

Government of India to Launch AgriSURE: A Transformative Fund for Agriculture Start-Ups and Rural Enterprises

In a significant move to bolster India's agricultural sector, the Government of India is set to introduce the 'Agri Fund for Start-Ups & Rural Enterprises' (AgriSURE). This fund aims to support start-ups and agripreneurs through a range of investments, including sector-specific, sector-agnostic, and debt Alternative Investment Funds (AIFs). The initiative will also provide direct equity support to start-ups working within agriculture and allied sectors. The primary objective is to foster innovation, drive sustainability, and enhance the agricultural value chain through the establishment of a Rs 750 crore Category-II Alternative Investment Fund (AIF).



[Source: PIB]

The Pre-Launch Stakeholder Meet: A Convergence of Key Players

The pre-launch of AgriSURE was marked by a high-profile stakeholder meeting held at the NABARD Headquarters in Mumbai. The event saw participation from a diverse group of stakeholders, including financial institutions, investors, AIF managers, and agri-startups. Distinguished guests at the event included Shri Ajeet Kumar Sahu, Joint Secretary, Department of Agriculture & Farmers Welfare (DA&FW); Shri Shaji K.V., Chairman, NABARD; Shri Govardhan Singh Rawat, Deputy Managing Director (DMD), NABARD; and Dr. Ajay Kumar Sood, DMD, NABARD.

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Key Addresses at the Meet

In his keynote address, Shri Ajeet Kumar Sahu highlighted the transformative potential of the AgriSURE fund. He underscored its role in creating a robust ecosystem that enhances financing for the agriculture sector through innovative approaches. This, he noted, would particularly benefit small and marginal farmers, addressing some of the critical challenges they face.

Shri Shaji K.V. emphasized the need for collaboration between public and private sectors to drive the next level of growth in agriculture. He pointed out that technological innovations and investments would be pivotal in achieving sustainable agricultural development.

Structure and Focus of AgriSURE Fund

The AgriSURE fund will be set up with an initial corpus of ₹750 crore. This will include contributions of ₹250 crore each from NABARD and the Ministry of Agriculture, and an additional ₹250 crore from other financial institutions. NABVENTURES, a wholly-owned subsidiary of NABARD, will manage the fund.

Focus Areas of the Fund

The fund will prioritize several key areas within the agricultural sector:

- 1. Innovation in Agriculture:** Encouraging innovative practices and technologies that can revolutionize farming and agricultural processes.
- 2. Enhancement of the Farm Produce Value Chain:** Improving the value chain from production to market to ensure farmers receive fair prices for their produce.
- 3. Creation of Rural Infrastructure:** Building essential infrastructure in rural areas to support agricultural activities and improve living standards.
- 4. Employment Generation:** Creating job opportunities in rural areas to reduce migration and enhance local economies.
- 5. Support for Farmers Producer Organizations (FPOs):** Strengthening FPOs to ensure collective bargaining power and better market access for farmers.
- 6. IT-Based Solutions:** Promoting the use of information technology to improve farm management and market access.
- 7. Machinery Rental Services:** Providing access to agricultural machinery on a rental basis to make modern farming techniques more affordable for small farmers.

Duration and Management

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The AgriSURE fund is designed to operate for a period of 10 years, with provisions for extension by two or more years as required. NABVENTURES, as the fund manager, will oversee the allocation and utilization of funds, ensuring they are directed towards high-impact, high-risk activities that can drive substantial improvements in the agricultural sector.

AgriSURE Greenathon 2024: Fostering Innovation through Competition

In line with its commitment to fostering innovation, NABARD also announced the launch of the AgriSURE Greenathon 2024. This hackathon is designed to address critical challenges within the agricultural sector through innovative solutions.

