

Revised MoA signed for Funding of Central Share of 99 Prioritized Irrigation Projects

A revised Memorandum of Agreement (MoA) has been signed yesterday amongst Govt. of India (through MoWR, RD & GR), NABARD and National Water Development Agency (NWDA) for funding of central share of 99 prioritized irrigation projects under Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) through Long Term Irrigation Fund (LTIF).



It will enable this Ministry to release Central Assistance to prioritized projects under PMKSY as per the requirements from time to time.

During 2015-16 PMKSY was launched by the Central Government with an overarching vision to ensure access to some means of protective irrigation for all agricultural farms in the country, and to produce 'per drop more crop', thus bringing much desired rural prosperity.

Under PMKSY, 99 ongoing irrigation projects were identified for completion in mission mode by December, 2019. Total requirement of funds for completion of these projects was estimated at Rs. 77,595 crore (Rs. 48,546 crore for project works and Rs. 29,049 crore for Command Area Development works) with Central Assistance of Rs. 31,342 crore.

Subsequently, a tripartite Memorandum of Agreement (MoA) was signed on 06 September 2016, amongst Govt. of India (through MoWR, RD & GR), NABARD and NWDA for funding of Central Assistance in respect of these 99 irrigation projects through LTIF.

During 2016-17 and 2017-18, cumulative loan amount of Rs. 7863.60 crore has been availed from LTIF for funding these projects.

Now, Department of Economic Affairs, Ministry of Finance has modified certain existing mechanism of funding of these 99 projects under LTIF, with reference to source of funds, liability towards servicing of coupon on bonds, repayment pattern of loan and rate of interest on loan, etc. which has necessitated some revision in the earlier signed MoA.

NP/SKP/IA

(Release ID: 1541898)