

NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT  
INVESTMENT CREDIT DEPARTMENT

Ref. No.NB.ICD.GSP/ 959 /RG-4/2004-05  
Circular No. 28 / ICD - 4 /2005  
14 February 2005

**Capital Investment Subsidy Scheme for construction/renovation - Expansion of Rural Godowns - Revised Operational Guidelines**

Please refer to our Circular No. 277/ICD-30/2004 (Ref.No.NB.ICD.FPC/705/ RG-4/2004-05) dated 16 November 2004 on the subject. We forward herewith the copy of revised Operational Guidelines, as applicable, for administration of subsidy in respect of godowns sanctioned on or after 01 October 2004, for your information and necessary action.

2. We advise that the release of subsidy under the scheme, however, is subject to availability of funds released to NABARD by DMI/Govt. of India, from time to time.

3. One of the major changes in the revised operational guidelines relates to funding pattern, which is as under:

	<b>Other than NE States, hilly areas, SC/ST entrepreneurs &amp; their cooperatives</b>	<b>NE States/ hilly areas/ SC/ST entrepreneurs &amp; their Cooperatives.</b>	
Source of finance	Farmers, Agriculture Graduates, Cooperatives and State/Central Warehousing Corporations.	Individuals, Companies and Corporations etc.	
Owner's minimum contribution	25%	25%	20%
Subsidy from the Govt.	25%	15% □	33.33%
Term loan from eligible Financing institutions (Minimum)	50%	50%	46.67%

In this connection, it may be noted that funding pattern indicated for individuals / companies / corporations (other than State / Central Warehousing Corporation) etc. does not add up to 100%. We clarify that the shortfall of 10% shall be brought in either by the promoter as margin or by way of bank loan or by both in any proportion. Further, it is reiterated that the promoter's contribution and bank loan at the specified percentage of project outlay is the minimum amount that has to be provided.

4. We request you to circulate the Operational Guidelines to your controlling offices and branches for implementation of the captioned scheme. We also request you to give wide publicity to the scheme. The implementation of the scheme shall be closely monitored by the State Level Bankers' Committee (SLBC) / District Level Consultative Committee (DCC) / Block Level Bankers' Committee (BLBC) meetings.

Encl. 16 Sheets

# **REVISED OPERATIONAL GUIDELINES**

## **GRAMIN BHANDARAN YOJANA**

(Effective from 1.10.2004)

### **1. BACKGROUND**

It is well known that the small farmers do not have the economic strength to retain the produce with themselves till the market prices are favourable. There has been a felt need in the country to provide the farming community with facilities for scientific storage so that wastage and produce deterioration are avoided and also to enable it to meet its credit requirement without being compelled to sell the produce at a time when the prices are low. A network of rural godowns will enable small farmers to enhance their holding capacity in order to sell their produce at remunerative prices and avoid distress sales. Accordingly, Gramin Bhandaran Yojana, a Capital Investment Subsidy Scheme for Construction / Renovation of Rural Godowns was introduced in 2001-2002 and extended upto 30.09.2004. The Scheme has now been approved for implementation during the years 2004 - 05 to 2006-07, with modifications in its operational guidelines for new projects to be sanctioned after 30.09.2004. Accordingly, revised operational guidelines of the scheme are applicable for new projects sanctioned on or after 01/10/2004 upto 31.03.2007.

### **2. OBJECTIVES**

The main objectives of the scheme include creation of scientific storage capacity with allied facilities in rural areas to meet the requirements of farmers for storing farm produce, processed farm produce and agricultural inputs; promotion of grading, standardization and quality control of agricultural produce to improve their marketability; prevention of distress sale immediately after harvest by providing the facility of pledge financing and marketing credit; strengthen agricultural marketing infrastructure in the country by paving the way for the introduction of a national system of warehouse receipts in respect of agricultural commodities stored in such godowns and to reverse the declining trend of investment in agriculture sector by encouraging private and cooperative sectors to invest in the creation of storage infrastructure in the country.

### **3. SALIENT FEATURES**

#### **Eligible Organizations**

i) The project for construction of rural godowns can be taken up by individuals, farmers, Group of farmers/growers, Partnership/ Proprietary firms, Non-Government Organizations (NGO's), Self Help Groups (SHGs), Companies, Corporations, Co-operatives, Federations, Agricultural Produce Marketing Committees, Marketing Boards and Agro Processing Corporations in the entire country. Assistance for renovation of rural godowns will, however, be restricted to godowns constructed by cooperatives only.

