for Agriculture purpose
- Loans to farmers against pledge/ hypothecation of agricultural produce (including warehouse receipts) for a period not exceeding 12 months
- Loans to farmers for installation of stand-alone Solar Agriculture Pumps and for solarization of grid connected Agriculture Pumps
- Loans to farmers for installation of solar power plants on barren/fallow land or in stilt fashion on agriculture land owned by farmer.

Contd….

FARM CREDIT (PART B)

- Loans to Partnership firms , Corporate farmers,
- FPO / FPC Companies of individual farmers and
- Co-operatives of farmers directly engaged in Agri and Allied Activities

a) Loans for the following activities.

i) Crop loans to farmers/Horticulture and loans for allied activities.

ii) Medium and Long-term loans to farmers for agriculture and allied activities (e.g. purchase of agricultural implements and machinery and developmental loans for allied activities).

iii) Loans to farmers for pre and post-harvest activities(Spraying/Grading/Transport)

- b) Loans to farmers against pledge/ hypothecation of agricultural produce (including warehouse receipts) for a period not exceeding 12 months.

C)Loans to FPOs/FPCs undertaking farming with assured marketing of their produce at a pre-determined price.

D) Loans for purchase of the produce of members directly engaged in agriculture and allied activities.

Agriculture Infrastructure.

Aggregate sanctioned limit of Rs.100 crore per borrower from the banking system

- **Loans for construction of storage facilities (Warehouses, market yards, godowns and silos including cold storage units/ cold storage chains designed to store agriculture produce/products) irrespective of their location.**
- **Soil conservation and watershed development.**
- **Plant tissue culture and agri-biotechnology, Seed production, production of bio-pesticides, bio-fertilizer, and vermi composting.**

- Loans for construction of **oil extraction/ processing units** for production of bio-fuels, their storage and distribution infrastructure along with loans to entrepreneurs for **setting up Compressed Bio Gas (CBG) plants**

Ancillary activities :

Loans up to Rs. 50 crore to Start-ups, engaged in agriculture and allied services

Loans for **Food and Agro-processing up to an aggregate sanctioned limit of Rs.100 crore per borrower from the banking system.**

Export credit to the Agriculture sector including pre and post shipment credit

Outstanding deposits under RIDF and other eligible funds with NABARD

Loans for setting up of **Agri clinics and Agribusiness Centres**.

Loans to custom service units managed by Individuals, Institutions or organisations who maintain fleet of tractors, Bulldozers, Combiner etc., and undertake farm work of farmers on contract basis.

- Bank loans to **Primary Agricultural Credit Societies (PACS),**
- **Farmers' Service Societies (FSS) and**
- **Large-sized Adivasi Multi-Purpose Societies (LAMPS)**
- for on-lending to agriculture
- Loans sanctioned by banks **to MFIs for on-lending to agriculture sector**
- Loans sanctioned by banks to registered NBFCs

Display Board Requirements

"AGRICULTURAL FINANCE-ASSISTED BY CANARA BANK"

Exemptions:

- Loans up to **Rs 25,000**
- Crop production loans, KCC, Canara Kisan OD

Cost borne by bank

Bills and Vouchers Requirements

Requirements

Necessary bills/vouchers/stamped receipts including margin amount.

Waivers available for:

- Development loans up **to Rs 2 lakhs**
- Other agricultural loans up to **Rs 50,000**
- KCC/Kisan OD/Krishi Mitra schemes

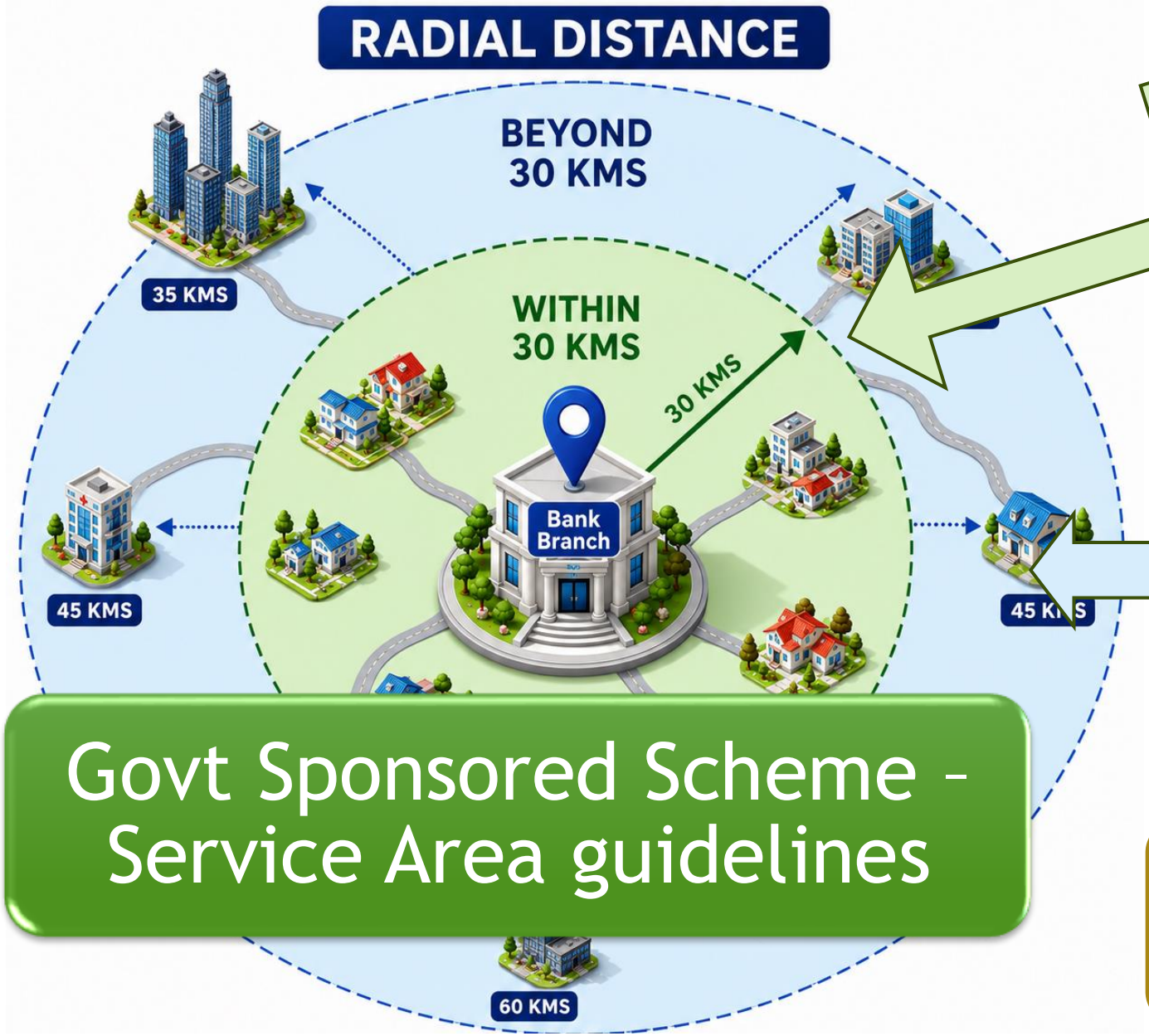
Reimbursement Guidelines

Term loan reimbursement up to **25%** of loan or borrower investment (whichever lower)

ⓘ Only for plant & machinery, not land & building

- Low/Normal risk borrowers only
- Within 6 months of purchase
- CA certificate required/ Original invoice to be obtained and kept

Command area Guidelines



Branch can finance upto 30 kms in their command area for all PSA

Beyond 30 Kms

- Branch to obtain permission from DM/AGM at RO
- CM headed Br / AGM-RO-CAC & above – RSA

Govt Sponsored Scheme – Service Area guidelines

Plantation advances – Nearest branch to the estate

Delegation for High Risk rated customer as per Credit Score for Agriculture Accounts

High Risk - Up to ₹ **10.00 Lakhs** branch can sanction (Aggregating)

Above ₹ 10.00 lakhs and up to & including **₹ 25 lakhs** where risk grade is High Risk (CS4) may be permitted by **RO Head CAC.**

Above ₹ 25.00 Lakhs: CO up to their delegated powers



Margin for Agricultural loans



Margin: Contribution by the borrower.





Project cost – Margin = Loan amount

Crop production loans/KCC/KCC-AHD & Fisheries



NO MARGIN – as per Scale of Finance by Dist. level Technical Committee

Others

Upto & including ₹ **2.00 lakhs - NIL**

Above ₹ 2.00 lakhs - 15% - 25%

Exception on Margin Norms

NIL

- Kisan Tatkal
- KMCCS
- Debt swap
- Agri clinic & Agri Business center loan upto ₹ 5.00 lakhs

10%

- ALLHV other than MCV/ HCV
- AIF
- PMFME

10% - 25% : Animal Husbandry Infrastructure Fund Scheme

20%

- Land purchase for Agri Purpose

25%

- MCV/ HCV
- 2nd hand Vehicles
- Canara Drone

40%

- 2nd hand Tractor

50%

- Estate Purchase

25% - 33%
Deep Sea Fishing Vessels

15% - 25% - Agri clinic & Busi Centre loan **Beyond ₹ 5.00** lakhs

Eligible categories under Agriculture – Farm Credit

Loans to Corporate farmers

- **₹4 Crore / Entity**

Loans Upto ₹10 Crore

- FPO / FPC loans for entities undertaking farming with assured marketing of produce at a pre-determined price.
- Purchase of the produce of members directly engaged in agriculture and allied activities

Produce loans against negotiable warehouse receipts.

- NWR/e-NWR
  - **₹4 Crore**
- **other than** NWR/e-NWR
  - **₹2.5 Crore**



What is the Maximum Limit for Purchase of Agricultural lands??





How much you will finance for Purchase of an estate worth ₹ 100 lakhs??



Granting FDL loan on lease hold landed property

Govt Leased lands

a. Regd. lease deed. Min lease period - Loan tenor + 3 years.

b. Permit the LESSEE to mortgage the lease hold rights. Lease hold rights are to be mortgaged.

c. Loan can be permitted by RSA , within the delegated powers, subject to (a) above.

d. If felt needed additional collaterals depending on risk factors, the same may be insisted

e. If Mortgage of lease hold rights are not available,

- Immovable or equivalent Collateral security - Min 100% of the loan amount, wherein at least 50% security by way of Residential/Commercial Properties (L&B backed by approved building plan).

Granting FDL loan on lease hold landed property

Private Leased lands

a. Regd lease deed. Min lease period - Loan tenor + 3 years.

b. ownership of the lessor to be verified & confirmed

c. Immovable security in the form of land/building/tangible securities like FD etc to be obtained

Lease hold rights are mortgaged - additional Immovable security Min 50% of the loan amount

Mortgage of lease hold rights are not available - **Min 150%** of the loan amount, wherein at least 50% security by way of Residential/Commercial Properties (L&B with approved building plan)

Penal Charges

Credit Limit	Penal Rate
Up to Rs 50,000 (Priority Agriculture)	NIL
Rs 50,000 - Rs 2 lakhs (Priority)	1%
Above Rs 2 lakhs (Priority)	2%
Above Rs 5,000 (Non-Priority)	2%



Additional Penal Charges

Credit compliance framework • Rates apply for the applicable period of default

1 Co-op society loans

1% p.a.

