



Farmers' Club Programme – Support to FC promoting agencies such as NGOs, KVKs etc. (other than banks) in other than hilly, resource poor, difficult or naxal affected areas

It has been decided that Farmer's Club promoting agencies other than banks such as NGOs/KVKs etc. may be paid the incentive of `2000/- per club over and above the grant assistance of `10,000/- admissible to Farmer's Club.

(Ref. No. NB. DPD FS. 3211. FCP. policy. 2010-11 dated 04 November 2010. Circular no. 200 /DPD FS. 6 /2010)

Transparency in release of subsidy / grant to Banks / NGOs etc.

NABARD is implementing various subsidy/grant/loan-cum-grant based incentive schemes. These schemes include Capital Investment Subsidy Schemes (CISS) such as Rural Godowns, Agricultural Marketing Infrastructure, Animal Husbandry etc. and grant/loan-cum-grant based schemes under MFDEF / WDF/ IGWDP/ RIF / TDF / FITF etc. Presently the methodology followed for release of subsidy / grant under each scheme is different. The subsidy is routed through an intermediary, i.e., NGO or Bank branch and the ultimate borrower/beneficiary is unaware of the developments that are taking place in sanction/release of subsidy/grant. In the absence of the address / telephone numbers of authority, he is unable to take action for redressing his grievances, if any. In this direction, CVC, HO has initiated 'Status Tracker System' on Bank' Web site covering a few activities, which enables the applicant to know the latest status of his application submitted to NABARD for sanction/release.

With a view to bring transparency in the schemes involving release of subsidy/ grant, ROs are advised to insert the following clause in the sanction/release advice :

"In case of any grievance, you may write to the Chief General Manager, [pl. indicate the address of the RO, telephone no. of CGM/OIC alongwith e-mail address] and Chief Vigilance Officer, NABARD, HO, BKC, Bandra(E), Mumbai-400051, Tel. No. 022-2653 9804, Email – cvc@nabard.org."

(Ref.No.NB.CVC/445/ 08/2010-11 dated 12 November 2010. Circular No. 202 /CVC- 5 /2010)

Govt. Sponsored Schemes - Cases under dispute

In view of the Court cases pertaining to Govt. Sponsored Schemes being referred to Law Department, HO, without bringing them to the notice of ICD and without examining the merits of the case, it is advised that henceforth, all court cases should be brought to the notice of ICD, HO, immediately on receipt of court notice, writ petition, etc. If,

because of urgency, the case is referred directly to Law Department, copy should be forwarded to ICD invariably.

2. The Regional Offices should examine the merits of case and forward full details of the case/chronology of events to ICD, along with para-wise comments on the writ petition/court notice and whether the same could be defended by NABARD.

(No.NB.ICD.GSS/ 2117 / CS-All Schemes /2010-11 dated 12 November 2010. Circular No.206 / ICD - 40 / 2010)

Capital Subsidy-cum-Refinance Scheme for Installation of Solar Off-grid (Photo-voltaic and thermal) & Decentralised applications under the Jawaharlal Nehru National Solar Mission of the Ministry of New and Renewable Energy (MNRE), Government of India

The Government of India has introduced a subsidy linked credit scheme for Solar Off-grid (Photo-voltaic & thermal) and decentralized applications to promote commercial marketing of solar energy systems and devices by extending financial incentives in the form of capital and interest subsidy on loans availed from financial institutions by the target clientele. The scheme provides for routing the capital subsidy and the interest subsidy on bank loans availed of by the clients from the banking system for solar energy conversion/ user systems and devices under this scheme through NABARD.

2. The objective of the Scheme is to promote off-grid applications of solar energy (both PV and Solar Thermal), create a paradigm shift needed for commoditization of off-grid solar applications and to encourage replacement of non-renewable energy sources like fossil fuels, kerosene and diesel with solar energy to meet the energy requirements.

3. MNRE, IREDA and NABARD would be providing web and non-web based technical support besides training to the field level functionaries of the financing banks.

(Ref. No. NB.DPD-NFS/ SHLS. /1116 /2010-11 dated 01 November 2010. Circular No. 199 /DPD-NFS- 04 /2010)

Year 2010-11 - Crop loan (upto ` 3.0 lakh) @ 7% p.a. to farmers - Gol Scheme for 1.5% interest subvention to banks and 2% additional interest subvention as incentive to farmers for prompt repayment of crop loans

The Hon'ble Finance Minister in his budget speech for 2010-11 announced that Gol will continue to provide interest subvention to banks in respect of short term production credit up to ` 3.0 lakhs disbursed to farmers at 7% interest p.a and interest subvention for prompt repayment by farmers during 2010-11. The salient features and operational guidelines are as under :-

- 1) Gol will provide interest subvention @1.5% p.a. to Cooperative Banks on their own funds involved (excluding NABARD refinance) in respect of short-term production credit (crop loans) upto ` 3.0 lakh provided by them to farmers. The amount of interest subvention will be calculated on the crop loan amount (upto ` 3.0 lakh both *kharif* and *rabi* together) from the date of its disbursement up to the date of actual repayment or upto the due date of repayment of crop loan fixed by the bank, whichever is earlier, subject to a maximum period of one year. This subvention will be available to banks subject to the condition that they lend short term crop loan at ground level initially at 7% p.a. or less.

- 2) Prompt paying farmers - 2% additional interest subvention as an incentive by Govt to farmers, who promptly repay their short-term production credit dues (crop loans upto `3.00 lakh) on/before due date fixed by bank, subject to a maximum of 12 months. In such cases, additional interest subvention will be calculated from the date of disbursement of crop loan upto the date of repayment by farmer.

(Ref.No.NB.PCD-Policy/1262/IS 2010-11/2010-11 dated 15 November 2010. Circular No.208/PCD-19/2010)

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