## **Location**

ii) Under the scheme, the entrepreneur will be free to construct godown at any place, as per his/her commercial judgment except for the restriction that it would be outside the limits of Municipal Corporation area. Rural godowns constructed in the Food Parks promoted by the Ministry of Food Processing Industries shall also be eligible under the scheme for assistance.

## **Size**

iii) Capacity of a godown shall be decided by an entrepreneur. However, Subsidy under the scheme shall be restricted to a minimum capacity of 100 tonnes and maximum capacity of

10,000 tonnes.

iv) Rural godowns of smaller size upto 50 tonnes capacity will also be eligible for subsidy under the scheme as a special case based on viability analysis depending on the topography/special requirement of the State/Region. In hilly areas\*, rural godowns of smaller size upto 25 tonnes capacity will also be eligible for subsidy. For this, NABARD will issue appropriate guidelines.

\*where the project site is located at a height of more than 1000 meters above mean sea level.

## **Conditions for Scientific Storage**

v) Godowns built under the scheme shall be structurally sound on account of engineering considerations and functionally suitable to store the agricultural produce. The general conditions for scientific construction will be as follows:

a) The construction of godown shall be as per Central Public Works Department/State Public Works Department specifications or any other standard specifications laid down in this behalf. The godown shall be properly ventilated, shall have well fitted doors, windows and ventilators and shall be waterproof (control of moisture from floor, walls and roof etc.)

b) The godown structure shall have protection from rodents.

c) The godown shall have protection from birds (windows/ventilators with jali).

d) The openings of godown such as doors, windows etc. shall be designed in such a manner that the godown can be sealed for effective fumigation etc.

e) The godown complex shall have an easy approach road, pucca internal roads, proper drainage, arrangements for effective control against fire and theft and also have arrangements for easy loading and unloading of stocks.

vi) The entrepreneur may obtain a licence to operate the godown, if so required by the concerned State Government, under the State Warehousing Act or any other relevant laws. The rural godowns of 1000 tonnes capacity and more should get

accreditation from Central Warehousing Cooperation (CWC) as soon as accreditation scheme is introduced. NABARD will formulate guidelines on the subject in consultation with CWC.

### **Credit Linked Assistance**

vii) Subsidy under the scheme is linked to institutional credit and will be available to only such projects as are financed by Commercial Banks, Regional Rural Banks, State Cooperative Banks (SCBs), State Co-operative Agricultural and Rural Development Bank (SCARDBs), Agricultural Development Finance Companies (ADFCs), North Eastern Development

Finance Corporation (NEDFI), Urban Cooperative Banks etc. Loan to the entrepreneurs from banks for the construction of godowns would carry an adequate long-term repayment period.

viii) Assistance under the scheme shall be available on capital cost of construction of godown including the cost of allied facilities like boundary wall, internal road, platform, internal drainage system, weighing, grading, packaging, quality certification, warehousing facilities which are functionally required to operate the godown.

### **Pledge Loan Facility**

ix) The farmers keeping their produce in the godowns shall be eligible to avail pledge loan on hypothecation of their produce. The terms and conditions governing pledge loans viz. margin, rate of interest, period of pledge, amount etc. will be as per the guidelines issued by RBI/NABARD and as per normal banking practices followed by the financial institutions.

### **Training**

x) A general awareness programme on the scheme for the farmers and a training programme for the entrepreneurs for construction, maintenance and operation of rural godowns will be organized by the National Institute for Agricultural Marketing, Jaipur (NIAM) and other National/State level Institutions.

### **Implementation Period**

xi) Implementation of the scheme shall be continued beyond 30.09.2004 upto 31.03.2007.

xii) The modified scheme will be applicable to all new projects for construction / renovation of rural godowns in respect of which loans are sanctioned on or after 1/10/2004 upto 31/3/2007.

## **Nodal Agency**

xiii) The scheme shall be implemented by the Directorate of Marketing and Inspection (DMI), an Attached Office of Department of Agriculture & Cooperation. A list of Regional/ Sub Offices of DMI is enclosed at Annexure-VI.

## **Target**

xiv) Under the Modified Scheme, creation of new 32 lakh tonnes and renovation of 4 lakh tonnes of rural storage capacity is targeted.

xv) The sanction of projects in a State would be restricted to a maximum of 28 lakh tonnes (20% of the total capacity of 140 lakh tonnes envisaged during the 10<sup>th</sup> Plan).

xvi) 5 lakh tonnes would be reserved for small farmers and 5 lakh tonnes for cooperatives.

## **Insurance**

xvii) It will be the responsibility of the owner of the godown to have the insurance for the godown.