Overdue loan accounts, delayed payments and the overdue period.

2 Security perfection

1%

Delay in creation of Equitable Mortgage (EMT) / II Charge.

3 Stock / MSOD / book debt

2%

On the entire liability for the delayed period when statements are delayed or not submitted.

4 QOS / HOS

1% / 0.25%

1% on fund-based liability; 0.25% on NFB liability. Cap: ₹1 lakh/month.

Annual financial statement 2%

On outstanding fund-based liability when audited statements are not submitted by the earliest applicable deadline:

• 31 Oct • year-end 31 Mar

• **Within 7 months • other year-end**

• Within 15 days of adoption • whichever is earlier

Exemptions & relief

• Not applicable to PSUs, Government bodies and statutorily audit-exempt entities.

• Agricultural term loans: **no penal charge for the first 3 months from due date.**

CONTROL PRINCIPLES..

Apply only to delayed payments

Installment and interest; only for the overdue period—not the entire liability.

Overall ceiling

Total penal charge must never exceed 2% above the stipulated interest rate.

Penal Charges

Exemptions & relief

- Not applicable to PSUs, Government bodies and statutorily audit-exempt entities.
- Agricultural term loans: **no penal charge for the first 3 months from due date.**

Penal Charge Waiver Authority

Waiver not granted as matter of practice

RO Head CAC and above may permit waiver for:

- Natural calamities
- Accidents/Fire/Riot/Strike
- Events beyond borrower control

Property Valuation Schedule



With Structures

Once in **3 years**

Farm house, poultry sheds

Without Structures

Once in **5 years**

Due to dynamic productivity

Valuation Authority Limits

Rs30L

AEO/AMRD Managers

Agricultural loan valuation limit

Rs20L

Other Managers

Standard valuation authority

Rs5Cr

Independent Valuers

Two empaneled valuers required

Panel of Agricultural Consultants



Eligibility

1. Individuals, Partnership firm, Corporates.
2. Retired govt employee/PSBs with 5 years experience in Agriculture
3. Close relatives of bank staffs not eligible



Empanelment

1 year subject to yearly renewal



Leads only Agriculture proposal

Commission : 0.10% of loan amount with Max of Rs 50000

Agricultural Innovation Centre (AIC) and ACC Mapping

Specialized units for high-value appraisals and technical management consultancy.

Agricultural Innovation Centre

Acts as the Priority Credit Wing at the Head Office responsible for technical appraisal of high-value projects.

AIC Appraisal Thresholds

Mandates standalone appraisals for new projects exceeding ₹400 Lakhs or existing projects exceeding ₹750 Lakhs.

Agriculture Credit Centers

Specialized processing units to which most bank branches are mapped for focused credit workflows.

ACC Loan Processing Criteria

Handles fresh term loans above ₹5.00 Lakhs specifically where mortgage collateral is involved.

DM-CAC-ACC Committee

A dedicated Credit Committee structure established within ACCs to ensure faster sanction turnaround times.

AIC Additional Support

Provides R&D expertise, develops model projects, and represents the institution at Krishi Melas.

- PIPR is to be submitted by the branches on quarterly basis during implementation stage of the project, in respect of term loan limit of Rs.50 lacs and above.

- The Circle Heads, considering the nature of project may waive obtention of certificate from Chartered Accountant/approved engineer for limits up to Rs.2 crores.

Project Implementation Progress Report



PIPR required quarterly for term loans **Rs 50 lakhs and above**

- During implementation stage
- CA/engineer certificate waiver up to Rs 2 crores
- Circle Head discretion

The new Agri-GST Scheme for registered enterprises

Providing working capital finance to GST-registered agriculture units based on turnover.

Target Audience

Individuals, FPOs, and companies with a minimum business operation of 6 months.

Purpose

TO Provide WC Financing Product Code 2019 operational costs like raw
materials, labor, and electricity.

Assessment Criteria

Maximum 25% of preceding 12 months GST turnover, with NIL margin. Current Ratio Min =1

Loan Range

Loan amount is above ₹10 lakhs to 10m Crore by RSA then 10 Cr to 20 Cr Circle Head then 20 to 30 Cr by GM?CGM_HO_CAC beyond that ED CAC

Collateral Requirement

Minimum 75% of the loan amount (Immovable property/FDs). Circle Head CAC empowered to relax security in case of manufacturing unit 50% TO 75%

Processing Charge Concession

Concession of 50% on applicable processing charges is provided to units.

Agri GST Scheme- (Product Code 2019) contd…..

Margin: NIL Current Ratio: Minimum 1

To provide Working Capital- • Fund-based. • Non-Fund based as Sub-Limit of Fund-based limit under the scheme, by way of Letters of Credit (Inland/Foreign and/or Trade Credit) opened for procurement of raw materials and Bank Guarantees issued in lieu of Advance payment (i.e. Mobilization advance) from buyers.

Penal charge is applicable for not routing the transactions through Bank accounts.

a) If passed on turnover is between 50% to 74% - 0.50% penal charge is to be calculated from previous sanction to current renewal, on monthly basis over and above actual interest charged during the month.

b) b) If passed on turnover is less than 50 % of turnover - 1.00% penal charge is to be calculated from previous sanction to current renewal, on monthly basis over and above actual interest charged during the month

Pruning down of Limits due to reduction in turnover in succeeding years

(i) If actual turnover as reflected in GST return decreases in succeeding years, at the time of renewal, limit has to be brought down to meet the stipulated permissible bank finance of 25% of GST.

(ii) (ii) However, gradual reduction in limit may be permitted within a maximum period of 6 months, subject to 50% reduction in limit within three months.

(iii) (iii) 2% penal charge shall be levied for the overdrawn portion on non-compliance of the above condition beyond the period of 3 months.

(iv) • Submission of Stock Statement/ CA Certified Book Debt statement, Quarterly basis

(v) • Stock Audit Waived for all accounts including take over accounts also.

Whether Agri-GST is available in DLP platform??

Yes for Existing Customers.

Whether we have Key Shut Cash Credit for Agricultural Activities now??

Discontinued WEF 24.12.2025 (IC/972/2025)

Continuation of Concessional ROI for High value / Area specific Agriculture loans for a further period of one year i.e. from 01.08.2026 to 31.07.2027

Internal rating
- upto Moderate Risk & better

External rating
- upto B

Fresh exposure
- BB & above rated only

Working Capital
- Fresh & Renewal

→

Term Loan
- Fresh & Existing

MCLR
- Farm Credit & Agriculture Infrastructure loans

RLLR
- Food & Agro. Exp of Rs.100.00 Crore from the Banking System

Concession in Processing / Upfront / Other Charges
- Low Risk – 50%
- Normal Risk – 25%

Additional Concession (ROI shall not fall below RLLR)

0.25% - Food & Agro Processing under MSME CGTMSE covered acct with exp of Rs.200 lakhs

0.50% - MSE - Women Entrepreneurs (New Loan)

0.25% - Hybrid Security - only to the portion of limit/ liability covered under CGTMSE

Concessional ROI shall be withdrawn



Down-gradation in risk rating above Moderate Risk



Account slips to NPA

Charge Card rate from date of extending concessional ROI



Non-compliance of sanction terms and conditions

Schemes applicable under Area Specific Scheme - PAN INDIA

PM KUSUM	• MCLR – MCLR+2.0% • Upto Moderate / BB
Seed Production & Processing	• MCLR+0.25% - MCLR+1.45%
Compressed Bio-gas Plant	• MCLR – MCLR+2.0% • Collateral – L&B only
High Value Poultry (> Rs.25 lakhs)	• MCLR+0.25% • Immovable Security (P&C) – 125%
Inland Fisheries (Aquaculture) (above Rs.10 lakhs)	• MCLR + 1.60% • security back up of 125% including Stock
High Value Dairy Loans (more than Rs. 25 lakhs)	• MCLR + 1.00% - MCLR+2.50%
Food & Agro Processing	• MSME – RLLR - RLLR +0.60% • Non MSME - MCLR +0.35% - MCLR +1.10%
Produce Loan (eNWRs)	• 3 months MCLR - 1 year MCLR + 1.60

IC/585/2026

NEW SCHEDULE CODE FOR KCCS LOANS UNDER HIGH VALUE / AREA SPECIFIC AGRICULTURE ACTIVITIES (IC/518/2026)

Name of Scheme	Schedule Code	Name of the Schedule Code for Product code 840	Remarks
Potato Production in the State of Punjab	2612	KCC_POTATO_PB_INTSU BV_ABOVE100ACR_MCL R_YRLY	Where area of cultivation is more than 100 acres with Interest subvention
	2609	KCCS_AS_POTATO_PUNJ AB_INT_SUBV_50TO100 ACRES_MCLR	Where area of cultivation is 50 to 100 acres with Interest subvention
	2613	KCC_POTATO_PB_ NONINTSUBV_ABV100A CR_ MCLR_YRLY	Where area of cultivation is more than 100 acres without interest subvention
	2611	KCCS_AS_POTATO_PUNJ AB_NONINTSUBV_50TO 100ACRES_MCLR	Where area of cultivation is 50 to 100 acres without interest subvention
KCC Crop Cultivation (For Pineapple & Small Cardamom in Kerala State)	2608	KCCS_AS_SMALLCARDA MOM_KERALA_NONINTS UB_MCLR	For small cardamom cultivation without Interest subvention
	2610	KCCS_AS_PINEAPPLE_K ERALA_NONINTSUBV_M CLR	For pineapple cultivation without Interest subvention

Agri-Clinics & Agri-Business Centres (AC&ABC) Programme

IC/975/2025

Compendium of Instructions for Implementation – Revised Scheme Guidelines

SCHEME OVERVIEW

Objectives of the Scheme

1

Agri-Entrepreneurship

Promote agri-entrepreneurship and to create gainful self-employment opportunities for unemployed candidates with the required educational qualifications.

2

Support Public Extension

Supplement public extension efforts by delivering technology and advisory services to farmers — paid or free, based on the agripreneur's business model, local needs and affordability.

Providing expert advice and services to farmers to enhance productivity and farm income.

- **Soil health**
- **Cropping practices**
- **Plant protection**
- **Crop insurance**
- **Post-harvest technology**
- **Animal clinical services**
- **Feed & fodder management**
- **Market prices of crops**

Agri-Business Centres

Commercial units established by trained agriculture professionals for income generation and entrepreneurship development.

- Maintenance and custom hiring of farm equipment
- Sale of agricultural inputs and allied services
- Post-harvest management
- Market linkages for farmers and agripreneurs

For detail please See Annexure–II

An indicative list of eligible activities under Agri-Clinics and Agri-Business Centres is provided in Annexure–II of the Circular.