Key Problem Statements



[Source: PIB]

The AgriSURE Greenathon 2024 will focus on three primary problem statements:

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- 1. Smart Agriculture on a Budget:** This challenge aims to develop affordable advanced agricultural technologies that can be adopted by small and marginal farmers. The high cost of such technologies is a significant barrier to their widespread use, and this problem statement seeks to overcome that hurdle.
- 2. Turning Agri-Waste into Profitable Business Opportunities:** This challenge focuses on transforming agricultural waste into profitable ventures. By finding innovative ways to repurpose waste, the initiative aims to create additional income streams for farmers while addressing environmental concerns.
- 3. Tech Solutions Making Regenerative Agriculture Remunerative:** This problem statement seeks to develop technology-driven solutions that make regenerative agriculture economically viable. Regenerative agriculture practices are crucial for sustainable farming, but their adoption is often hindered by economic challenges. This challenge aims to find solutions that make these practices profitable.

Call for Participation

NABARD has called for the participation of young innovative minds to contribute to the country's journey towards 'Viksit Bharat'. By addressing the flailing issues in agriculture with innovative solutions, participants can play a vital role in transforming the sector and supporting the nation's development goals.

The Role of NABARD in Indian Agriculture

The National Bank for Agriculture and Rural Development (NABARD) has been a cornerstone in the development of India's agricultural and rural sectors since its establishment in 1982. Headquartered in Mumbai, Maharashtra, NABARD plays a critical role in providing credit and other facilities for the promotion and development of agriculture, small-scale industries, cottage and village industries, handicrafts, and other rural crafts.

Key Functions of NABARD

- 1. Credit Provision and Regulation:** NABARD is responsible for providing and regulating credit facilities for the promotion and development of agriculture and rural sectors. This includes financing rural infrastructure development and supporting rural banking.
- 2. Promotion of Sustainable and Equitable Development:** NABARD works to promote integrated and sustainable rural development, supporting initiatives that ensure equitable growth across various segments of the rural economy.
- 3. Support for Rural Infrastructure Development:** NABARD facilitates the development of essential infrastructure in rural areas, such as roads, irrigation systems, and storage facilities, which are crucial for agricultural productivity and rural development.

Major Initiatives by NABARD

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NABARD has launched various schemes and programs to support the agricultural and rural sectors:

- 1. Kisan Credit Card (KCC):** This scheme provides timely credit support to farmers to meet their agricultural and other needs.
- 2. Self Help Group (SHG) Bank Linkage Program:** This program promotes financial inclusion by linking self-help groups to the banking system, enabling them to access credit and other financial services.
- 3. Rural Infrastructure Development Fund (RIDF):** This fund supports the development of infrastructure in rural areas, including irrigation, roads, and bridges, to enhance agricultural productivity and rural connectivity.

Green Initiatives and Sustainable Development

NABARD is also committed to promoting sustainable development through various green initiatives:

- 1. Watershed Development Program:** This program aims to conserve soil and water resources, improve agricultural productivity, and enhance the livelihoods of rural communities.
- 2. Climate Change Adaptation Fund:** NABARD supports projects that help rural communities adapt to the impacts of climate change, ensuring their resilience and sustainability.

Promoting Renewable Energy

NABARD has also been actively involved in promoting renewable energy solutions in rural areas. This includes financing solar power projects, biogas plants, and other renewable energy initiatives that provide clean and sustainable energy to rural communities.

A Transformative Initiative for India's Agriculture

The launch of the AgriSURE fund represents a significant step towards transforming India's agricultural sector. By providing comprehensive support to start-ups and agripreneurs, the fund aims to foster innovation, enhance the agricultural value chain, and promote sustainable practices. The involvement of NABARD and its subsidiary NABVENTURES ensures that the fund is managed effectively and directed towards high-impact activities.

Through initiatives like the AgriSURE Greenathon 2024, NABARD is also encouraging young innovators to contribute to the sector's growth by developing solutions to some of its most pressing challenges. As India moves towards its vision of 'Viksit Bharat,' the AgriSURE fund and related initiatives will play a crucial role in driving sustainable agricultural development and improving the livelihoods of millions of farmers across the country.