## **Subsidy**

xviii) **Rate of subsidy** shall be:-

(a) 33.33% of the capital cost of the project in case of projects located in North - Eastern States, hilly areas and those belonging to SC/ST entrepreneurs and their cooperatives subject to a maximum ceiling on subsidy of Rs.50 lakh;

(b) 25% of the capital cost of the project to all categories of farmers, agriculture graduates, cooperatives and State/ Central Warehousing Corporations subject to a maximum ceiling on subsidy of Rs. 37.50 lakh;

(c) 15% of the capital cost of the project to all other categories of individuals, companies & corporations etc., subject to a maximum ceiling on subsidy of Rs. 22.50 lakh; and

d) 25% of the capital cost of the project for renovation of godowns of cooperatives with assistance from NCDC.

xix) Capital cost of the project for the purpose of subsidy under the scheme shall be calculated as follows:

a) **For godowns up to 1000 tonnes capacity** - Project cost as appraised by financing Bank or actual cost or Rs 2000/- per tonne of storage capacity, whichever is lower;

b) **For godowns exceeding 1000 tonnes capacity** - Project cost as appraised by Bank or actual cost or Rs 1500/- per tonne of storage capacity, whichever is lower. However, for godowns exceeding 10,000 tonnes capacity, the subsidy would be restricted to that admissible for capacity of 10,000 tonnes only;

c) For renovation of godowns by cooperatives with assistance from NCDC - project cost as appraised by Bank / NCDC or actual cost or Rs.500 per tonne of storage capacity, whichever is lower.

xx) No beneficiary shall draw subsidy for the godown project or any of its components from more than one source.

xxi) The capacity of godown shall be calculated @ 0.4 tonnes per cu. mtr.

### **Release of Subsidy**

xxii) Subsidy for the projects under the scheme shall be released through NABARD for projects financed by Commercial, Cooperative and Regional Rural Banks, ADFCs, SCBs, SCARDBs, NEDFI and scheduled PUCBs and other institutions eligible for refinance from NABARD and through NCDC for projects financed by NCDC or by Cooperative Banks in accordance with its eligibility guidelines.

### **Adjustment of subsidy in Borrower's Account**

xxiii) The subsidy released to the bank / NCDC for an individual project will be kept in a separate borrower-wise account. The adjustment of subsidy will be back ended. Accordingly, the full project cost including the subsidy amount, but excluding the margin money contribution from the beneficiary, would be disbursed as loan by the banks. The repayment schedule will be drawn on the loan amount in such a way that the total subsidy amount is adjusted after full bank loan component net of subsidy with interest is liquidated but not before 5 years from the date of disbursement of first instalment of loan.

### **No interest chargeable on subsidy portion**

xxiv) The subsidy admissible to the promoter under the scheme will be kept in the Subsidy Reserve Fund Account (Borrower-wise) in the books of the financing banks. No interest would be charged on this by the Bank. In view of this, for purposes of charging interest on the loan component, the subsidy amount should be excluded. The balance lying to the credit of the subsidy reserve fund account will not form part of demand and time liabilities for the purpose of SLR/CRR.

## **4. INSTITUTIONAL LENDING**

### **A. Eligible Financing Institutions**

The eligible financing institutions under the scheme are:-

i) Commercial Banks, Regional Rural Banks (RRBs), State Cooperative Banks (SCBs), State Co-operative Agricultural and Rural Development Banks (SCARDBs), Agricultural Development Finance Companies (ADFCs), Scheduled Urban Coop.

Banks, North Eastern Development Finance Corporation (NEDFI), and such other institutions eligible for refinance by NABARD.

ii) NCDC and Cooperative Banks recognized by NCDC in accordance with its eligibility guidelines.

### **B.Term Loan**

i) Minimum 50% of the project cost (46.67% in case of NE States, hilly areas, SC/ST entrepreneurs and their cooperatives) is to be raised as term loan from the financing banks. As the subsidy is back-ended, eligible amount of subsidy would be initially allowed as term loan to the beneficiary. The repayment schedule will be drawn on the total loan amount (including subsidy). The subsidy amount will be adjusted after liquidation of bank loan (net of subsidy) but not before 5 years from the date of disbursement of first instalment of term loan.

ii) Depending upon the cash flow, the term loan would carry an adequate long term repayment period, not less than 5 years including a grace period of one year.

iii) Rate of interest to borrowers on term loan shall be as per RBI guidelines. Interest will be chargeable from the date of the first disbursement of loan.

iv) The financial institution may also provide working capital separately for undertaking business by entrepreneurs.

v) NCDC may follow its own norms for period of term loan, its repayment, moratorium, interest rate etc.