ELIGIBILITY CRITERIA — PARA 3

Who Can Apply?



21–60 yrs

Age group eligible to enter the scheme

62 yrs

Upper age limit to avail credit facility after training

Not Eligible

Serving persons and pensioners drawing pensionary benefits — for subsidy benefit

Note

A **minimum gap of one year** after completing the educational qualification is required before a candidate is considered for training — ensuring only serious candidates enter the programme.

ELIGIBILITY CRITERIA — PARA 3.1

Graduate-Level Qualifications

- Agriculture
- Horticulture
- Sericulture
- Dairy Science
- Animal Husbandry
- Fisheries
- Home / Community Science
- Biotechnology
- Agricultural Engineering
- Forestry
- Food Technology
- Food Nutrition & Dietetics
- Environmental Science
- Botany / Zoology / Chemistry

From SAUs / Central Agricultural Universities / Universities recognized by ICAR/UGC. Degrees from other agencies considered subject to Government approval.

PARA 5 & 6.1 — COVERAGE & ADMINISTRATION

Priority Sector Coverage & Nodal Agency

PS

Priority Sector Lending

All AC&ABC activities are covered under Priority Sector Lending — Item 6.3 (Ancillary Activities) of RBI's Master Direction on Priority Sector Lending (dated 07-07-2016, amended December 5, 2019).

N

NABARD — Nodal Agency

NABARD implements the subsidy component through financing banks and must ensure that at least 50% of ventures established under the programme each year receive the subsidy benefit.

SUBSIDY — PARA 6.3.1 & 6.3.6

Composite Subsidy Rates

44%

of Project Cost / TFO — Women, SC/ST, PwD, and all categories from NE & Hill States

36%

of Project Cost / TFO — all other categories of candidates

- **Subsidy is capped at the total loan amount** and held in a Borrower-wise in SRFA Subsidy Reserve Fund Account (interest-free)
- Back-ended with a **minimum 3-year lock-in period** — the loan account cannot be closed within three years

Subsidy Release: Process Flow

1

Agripreneur

Submits DPR & loan application via Jan Samarth / AIF Portal

→

2

Bank

Sanctions/rejects **within 30 days**; disburses first instalment

→

3

Bank → NABARD RO

Files subsidy claim **within 45 days** of disbursement

→

4

NABARD RO → HO

Verifies & forwards claim **within 30 days**

→

5

NABARD HO

Deposits subsidy with bank **within 7 days** of RO recommendation

Financing banks must also send a Utilization Certificate to NABARD confirming the subsidy has been credited and adjusted as per sanctioned terms.

Monitoring & Extension Service Linkage

- Subsidy adjustment is linked to actual delivery of extension services by agripreneurs to farmers
- Quarterly periodic/surprise inspections by designated officials (ATMA, NABARD/Bank, Panchayati Raj, **KVK heads**, etc.)
- Consolidated report finalized before expiry of the 3-year lock-in period
- Joint Review of each project undertaken quarterly by the branch and NABARD
- In case of expansion of an existing venture, composite subsidy shall be computed only on the TFO for expansion

If Unsatisfactory

Where an inspection reports unsatisfactory performance or mis-utilization of subsidy, the financing bank must refund the subsidy to NABARD, which remits it to the Government of India.

1 What is the eligible age group for candidates to enter the AC&ABC Scheme?

A 18 to 55 years

B 21 to 60 years

C 25 to 65 years

D 30 to 58 years

QUESTION 2 OF 7 • PARA 4.2.1

2 What is the project cost ceiling for subsidy calculation in the case of an individual project (general case)?

A ₹10 lakh

B ₹15 lakh

C ₹20 lakh

D ₹50 lakh

3 What rate of Composite Subsidy applies to Women, SC/ST, PwD and candidates from NE & Hill States?

A 25% of Project Cost/TFO

B 36% of Project Cost/TFO

C 44% of Project Cost/TFO

D 50% of Project Cost/TFO

4 What is the minimum lock-in period for the back-ended composite subsidy?

A 1 year

B 2 years

C 3 years

D 5 years

QUESTION 5 OF 7 • PARA 4.4

5 What margin money is required for loans up to ₹5 lakh under the scheme?

A Nil

B 10% of project cost

C 15% of project cost

D 25% of project cost

6 Which agency acts as the nodal agency for implementation of the subsidy component through financing banks?

A MANAGE

B NABARD

C ICAR

D RBI

7 What is the minimum gap required after completion of educational qualification before a candidate is considered for training?

A No gap required

B 6 months

C 1 year

D 2 years

Consolidated list of approved Tractors, Combine Harvesters and Sugarcane Harvesters are furnished as Annexure



Approved Tractors Models

403



Approved Combine Harvester Models

98



Approved Sugarcane Harvester Models

6

IC/669/2026, 601/2026, 509/26, 152/26, 141/26, 76/26, 983/25, 930/25, 841/25, 760/25

Internal

IC/582/2026 - MIGRATION OF 6 AGRICULTURE SCHEMES ACCT OPENING TO LEND PERFECT MODULE (UPGRADED LAPS)

Upgraded version of LAPS with angular spring boot facility i.e, "Lend Perfect Module"

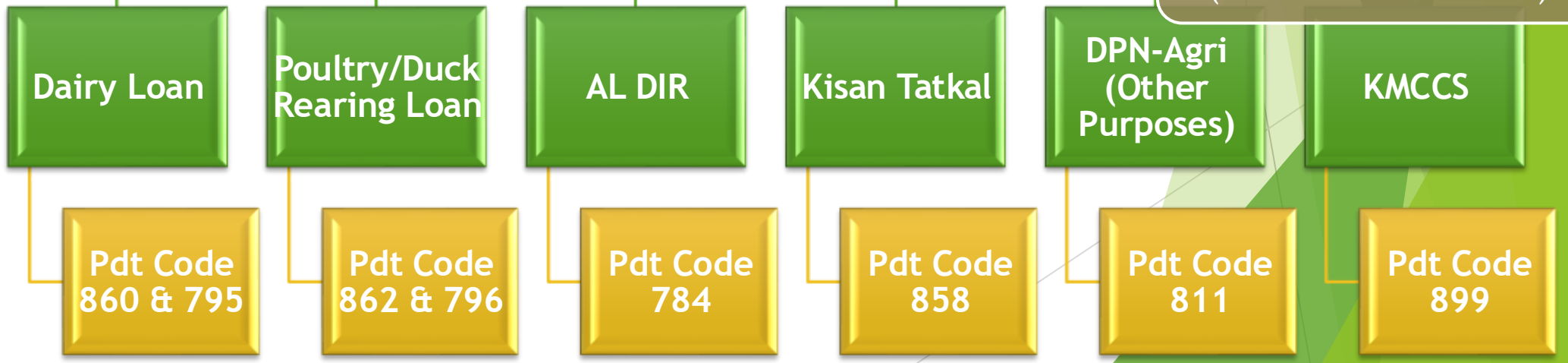
- Effective implementation of the business process
- Reducing processing time
- Increasing customer satisfaction multi-fold

SAS Package (Login) => Lend Perfect Agri

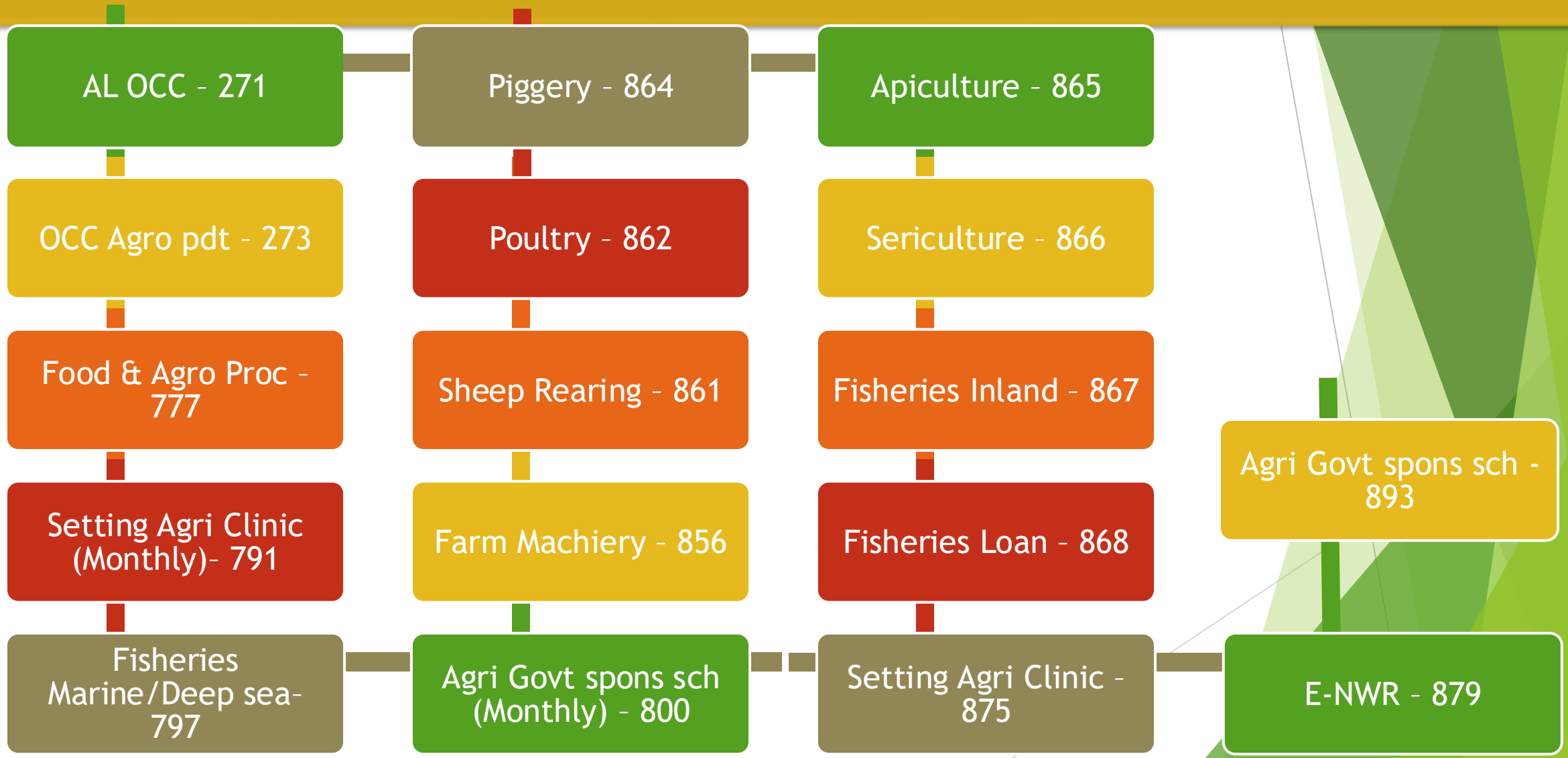
Agriculture Schemes in Lend perfect Module

IC/347/2026 - Agriculture VSL - Term Loan & OD (Pdt code 793 & 2003)

Branch Assisted Journey with Maker & Checker



Migration of 17 Agriculture schemes to Lend Perfect Module - IC/719/2026



REGULATORY BRIEFING · RESERVE BANK OF INDIA

Consolidated Guidelines — Relief Measures by Banks in Areas Affected by Natural Calamities – IC/544/2026

Amendment Directions issued by the Reserve Bank of India

RBI Circular No.	**RBI/2026-27/76**
Reference	**DOR.STR.REC.65/21-04-048/2026-27**
Date of Issue	**April 29, 2026**

EFFECTIVE FROM

July 1, 2026



Role of SLBC/UTLBC/DCC

Larger Part of State/UT affected

SLBC/UTLBC convenor bank convene special meeting within 15 days of declaration of calamity

Only a Part of State/UT affected

DCC in consultation with SLBC/UTLBC convenor bank convene special meeting within 15 days of declaration of calamity

Assess

Identify affected areas and borrowers using objective criteria.

