

**Interest Free Loans and Risk Sharing Scheme for Landless Farmers (IF&RSLF)**

S.No.	Particulars	Key Features
1	Type/Purpose of financing	Production/working capital loans for purchase of input supplies, rentals of farm implements etc.
2	Tenure	The loan tenor is based on cropping cycle up to a maximum period of six (06) months, in flood affected areas.
3	Participatory Financial Institutions (PFIs)	Banks and Microfinance Banks
4	Markup rate for End user	0% p.a.
5	Maximum Loan Size	Rs 200,000 per borrower
6	Sectors	Crop and Non-crop Sectors
7	Eligible Farmers	<ul style="list-style-type: none"> <li>▪ Small and marginalized landless farmers/tenants in flood affected areas cultivating with (i) 5 acres for irrigated land or (ii) 10 acres for rain-fed land.</li> </ul>
8	Rate of Markup Subsidy to be provided to PFIs	<ul style="list-style-type: none"> <li>▪ 6 Month KIBOR+3% p.a. for Commercial Banks</li> <li>▪ 6 Month KIBOR+9% p.a. for Microfinance Banks</li> </ul>
9	Collateral	No collateral.
10	Risk Sharing/Credit Guarantee for PFIs	The scheme provides credit risk coverage of 50% of outstanding loans (principal) in case of non-repayments, after being classified as 'SUBSTANDARD' (as per the classification criteria laid down in Prudential Regulations for both Agriculture Financing and Microfinance banks).
11	Scheme Expiry	Six months after issue
12	Allocation of Budget	GoP (Finance Division) shall allocate budget for the Scheme
13	Subsidy Claims	In addition to process adopted for reimbursement of loss claims to PFIs as per limits allocated, PFIs will submit markup subsidy claims to SBP ( <b>Format-3</b> ) on half-yearly basis for reimbursement.