## **5. PATTERN OF ASSISTANCE**

### **i) FOR PROJECTS FOR WHICH SUBSIDY ROUTED THROUGH NABARD**

#### Pattern of funding

	<b>Other than NE States, hilly areas, SC/ST entrepreneurs &amp; their cooperatives</b>	<b>NE States/ hilly areas**/ SC/ST entrepreneurs &amp; their Cooperatives.***</b>
Source of finance	Farmers@, Agriculture Graduates, Cooperatives and State / Central Warehousing Corporations.	Individu als, Companies and Corporati ons etc.
Owner's minimum contribution*	25%	25%
Subsidy from the Govt.	25%	15%
		33.33%

Term loan from eligible Financing institutions (Minimum)	50%	50%	46.67%

**@ Farmer is a person whose main source of income is from Agriculture.**

**\* Cost of land not exceeding 10% of the project cost can form part of the owner's contribution.**

**\*\* Where the project site is located at a height of more than 1000 meters above mean sea level.**

**\*\*\* SC/ST Cooperative to be certified by the concerned officer of the State Government.**

Mode of release

**a) Advance subsidy:** 50% of the subsidy amount will be released to NABARD by Dep't of Agriculture and Cooperation in advance. Accordingly NABARD would release subsidy to participating banks in advance for keeping the same in the Subsidy Reserve Fund Account of the concerned borrower. This amount of 50% advance subsidy would be released by NABARD to the participating banks on submission of a project profile-cum-claim form (Annexure-I).

**b) Final subsidy:** The remaining 50% of the subsidy amount would be disbursed to the participating bank(s) by NABARD after conduct of an inspection by a Joint Inspection Committee comprising of officers from NABARD, participating bank and Directorate of Marketing & Inspection (DMI) in the concerned State.

**ii) FOR PROJECTS FOR WHICH SUBSIDY ROUTED THROUGH NCDC**

Pattern of funding

**FOR COOPERATIVES IN ALL STATES OTHER THAN NORTH EASTERN STATES, HILLY AREAS AND SC/ST COOPERATIVES:**

<u>From NCDC to State Govt. society</u>	<u>From State Govt. to society</u>
Term loan - 65%	Term loan - 50%
Subsidy - 25%	Share Capital - 15%
	Subsidy - 25%
	Society share - 10%

**FOR COOPERATIVES IN NORTH EASTERN STATES, HILLY AREAS, SC/ST COOPERATIVES**

<u>From NCDC to State Govt. society</u>	<u>From State Govt. to society</u>
Term loan - 56.67%	Term loan - 50.00%
Subsidy - 33.33%	Share Capital - 06.67%
	Subsidy - 33.33%
	Society share - 10.00%

**Through Cooperative Banks / directly to Cooperative Societies**

S. No	Source of Finance	All States other than NE States, hilly areas and for SC/ST Coop.	In NE States/ Hilly areas* and for SC/ST Coop.
i)	Promoter's contribution (Minimum)**	25%	20%
ii)	Subsidy from the Govt	25%	33.33%
iii)	Term loan (Minimum)	50%	46.67%

\* Where the project site is located at a height of more than 1000 meters above mean sea level .

\*\* Cost of land not exceeding 10% of the project cost can form part of the owner's contribution.

Mode of release

a) 50% of subsidy amount shall be released on approval and acquisition of land and balance 50% of subsidy amount shall be provided after godown has reached roof level.

b) 100% of subsidy amount shall be released in case of renovation of godowns after work of repair and renovation is taken up.

c) The subsidy provided as interest free loan shall be adjusted only after construction of godown has been completed to the satisfaction of NCDC.

**6. PLEDGE LOAN**

The farmers keeping their produce in the godowns shall be eligible to avail on hypothecation of produce upto 75% of the value of produce pledged subject to a ceiling of Rs.5 lakh per borrower. Such loan shall be for a period of upto 12 months. The rate of interest on such loans shall be as per RBI guidelines. The banking institutions shall accept the godown receipts on its being duly endorsed

and delivered to bank for pledge loan against hypothecation of produce as per RBI guidelines. The pledge loan advance under Grameen Bhandaran Yojana will qualify under 'Direct Agriculture - priority sector lending'.

## **7. TIME LIMIT FOR COMPLETION**

A time limit of 15 months is prescribed for completion of the project from the date of disbursement of first instalment of loan. However, if reasons for delay are justified, a further grace period upto 6 months may be allowed by the participating bank. If the project is not completed within stipulated period, the benefit of subsidy shall not be available and advance subsidy has to be refunded forthwith.