Relieve

Apply proportionate moratorium and repayment restructuring.

Convey

Decision to members, RBI, NBFCs, UCBs operating in the area



KEY AMENDMENT · 01

Resolution of Stressed Assets

1

Eligibility

Accounts must be standard and not overdue beyond 30 days at the time the calamity occurs.

2

Invocation

Resolution must be invoked within **45 days** of the calamity being officially declared.

3

Implementation

The resolution plan must be fully implemented within **135 days** of declaration.

4

Flexible Relief

Rescheduling of dues, conversion of interest into a credit facility, and additional finance, net of insurance / government relief proceeds.

Lending institutions may also initiate resolution suo motu, based on the recommendation of a designated internal committee.

KEY AMENDMENT · 02

Income Recognition, Asset Classification & Provisioning

Asset Classification Relief

- Standard accounts upon Restructuring on account of a declared natural calamity remains ‘Standard’
- If slipped to NPA b/w calamity occurrence & resolution implementation – will be ‘Upgraded’

Provisioning - Additional 5% on Outstanding debt

- Applicable for all accounts under resolution plan
- Written back upon borrower paying @least 20% of outstanding debt & regular
- In case of borrower with only NFB/WC facility will be written back after one year if no defaults

IC/463/2026

Revised operational guidelines for Agribusiness Development through Venture Capital Assistance and Project Development Facility by SFAC



DFS, Ministry of Finance, GoI has informed the need for mutual cooperation between **Banks** and **SFAC** for recovery of dues in loan sanctioned by **Small Farmers Agribusiness Consortium (SFAC)** under the **Venture Capital Assistance (VCA) Scheme.**

1 During the Pendency of Loan



The Bank will be **having charge over** the primary / collateral securities available with the beneficiary. After repayment of Bank term loan, available securities will be automatically charged to the SFAC for recovery of its Venture Capital.

2 Release of Securities



The **securities** shall not be released **till the Venture Capital Assistance** is re paid to the **SFAC** and a clearance certificate from **SFAC** is obtained to that effect.

3 Timely Response by Branches/Offices



Branches/Offices are **advised** to **promptly respond** to the information **sought by SFAC** like **current address** of the borrowers/status of **mortgage** properties in respect loans sanctioned by **SFAC** under **VCA scheme** and ensure compliance.

Stronger Collaboration | Timely Information | Successful Recovery

What is SFAC? SFAC – Small Farmers' Agribusiness Consortium

It is an organisation under the Ministry of Agriculture and Farmers Welfare, Government of India.
Its major objectives include:
Promoting agribusiness and agribusiness development.
Supporting Farmer Producer Organisations (FPOs).

Providing Venture Capital Assistance to eligible agribusiness projects.
What is Venture Capital Assistance (VCA)?
VCA is financial assistance provided by SFAC to eligible agribusiness projects to help meet their capital requirements and facilitate bank financing. It is generally interest-free or concessional assistance facility, subject to the applicable scheme conditions.
Banks must cooperate with SFAC in recovering outstanding dues of loans sanctioned under the SFAC Venture Capital Assistance (VCA) Scheme.

Example: Suppose a beneficiary obtains:
Bank term loan: ₹80 lakh
SFAC Venture Capital Assistance: ₹20 lakh
Security: Land and building.
The bank retains its charge while its loan remains outstanding. After repayment of the bank loan, the available securities become subject to SFAC's charge for recovery of its VCA dues, as specified in the guidelines.

SELF HELP GROUP (SHG) CREDIT LINKAGE MONTH

One month in each quarter (May, August, November & February)



CO to execute MoU with respective SRLM if not done

RO to conduct SHG Credit Linkage Camps alongwith SRLM

Branches to intensify SHG fresh credit linkage.

Ensure linkage of all eligible SHGs during the campaign period.

Review and renew the eligible SHG loans with enhancement wherever viable.

Thrust should be given for sourcing more proposals under Canara Stree Shakti Scheme - loans to individual SHG members.

Branches to verify Jansamarth Portal on daily basis for SHG enterprises loan applications (Canara Stree shakti) and clear the application on priority within applicable TAT.

IC/573/2026 – Aug 26; IC/67/2026 – Feb 26; IC/803/2025 – Nov 25

DLP for SHG Renewal (41/2026)

- SHG Renewal will be Branch Assisted Journey with Maker and Checker.
- Accessed through SAS package =>Digital Lending Platform
- Maker (officer & above authorities) Enter & recommend for sanction/rejection to the Checker
- Checker - sanction/rejection in DLP
- RO shall monitor the pending renewal applications on daily basis and ensure disposal.



FP: CIM22 - Farmer details to be captured each member of SHG loan account in CBS (594/2026)



Validated in FP:BA016 (SHG Member Loan Details)

During addition / modification in BA016 (SHG Member Loan Details)



System will validate that the total monthly income maintained for each SHG/JLG member in CIM22 is greater than zero.



If the total monthly income is not maintained or is zero, **the system will restrict loan disbursement**.

Verification of SHG Unique ID on NRLM Portal (IC/679/2026)

1

Ministry has enabled verification of SHG unique ID in the SHG Bank Linkage Portal in LoKOS : https://banklinkage.lokos.in

2

Same to be updated in CBS under **FP-CIM22**



Unique SHG ID



Interest subvention

What is LoKOS?

LoKOS is the digital platform associated with the National Rural Livelihoods Mission (NRLM). it facilitates the digital management and identification of Self Help Groups and their associated information.

DHAN Foundation

Building Local Economies for a Better Tomorrow

Tie-up arrangement with DHAN Foundation for Financing Self Help Groups

(537/2026)





Valid till

16.06.2029

across Pan India Branches





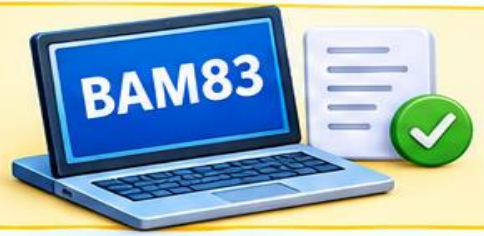
The processing charges, documentation charges and other service charges like visit/inspection charges, folio charges and prepayment charges are **completely waived** irrespective of the credit facility limit amount.



The Self-Help Groups (SHGs) which have availed credit facilities from Kalanjiam Development Financial Services (KDFS) of DHAN Foundation, like bridge loans or first/subsequent linkages and have gained experience in availing of loans, utilization and prompt repayment of loans shall be eligible for availment of **second or subsequent linkages on priority basis.**



No guarantee fee will be collected from SHGs for the credit facility limits up to **Rs.50,000/- per member** inline with RBI guidelines on Priority Sector Lending.



Scheme Code –

105000 **M/S DHAN FOUNDATION** in **BAM83**



Stronger SHGs Brighter Futures

Modification of Scheme Guidelines

Cold Storage Units & Credit Guarantee Scheme for e-NWR based Pledge Financing (CGS-NPF)

Revised norms for security coverage, personal guarantee thresholds and collateral requirements under Cold Storage & CGS-NPF financing

Security Norms — Existing & New Farmers

Loans up to ₹90.00 Lakhs – Pledge of stocks with e-NRW receipts duly lien marked (NeRL/CCRL portal) before disbursement

₹

CGS-NPF Guarantee Coverage valid till FY 2030-31

₹75.00 Lakhs

Coverage of accounts up to and including this amount, sanctioned under the CGS-NPF credit guarantee scheme for e-NWR receipt based pledge financing.

Above ₹90.00 Lakhs

PG

As above Plus Mortgage of landed property - 100% of loan amount

Personal Guarantee Threshold

Personal Guarantee of the Directors / Promoters of the organisation / Company / Group shall be obtained for all loans above this threshold **(increased from ₹25.00 Lakhs).**

Rate of Interest for Cold Storage (816/2025)

Particulars	Rate of Interest
Working Capital for on-lending to farmers in Cold Storage	**One Month MCLR**
Term Loan for Cold Storage	Under AIF up to Rs. 2.00 Crore : **6 months MCLR + 1.00%** subject to Max of 9% (inclusive of term premium)
	For Others: One Month MCLR (inclusive of term premium)

Collateral Security — Cold Storage Units

Working Capital limit for on-lending to farmers — mortgage of the storage unit financed, together with SARFAESI-compliant residential / industrial / commercial property

Risk Category	Minimum Required Immovable Security (% of Loan Amount)
Low Risk	**125%**
Normal Risk	**135%**
Moderate Risk	**150%**

Renewal of an existing limit may be permitted with the existing security in place — the revised percentages above apply to fresh / enhanced sanctions.

Branch / Circle Requirement

Circle / Branch must ensure total immovable security together with plant & machinery is a minimum of

125%

of the aggregate sanctioned limit (Term Loan & Working Capital limit, including on-lending to farmers against receivables).[3]

Relaxation Authority

Post-development value relaxation on selective, exception basis

CAC

Competent Authority

CGM-HO-CAC & Above

may permit relaxation in post-development value **up to 100%** on a selective basis.

Renewal of Kisan Credit Card (KCC) Loans

Circular 795/2025 • Product Codes 1801, 1805 & 230

PRODUCT 1801 RENEWAL STOPPED

w.e.f. 15.11.2025

PRODUCT MIGRATION AT A GLANCE

Discontinued Product Code	Renewal Status
1801 – KCC Short Duration	Stopped w.e.f. 15.11.2025
230 – KCCS (legacy)	Already stopped
1805 – KCCS (legacy)	Already stopped

LIVE KCC PRODUCTS

- **895** KCC – Long Duration
- **840** KCC – Short Duration
- **880** KCC – Animal Husbandry & Fisheries

= What Counts as "Renewal"

Closing the existing KCCS account under Product Code 1801, 230 or 1805, and opening a new account under the live product 840, 895 or 880 (as applicable), will be treated as renewal.

! Mandatory at Branch Level

The branch must invariably obtain the Link Letter – Annexure-29 / Annexure-30 – while closing and re-opening the account as part of the renewal process.

Note: Renewal functionality under Product Codes 230 and 1805 is already stopped; renewal under Product Code 1801 stands stopped w.e.f. 15.11.2025.

Incentive of ₹100 per subscriber is proposed to be paid to Bank for each NPS enrolment facilitated through *Farmer Producer Organizations (FPOs)*.

This incentive, in addition to the existing PoP charge structure

Type of Incentive	Eligibility Criteria	Conditions	Rate
Registration/ Activation Incentive to PoPs, for each NPS enrolment facilitated through FPOs.	Enrolment of new individual subscribers by the PoPs through FPOs as Pension Agent	Receipt of Initial contribution amount as prescribed by PFRDA time to time. Receipt of minimum annual contribution as presc… PFRDA time to time.	**Upto ₹100 per capita**

Valid till 31st March 2027

IC/155/2026

What is the incentive?
The Bank can receive an incentive of up to ₹100 for each new NPS subscriber enrolled through an FPO.
This incentive is over and above the existing Point of Presence (PoP) charges.
The objective is to promote NPS coverage among farmers and rural communities through FPOs.

Particulars Explanation
Beneficiary Bank / PoP
Mode of enrolment Through Farmer Producer Organisations (FPOs)
Eligible subscribers New individual NPS subscribers
Incentive Up to ₹100 per subscriber
Validity 31 March 2027

Important abbreviations
NPS: National Pension System
FPO: Farmer Producer Organisation
PoP: Point of Presence
PFRDA: Pension Fund Regulatory and Development Authority
Trainer's takeaway: This incentive encourages banks to use FPOs as a channel for expanding pension coverage among farmers. It creates an additional business opportunity for banks while promoting social security in rural India.

CGSFPO — Revised Guidelines

Credit Guarantee Scheme for Farmer Producer Organisations | IC/832/2025

1 Primary Security

- Assets created from the credit facility extended by the ELI.
- For godowns, cold storage & warehouses: Mortgage of land / leasehold rights on which the structure is being constructed is treated as primary security.

2 Takeover of Credit Facilities *NAB Sanrakshan Clarification*

- A standard facility taken over from another lending institution is eligible for CGS cover.
- Must be standard as on takeover date & meet all eligibility criteria, terms and conditions.

Scheme Code: 75310 – Farmers Producer Orgn (FPO) | Guarantee Cover Code: 100000129 – CGSFPO

FPO stands for Farmer Producer Organisation.

A Farmer Producer Organisation is a group of farmers who come together to collectively undertake agricultural and allied activities to improve their income, bargaining power and market access.In simple words, FPO means farmers working together like a business organisation instead of working individually.

Why are FPOs formed?

Individual farmers often face problems such as: Difficulty in purchasing seeds, fertilisers and pesticides at lower prices. Lack of bargaining power while selling agricultural produce. Limited access to credit and modern technology. Difficulty in storage, transportation and marketing. An FPO helps farmers overcome these difficulties through collective action.

KCC

Modified Interest Subvention Scheme (MISS)

Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) — Financial Year 2025-26

Circular No. 44/2026

Objective of the Scheme

₹3L

- Provide short term crop loans and short term loans for allied activities — animal husbandry, dairy, fisheries, bee keeping — to farmers through KCC
- Available up to an overall limit of ₹3 lakh per farmer
- Loans extended at a concessional interest rate during FY 2025-26



Eligible Lending Institutions



PSB

Public Sector Banks

PVT

Private Sector Banks **(rural & semi-urban branches** only)

SFB

Small Finance Banks

PACS

Computerized PACS ceded with Scheduled Commercial Banks

Interest Rate Structure – FY 2025-26

Financial Year	Lending Rate to Farmers	Interest Subvention to Lending Institutions	Prompt Repayment Incentive
2025-26	**7%**	**1.50%**	**3%**

Interest subvention is calculated on the loan amount from the date of disbursement / drawal / renewal up to the tenure / due date / renewal (whichever is earlier), subject to a maximum period of one year — and is available on lending institutions' own resources.

Loan Limits & Allocation Priority

- Overall limit: **₹3 lakh per farmer per annum** for crop loans and allied activities combined
- Sub-limit: **₹2 lakh** maximum for farmers engaged only in allied activities (animal husbandry, dairy, fisheries, bee keeping)
- Crop loan component gets first priority for interest subvention and prompt repayment incentive
- Residual amount (after crop loan) is applied towards allied activities, subject to the ₹2 lakh cap

Post-Harvest Storage Benefit

- Discourages distress sale of crops; encourages storage in accredited warehouses
- Available to small and marginal farmers against NWR from WDRA-accredited warehouses
- Interest subvention extends for a further period of up to 6 months post-harvest from the date of Pledge



Relief for Natural Calamities

- Applicable to farmers whose crop loans are restructured due to natural calamities
- The applicable rate of interest subvention for that year is made available to banks for the first year on the restructured loan amount
- From the second year onwards, restructured loans attract the normal rate of interest

Relief for Severe Natural Calamities

- Applicable interest subvention extended for the first three years, or the entire period, subject to a maximum of five years, on the restructured loan amount
- Prompt Repayment Incentive of 3% per annum is also provided to affected farmers
- Approval rests with a High Level Committee (HLC), based on recommendations of the Inter-Ministerial Central Team (IMCT) and the Sub Committee of the National Executive Committee (SC-NEC)



Revision Important Points as per exam point of view.

What is the full form of MISS? — Modified Interest Subvention Scheme.

What is the concessional lending rate? — 7%.

What is the interest subvention to banks? — 1.5%.

What is the Prompt Repayment Incentive? — 3%.

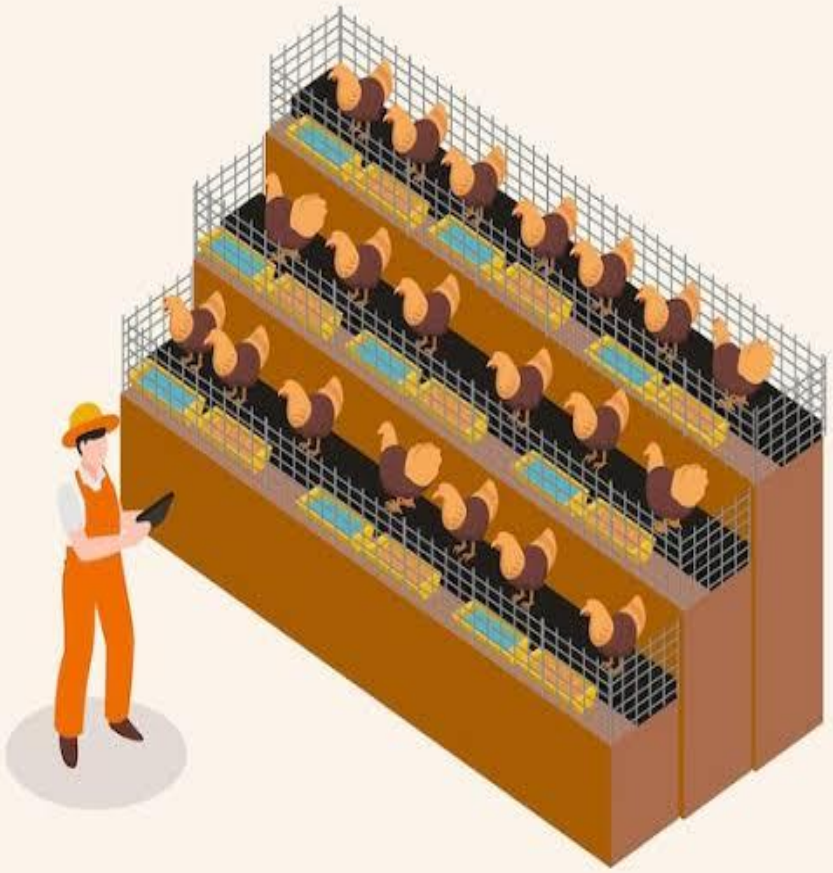
What is the effective rate after timely repayment? — 4%.

What is the overall eligible loan limit under FY 2025–26 MISS? — ₹3 lakh.

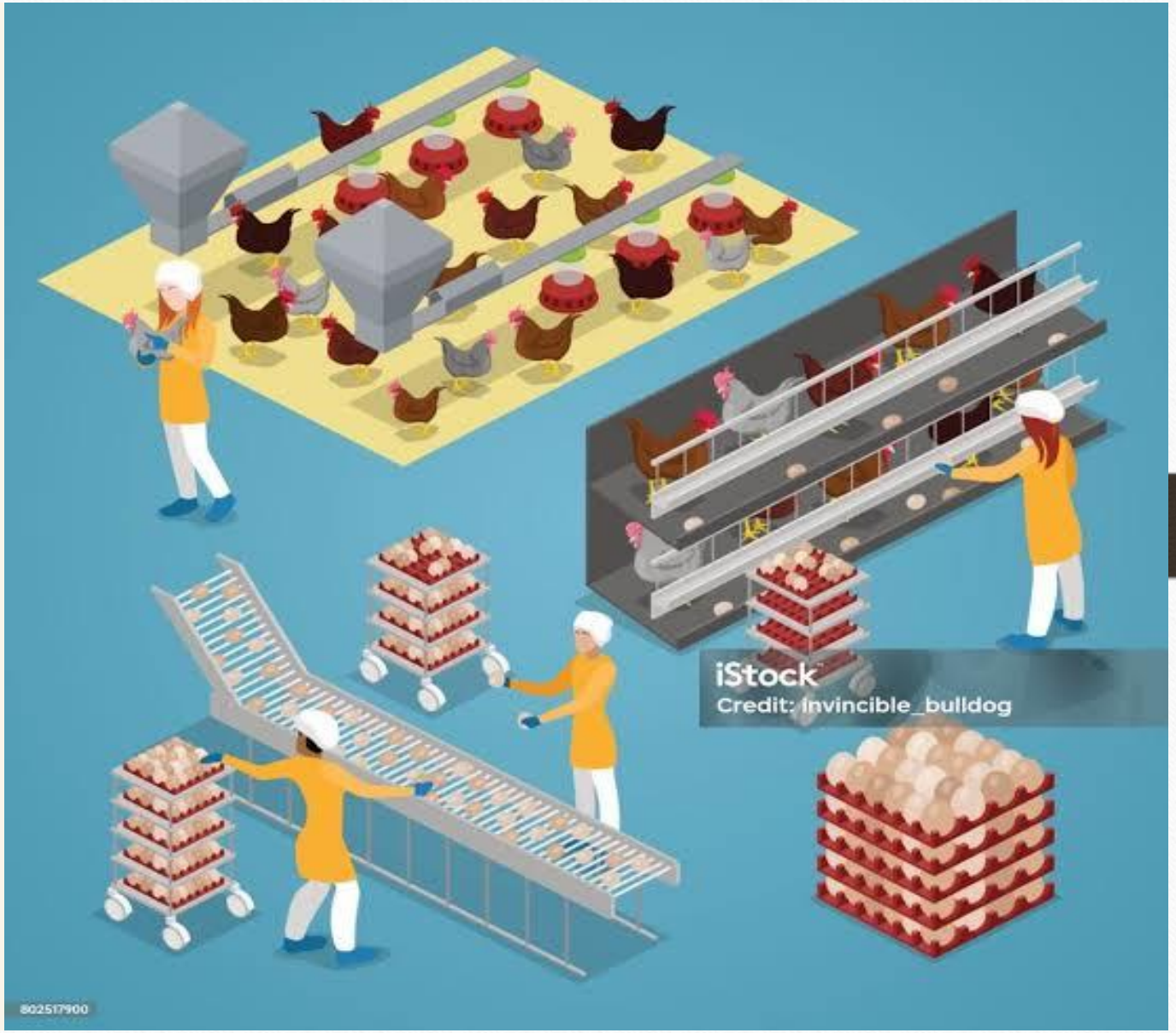
What is the allied activities sub-limit? — ₹2 lakh.

Which activities are covered? — Agriculture and specified allied activities.

Particulars	Normal natural calamity	Severe natural calamity
Interest subvention	First year only	First 3 years / entire period, subject to maximum 5 years
From subsequent years	Normal rate of interest	Applicable interest subvention continues for the approved period
3% PRI	Not covered under this special provision	Available to affected farmers
Approval	As per applicable guidelines	HLC based on IMCT and SC-NEC recommendations



POULTRY



Area Specific Scheme 2026-27 (IC/585/2026)

Valid till 31.07.2027

High Value Poultry (PAN India)

High Value proposals of more than Rs. 25 lakhs

Secured with 125% Immovable properties as Prime & Collateral

One year MCLR + 0.25% (Inclusive of term premium)

Repayment Schedule

Purchase of chicks and feeds for layer farm - 18 monthly instalments + 6 months moratorium /commencement of egg production whichever is earlier.

Purchase of broiler chicks & feeds - within 3 - 3 1/2 months or soon after marketing of birds whichever is earlier.

Poultry 7-9 years to be repaid monthly/quarterly (including gestation period of 12-18 months).

Hatcheries, commercial farm should be fixed according to the production programme after income generation and working out the cash flow statement.

Composite loan for construction of poultry shed/purchase of equipments and other investments may be repaid in 7-9 years by monthly/quarterly instalments inclusive of gestation period of 12 to 18 months.



Waiver of insurance of birds

Permitted by the RSA

Scoring > 75 as per the scoring matrix

100% secured by way immovable property/ies as Prime & Collateral, at least 50% Resi/Comm. Properties (approved L&B)

OR

150 % secured by way immovable property/ies as Prime and collateral securities.

If above not satisfied, NHA has powers for waiver of insurance.





Compulsorily vaccination of birds. Record should be preserved for the same.

Creation of corpus fund by way of a Recurring Deposit:

Category	Corpus fund to be created of the WC limit
Commercial Layer	8%
Commercial Broiler	15%
Parent Broiler	12%

The amount is collected through RD for a period of 5 years

Kept as collateral by converting it to KDR at the end of 5th year

Farm Development Loan – FDL

Pdt 883

Eligibility/ Target Group

Farmer - owner of the land

Minimum 2 acres (if less – Surplus can be sold / viability)

Digging of New wells/ Deepening of existing wells



Feasibility certificate from Dept of Mines and Geology of the State Government (Ground Water Survey Directorate).

Exemption for obtaining certificate

- a) Financing for desilting of well due to caving in of soil because of torrential rains.
- b) Construction of stone revetment/parapet wall and repairs thereof for the existing well.



Nature of Limit

- Term Loan



Quantum

- No Min & Max ceiling



Margin

- Upto 2 lakhs – NIL
- Above 2 lakhs – 15% - 25%

Security

Loans upto 2 lakhs

Hypothecation of crops/ assets created

Security for FDL above 2 lakhs

Hypothecation of crops/ assets

Mortgage of landed properties- **Min 125% of Post-**developmental value. SA may insist for additional Collateral

Development loans above Rs. 15000/- and upto Rs. 2 lakhs where the land is not obtained as collateral branches to obtain **Photostat copies of available title deeds** duly verifying the same with the original.

Exposure exceeds 2 lakhs- Mortgage of landed property

Repayment	**9 to 15 years** by annual/half yearly instalments. The repayment period/gestation period should be fixed for various activities
Disbursement	In stages depending upon the progress of work. Before making each disbursement, Manager/AEO/Officer should visit the farm and satisfy themselves regarding the progress of work made.
Delegation of powers	Branch Headed by Scale 1,2,3,4,5 – 10 lakhs, 20 lakhs, 30 lakhs, 100 lakhs, 200 lakhs Resp
Insurance	Adequate and timely coverage of Comprehensive insurance for all the securities charged to the Bank.
Other Conditions	Estimates (sinking/drilling of wells, construction of pump house/sheds/cattle sheds etc)made by the farmers themselves can be accepted provided the cost do not exceed more than 10% of the unit cost approved for that activity/purpose in that region. Submit break up figures In case of higher variations, the estimate from qualified engineers / contractors have to be submitted by the parties.
Post Sanction and Follow up Visits	• Post sanction visit within 15-30 days of disbursement to ascertain end use. • Periodicity of follow up visits is half yearly undertaken in respect of regular accounts

CONSTRUCTION OF FARM HOUSE

PDT CODE - 885

New Farm House with at least 2 activities attached to main house or as separate unit

- Store house for farm inputs/produce
- Cattle shed to house farm animals
- Tractor/Power tiller/Cart/Equipment's/Implements shed
- Threshing / Drying yard with or without processing facility
- Work shed for Weaving etc., non-farm activity
- Sericulture shed / Silk Worm rearing House

Additional Farm House even if the borrower or his spouse/dependent children are already having an existing Farm House

Purchase of Ready built Farm house

Repair of existing Farm house

Eligibility

- Farmer
- Not defaulter in any bank/FI
- Age not more than 55 years
- May relaxed to 55-60 yrs by SA with one legal heir as Co-borrower
- Beyond 60 yrs – NHA – Persons with interest in the property join as borrowers & mortgagers

Quantum

- No Min & Max Ceiling
- Repairs – Max is Rs. 2.00 lakhs or 75% of Estimated Cost

Margin

- Upto 2 lakhs – NIL
  Above 2 lakhs – 15% to 25%



Repayment



Construction & Purchase – 15 years



May be extended up to 20 years



Repair – 5 years

Security

Loans other than allied activities, tie-up arrangement & Scheme specific Stipulations

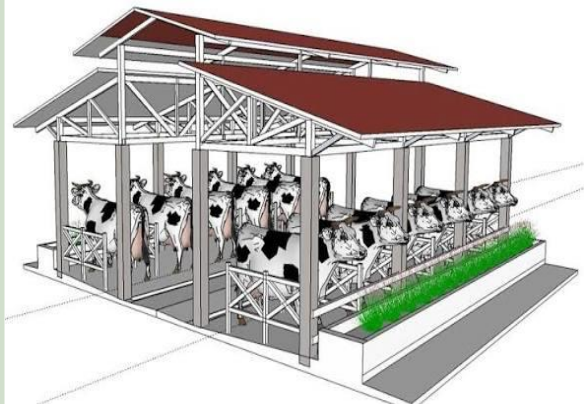
Loan Quantum (Rs. In Lakhs)	Stipulated Security
Upto Rs. 2.00 lakhs	Hypothecation of crops/assets created out of our finance
Above 2.00 lakh upto 3.00 lakh (Wherever facility of Online marking of lien/ charge or States having the facility of manual charge creation is available)	i) Hypothecation of crops/ assets created out of Bank finance. ii) Charge shall be created on land records **Existing KCC holders where agricultural land is already mortgaged would be continued as per existing terms and conditions**
Above 2.00 lakh (NO online charges) & above 3.00 lakhs (Online charge available) 	i. Hypothecation of crops/assets created out of our finance. ii. Mortgage of landed properties iii. KCC Loans with overall limit above Rs. 2.00 Lakhs can be sanctioned by accepting Collateral Security of Gold Jewelry with the appraised value at least equal to the loan amount

Tie-up arrangement is available - loans up to **Rs.3.00 lakhs** can be extended without insisting on mortgage under KCCS/Investment /Development loans either individually or put together

For loans extended to allied activities* under agriculture upto Rs.10.00 lakhs (covered under PMMY - Extant PMMY guidelines)

Loan Quantum (Rs. In Lakhs)	Stipulated Security
Upto 10.00 lakhs	<u>Hypothecation of assets + CGFMU</u> **&** For developmental activities - Mortgage of Primary security & **NO COLLATERAL** security Does not involve developmental activities - **NO Mortgage** of lan
Above 10.00 lakhs	1) Hypothecation of assets 2) Developmental activities - Mortgage of Primary security 3) Developmental activities on Lease land ➢ leasehold rights are mortgaged: Immovable security – Min 50% of loan amount ➢ leasehold rights are not mortgaged: Immovable security or collateral – 100% loan amount (50% L&B with approval) 4) Primary + Collateral = 100% of loan





Scheme specific Stipulations on mortgage of landed properties

Canara Kisan OD

- Renewal without enhancement - prime security 200%
- Fresh Loans & enhancement - prime security 200% (of which 15% Residential property)

Tractor loans/power tiller/Combine harvester/other farm machineries (where mortgage reqd)

- 100% of loan amount or security of tangible assets with requisite margin valued equivalent to the loan amount (***relaxations subject to permission from Circle DGM***)

Deep sea fishing vessels

- Collateral (Immovable)- 200%

Estate Purchase Loan

- Prime : Mortgage of entire land purchased
- Collateral : SARFAESI compliant – Min 25% of Loan, with approved L&B
  - Low Risk – 25%; Normal – 35%; Moderate – 50%

EXCEPTION

Either mortgage of landed property or co-obligation of 3rd party in addition to hypothecation

Fishing boats (SA discretion for additional collateral)

Purchase of vehicles under ALLHV scheme (excl MCV/HCV)



Internal

Scheme specific guidelines on security

Krishi Mitra Card

- Hypothecation of crops

Kisan Tatkal

- Existing KCC security (if exposure exceeds 2 or 3 lakhs - Mortgage of landed property)

Redemption of debts of farmers

- Clean Advance: Co obligation of spouse/adult children.
- if Exposure exceeds 2 lakhs then Mortgage of landed properties

Purchasing Agricultural lands

- Hypothecation of crops & Mortgage of lands (existing if any & proposed) irrespective of the limit

Agri-clinics / Agri-business

- Loan upto 5 lakhs – Hypothecation + CGFMU
- 5 to 10 lakhs - Hypothecation + CGFMU + Mortgage of land (if Prime) / Lease hold rights (development in lease land)
- Above 10 lakhs – Hypothecation + Mortgage + Co-obligation/ Guarantor (may be waived by the sanctioning authority)

Stipulations regarding mortgage

For genuine reasons if the borrower cannot mortgage lands, alternative securities as under may be

Nature of Security	Margin
Surrender value of LIC policies	10%
Govt. Promissory Note	
Market value of approved shares/ debentures/ bonds	50%
Market value of approved demat shares	30%
Approved units of mutual funds	50% NAV or market value whichever lower
NSC's/Kisan Vikas Patra's (KVP)	25%
Third party term deposits	
Gold Jewelry (on appraised value	KCC: NIL; GL-OD: 10%; others: 40%
Alternate landed properties: • Farm development loans/ • Crop loans • Investment loans	• 50% • 31.25% • Value should be Equal to the prime security
• Development loan in case of allied activities	• Value should be Equal to the prime security (post-development)

Sanction - Permitting authority

Branch sanctions - **RO Head**

RO head CAC & above to Circle head sanction - **CO Head**

HO powers - **RSA**

Crop Loans:

- If for any genuine reason, the borrowers cannot mortgage the entire land on which they are going to raise crops, branches/offices are permitted to grant crop loans against the security ***minimum 125% of the loan amount*** then the mortgage of other lands need not be insisted

Security Norms - General Aspects

Land development activities (leveling, sinking of well, contour bunding and other FDL)	• Min 125% developmental value
Allied activities – development activities (Cattle/Poultry shed)	• Mortgage of land compulsory apart from hypothecation of moveable assets created out of our loan

The liability of the borrower under Gold loans, Bio-gas loans, Marine Fishery loans, ALLHV loans, ALVSL NEED NOT be taken into consideration while deciding security norms.

Development loans above Rs. 15000/- and upto Rs.2,00,000/- where the land is not obtained as collateral in terms of the guidelines, branches to obtain Photostat copies of available title deeds duly verifying the same with the original.





PROCEDURAL MATTERS

- POST SANCTION VISIT:
  - Post sanction visit is undertaken within 15-30 days of disbursement to ascertain end use.
- FOLLOW UP VISIT:-

Type Of Loan	Periodicity Of Follow Up Visits
a) Crop loans i)Short duration crops	First visit must be made within one month after completion of sowing / planting operations & the other visit 15 days before harvest of the crop.
ii) Long duration crops	In addition to above visits, a visit during The mid season should be made.
b)All Other Loans	Quarterly visits

PROCEDURAL MATTERS

REPORTING SYSTEM FOR POST SANCTION INSPECTION VISITS:

The following forms are used for reporting post sanction inspection visits:

a) NF 594: This is for loans granted to allied activities such as poultry, dairy, piggery, fisheries, duck rearing etc.

b) NF 595 : These are used in respect of loans connected to land based activities where the repayment is linked to income out of the crops such as crop loans, farm development loans, minor irrigation loans, bio-gas loans, tractor/ALLHVs, etc.

PROCEDURAL MATTERS

Time Norms for Disposal of Applications

- **At Branch**

Nature of Credit Facilities	Time Norms for sanction
Kisan Credit Card Scheme	
- Up to Rs. 25000/-	15 Days
- More than Rs. 25000/-	15 Days
Other Priority Sector Advances	
- Loans/ advances up to Rs. 25,000/	15 Days
- Loans/ advances over Rs. 25,000/-	30 Days

Time Norms for Disposal of Applications

- **At RO/CO**

Nature of Credit Facilities	Processing at Branch	Processing/ sanction at RO/CO	Total turnaround time (TAT)
Kisan Credit Card Scheme			
- Up to Rs. 25000/-	15 Days	NA	15 Days
- More than Rs. 25000/-	15 Days	45 Days	60 Days
Other Priority Sector Advances			
- Loans/ advances up to Rs. 25,000/	15 Days	NA	15 Days
- Loans/ advances over Rs. 25,000/-	15 Days	45 Days	60 Days

PROCEDURAL MATTERS

- Agricultural Loan Applications Received and Disposal Register (NB -140/ PRR-20 D).
- **Rejection of credit proposals:-**
  - Applications for credit facilities from SC / ST customers shall not be rejected at branch level and such rejections shall be by the next higher authority.
  - Whenever applications for loans under govt. sponsored schemes are rejected by the Branch Manager for valid reasons, the same has to be recorded in a register

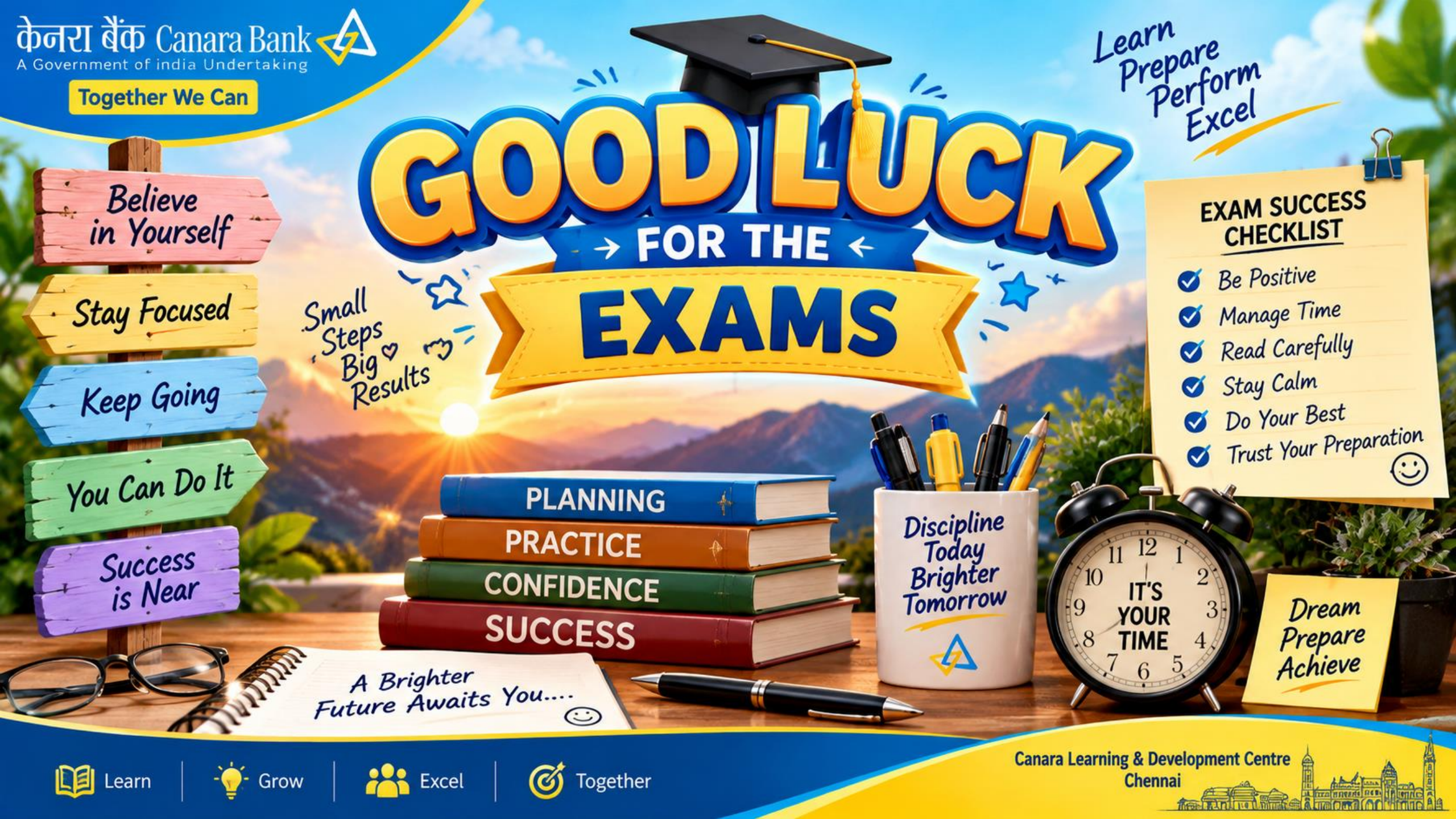
Review of Branch Sanctions by RO

Agg. Limit> Rs. 5 lakhs

SHG > 6 lakhs

Branches/Offices to submit the following sanctions also to the next higher authority for review:

- Second extension of tenability of limits.
- Restructuring/ rephasement of account.
- Modification/ substitution/di lution of security.
- Reduction in Margin.
- Waiver of Personal Guarantee/ Corporate Guarantee.
- Any other modification affecting the credit decision/prop osal.


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Perform
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Believe in Yourself
Stay Focused
Keep Going
You Can Do It
Success is Near
Small Steps Big Results
EXAM SUCCESS CHECKLIST
Be Positive
Manage Time
Read Carefully
Stay Calm
Do Your Best
Trust Your Preparation
PLANNING
PRACTICE
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SUCCESS
Discipline Today Brighter Tomorrow
IT'S YOUR TIME
Dream Prepare Achieve
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Agri Related some Government sponsored schemes & Special discussion on exam point of views.

Strategic overview of the Agriculture Infrastructure Fund (AIF)

A Central Sector Scheme providing long-term debt financing for post-harvest infrastructure projects.

Financing Scope

Financing for post-harvest and community
farming assets.

Eligibility

Farmers, FPOs, Agri-entrepreneurs, and PACS.

Minimum Margin

Bank stipulates a minimum margin of 10% for projects.

Interest Subvention

3% subvention per annum for loans up to ₹2 Crores.

Subvention Duration

Available for a maximum period of 7 years.

Credit Guarantee

Coverage for loans up to ₹2 Crores under CGTMSE.

Financial benchmarks and Repayment Norms for AIF

Structured lending parameters to ensure the economic viability of large-scale infrastructure investments.

Repayment period

Typically 5 to 7 years, excluding the moratorium period.

Extended repayment

Up to 15 years for long-term plantation or development projects.

Debt-Equity (D/E) ratio

Benchmark ratio of 3:1 to 5.66:1 for infrastructure projects.

Debt Service Coverage Ratio

Minimum 1.50 required, with 1.25 permitted for cold storage in exceptional cases.

Interest rate cap

Capped at MCLR + 1.00% for loans up to ₹2 Crores (maximum 9.00% p.a. total).

Promoter contribution

At least 15% required to ensure skin in the game.

PM Formalisation of Micro Food Processing (PMFME)

Support for unorganized micro-units to upgrade technology and integrate into formal value chains.

Support Scope

Financial, technical, and business support for micro-units.

Beneficiaries

Includes individual enterprises, SHGs, JLGs, and cooperatives.

Borrower Contribution

Stipulates a minimum margin of 10% of the project cost.

Capital Subsidy

35% credit-linked subsidy, up to a maximum of ₹10 lakhs.

Strategic Approach

Emphasizes the ODOP approach for cluster development.

Working Capital

Assessed based on the projected operational cycle.

PM KUSUM: Driving Solar Adoption in agriculture

Promoting solar power for irrigation through installation of solar pumps and grid-connected plants.

Program Focus

Targets the solarization of agricultural pumps and the installation of small solar power plants.

Component Structure

Component A covers plants up to 2 MW, while Component B/C covers standalone and grid-connected pumps.

Land Requirement

For own use (Component B), the applicant should ideally own at least 10 acres of irrigated land.

Financing Terms

Financing is capped at 75% of the equipment cost, requiring a 25% borrower margin.

Technical Limitations

Solar pumps are technically limited to shallow water sources (low head) and small discharge areas.

Financial Viability

The project must ensure a minimum DSCR of 1.60 to maintain long-term repayment capability.

Financing Bio-Gas and Compressed Bio-Gas (CBG)

Utilizing agricultural residue and bio-waste for green energy production and pollution reduction.

Canara Bank Support

Supports setting up of Bio-Gas and CBG plants under the National Bioenergy Programme.

Farmer Income Generation

Aims to provide additional income to farmers through sale of surplus agro-residue.

Financing Scope

Covers plant construction, storage structures, and equipment for gas compression.

Tri-partite Agreement

Mandatory requirement for CBG projects with Oil Marketing Companies (OMCs).

Central Financial Assistance

Available up to ₹45 lakhs for briquette units and higher for pellets.

Concessional ROI

Rates starting from MCLR flat for projects with >100% collateral.

Infrastructure lending for Cold Storage and Warehousing

Classifying large-scale storage projects as Agriculture Infrastructure up to a limit of ₹100 Crores.

Agri Infra

Loans for warehouses, market yards, and cold storages are Agri Infrastructure.

PSL Limit

Maximum sanctioned limit per borrower is ₹100 Crores for PSL classification.

Non-PSL

Beyond ₹100 Crores, exposure is Agriculture - Non Priority Sector.

Financing

Bank provides term loans for construction and working capital for on-lending.

Eligible Assets

Financing eligible for pack houses, refrigerated vans, and chilling units.

Eligibility

Technical guidance and construction supervision are mandatory criteria.

Working Capital On-Lending through cold storage units

Facilitating credit for potato and other crop growers through tie-up arrangements with storage owners.

On-Lending Mechanism

Canara Bank provides OD limits to cold storage units for on-lending to farmers against their produce.

Eligible Crops

Potato, peas, corn, spices, fruits, and chillies.

Monthly Documentation

The unit must submit a monthly Book Debt statement to the branch by the 7th of every month.

Liability Reduction

For potato growers, liability must be reduced to 40% of the limit by 30th November each year.

Interest Concession

A 0.15% interest concession is offered for prompt repayment as per the crop season.

Individual Exposure Cap

No more than 10% of total finance extended to the unit should go to any individual farmer.

Security norms for Cold Storage and Godown financing

Balanced security requirements to cover term loans and seasonal working capital requirements.

Term Loan Security

Hypothecation of assets and mortgage of the land where the unit is constructed.

Post-Development Value

Must be at least 133% with tie-up or 150% without tie-up.

Working Capital Collateral

Includes a mortgage of the storage unit and other residential or commercial property.

Normal Risk Units

Minimum required immovable security is 135% of the WC loan amount.

Moderate Risk Units

Security requirement increases to 150% of the loan amount.

Personal Guarantees

Mandatory for promoters and their spouses or legal heirs.

Financing Dairy Development and Allied Activities

Supporting the milk economy through loans for cattle purchase, sheds, and equipment.

Loan Scope

Loans cover the purchase of high-yielding milch cattle (Cow/Buffalo) and equipment.

Cattle Eligibility

Canara Bank finances cattle up to their 3rd lactation for maximum productivity.

Repayment

Repayment is structured over 5 to 7 years, with monthly or quarterly installments.

Moratorium

A grace period is linked to the lactation cycle to cover dry periods.

Security

For loans above ₹3 lakhs, a mortgage of land or CGFMU coverage is required.

Recovery

Tripartite agreements with Milk Unions facilitate recovery and reduce requirements.

Financing Rural Godowns for produce preservation

Supporting the creation of scientific storage space to prevent post-harvest losses.

Infrastructure Scope

Loans are granted for the construction of scientific godowns, market yards, and silos.

Capital Subsidy

The scheme is eligible for capital subsidy under various government schemes such as AMI.

Minimum Margin

Typically 15-25%, with back-ended subsidy acting as margin where applicable.

Repayment Terms

Scheduled over 7 to 10 years based on projected occupancy and storage fees.

Branding Compliance

Godown units must exhibit a sign board stating 'AGRICULTURAL FINANCE - ASSISTED BY CANARA BANK'.

Security Value

The bank requires a post-development security value of 150% in the absence of a tie-up.

Location & Size	Unit at any place as per their commercial judgment is considered under the scheme. The minimum requirement is 100 MT.

Concessional ROI Structures for PM KUSUM projects & CBG

Interest rates linked to collateral comfort to incentivize higher security coverage.

Collateral Security Level	ROI (One Year MCLR + Spread)
Without Collateral (Mortgage only)	MCLR + 2.00%
Collateral up to 50%	MCLR + 1.00%
Collateral 50% to 75%	MCLR + 0.50%
Collateral 76% to 100%	MCLR + 0.25%
Collateral More than 100%	MCLR (Flat)

Financing Agriculture Gold Loans for immediate needs

Providing liquidity against gold ornaments for both crop and non-crop purposes.

Loan Purpose

Granted against gold ornaments for production and land development activities.

Loan to Value (LTV)

Capped at 80% of the appraised gold

Crop Purpose Limit

Restricted to ₹10 lakhs per customer.

Other Purposes Limit

Maximum limit of ₹35 lakhs for allied and development activities.

Land Record Waiver

Loans up to ₹1 lakh waive land records; declaration accepted instead.

Loan Tenure

Must be cleared within 12 months from the date of sanction.

Custom Hiring Centers (CHC) for farm mechanization

Supporting entrepreneurs to provide tractors and machinery on a rental basis to small farmers.

Loan Coverage

Provides financing for tractors, power tillers, combine harvesters, and farm tools.

Loan Ceiling

Minimum ₹2.00 lakhs and maximum ₹50.00 lakhs

Margin/Repayment

Margin 15% to 25% of project cost; repayment 5 to 9 years in installments.

Security

Hypothecation of assets and 100% collateral security through mortgage of land.

Portfolio Cap

Fixed limit of 5 CHC loans per branch per year to maintain portfolio diversity.

Sanctioning

Proposals must be sanctioned by the RO Head-CAC and above authorities.

Financing Drones for modern agriculture

Supporting "Canara Drone" for spraying, mapping, and anti-locust operations.

DGCA Approval

Drones must be purchased from manufacturers approved by the DGCA.

Financing Limit

Maximum finance of 75% of unit cost, up to ₹12.00 lakhs for 2 drones. More than 2 drones AGM/DGM RO CAC max 25 lakh.

Repayment Terms

Monthly over 5 years, including a 6-month moratorium period.

AIF Scheme

Rental use (CHC) loan accounts covered under AIF scheme for 3% subvention.

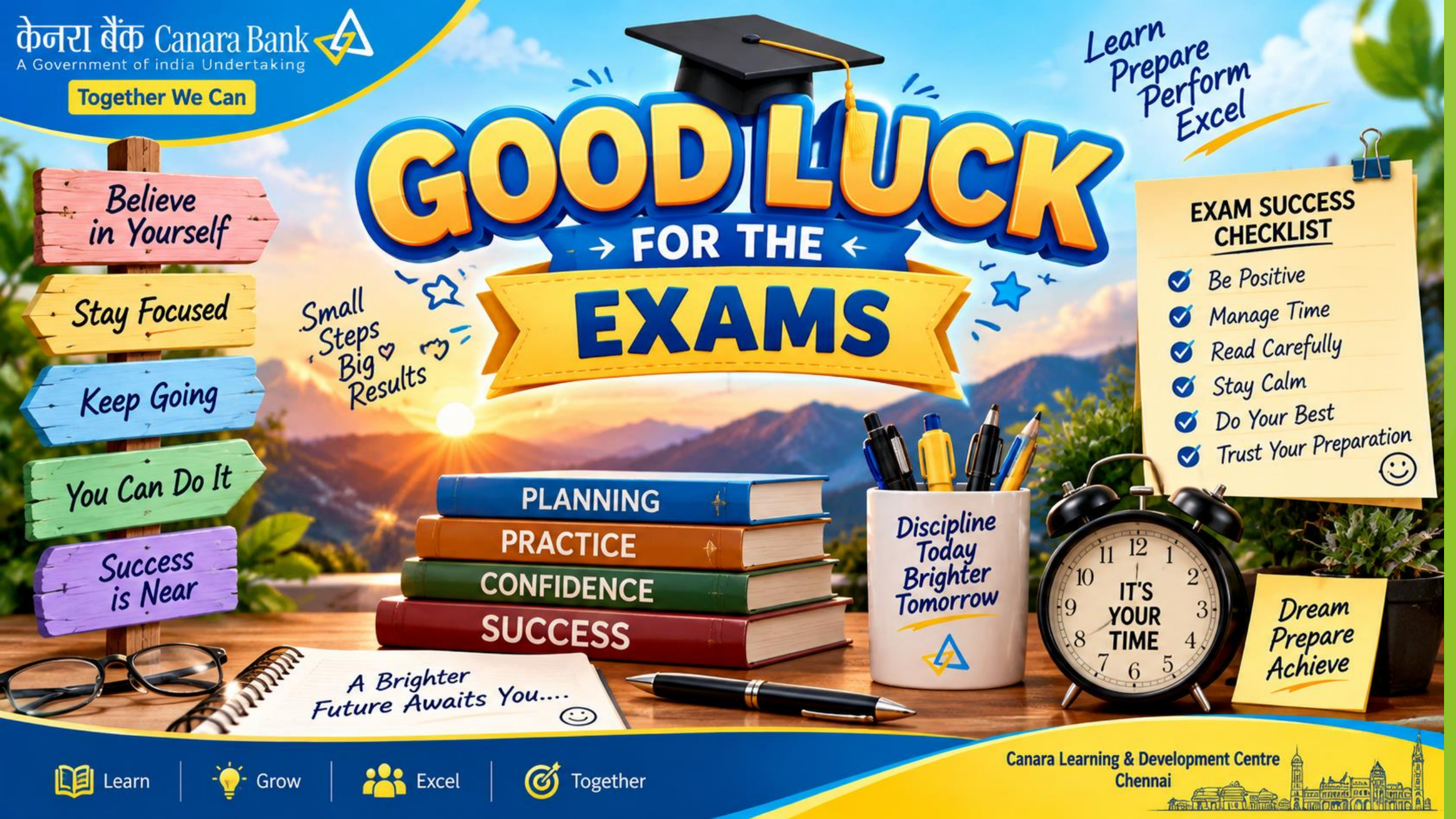
Borrower Pref.

Existing tractor/harvester loan borrowers with good track records get preference.

Collateral

Flexible for CHC activity, with shortfall covered under CGTMSE.

For own use: The applicant should have at least 6 acres of perennially irrigated land or 12 acres of rainfed land. For rental use: Land ownership is not required.


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Small Steps Big Results
EXAM SUCCESS CHECKLIST
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Manage Time
Read Carefully
Stay Calm
Do Your Best
Trust Your Preparation
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