## **8. REFINANCE ASSISTANCE FROM NABARD**

### **For Construction of Rural Godowns**

For construction of rural godowns, NABARD would provide refinance, if required by commercial bank / RRBs/ ADFCs / SCBs/ SCARDBs and such other eligible institutions @ 90% of the amount financed by them as term loan. However, quantum of refinance is 95% in case of SCARDBs in North Eastern Region. The quantum of refinance from NABARD could vary from time to time. Rate of interest on refinance will be as decided by NABARD from time to time.

### **For Pledge Loan**

For Pledge Loan, NABARD will also provide refinance to Cooperative Banks as per NABARD's norms which are as under:

- i) Facility of pledge finance is extended to all cultivators whether they be the borrowing members of PACS or not and the DCCBs are permitted to directly finance individual cultivators on the strength of the pledge;
- ii) Quantum of pledge loan will be upto 75% of value of actual produces pledged subject to a ceiling of Rs.5 lakh per borrower;
- iii) The period of pledge loan is upto 12 months;
- iv) Farmers are given freedom to take back their produce once the pledge loan is repaid; and
- v) Rate of interest on re-finance against pledge loan will be as decided by NABARD from time to time.

## **9. PUBLICITY AND TRAINING**

The general awareness programme on the scheme for the farmers and the training programme for the entrepreneur for construction, maintenance and operation of rural godown will be organised by the National Institute for Agriculture Marketing, Jaipur in collaboration with other institutions like BIRD, TOPIC etc.

## **10. OTHER CONDITIONS**

- i) Rural godowns may be treated as infrastructure for financing.
- ii) The participating banks / NCDC / NABARD, etc., will adhere to their own norms for appraisal of projects.
- iii) A signboard at the site "Assisted under Gramin Bhandaran Yojana of Ministry of Agriculture, Government of India" will be exhibited.
- iv) Govt.'s interpretation of various terms will be final.
- v) Besides Joint Inspection Committee (JIC) inspection, pre & post completion inspections of the project may be undertaken to verify physical, financial and operational progress, as and when required.
- vi) Govt. reserves the right to modify, add and delete any term and condition without assigning any reason.

## **11. PROCEDURE TO BE FOLLOWED FOR SANCTIONING OF PROJECT AND RELEASE OF SUBSIDY**

### **Projects financed through Banks**

- i) Promoter will submit the project proposal for term loan and subsidy to Bank on application form as prescribed by the concerned Bank along with project report and other documents for appraisal and sanction of loan. A copy of the proposal shall also be endorsed by the promoter to Sub Office/ Regional Office of DMI as per list at Annexure VI.
- ii) Bank after appraisal and sanctioning of project and disbursement of first installment of loan will furnish a brief project profile-cum-claim form for advance subsidy in the prescribed form given at **Annexure-I** along with a copy of bank's sanction letter to RO, NABARD with a copy to the Sub Office/ Regional Office of DMI as per list at Annexure VI.
- iii) NABARD on receipt of project profile-cum-claim form from the participating bank will sanction and release 50% advance subsidy to the participating bank for keeping the same in the Subsidy Reserve Fund Account (Borrower-wise). NABARD will forward a copy of claim form as indicated in Annexure I to the Head Office of DMI project-wise for replenishment or adjustment against advance subsidy provided by DMI to NABARD. The release of subsidy by NABARD will be subject to availability of funds from DMI.
- iv) When the project is complete, the promoter will inform the bank which will initiate action for an inspection by a Joint Inspection Committee consisting of officials from bank, NABARD and DMI to ensure that the rural godown conforms to approved technical & financial parameters.

v) After inspection is conducted, the bank will submit the claim form for final subsidy in the prescribed format given at **Annexure II** to NABARD, in triplicate, with a copy to Regional Office/Sub-Office, DMI. The inspection report of Joint Inspection Committee and completion certificate should invariably be enclosed with claim form for final subsidy. NABARD shall release the final subsidy to banks which will be replenished by DMI or adjusted against the subsidy amount provided to NABARD in advance.

### **Projects financed through NCDC**

i) NCDC shall provide assistance to the cooperatives for construction/renovation of godowns.

ii) The cooperative societies shall formulate proposals in the format prescribed by NCDC and shall submit to RCS/State Govt. or directly to NCDC.

iii) The RCS/State Govt. shall examine the proposal and shall recommend to NCDC for consideration.

iv) NCDC shall communicate its sanction to the State Govt. and a counter sanction shall be issued by the State Govt. to the societies.

v) The pattern of funding, interest rates, mode of release of sanctioned assistance shall be as per NCDC's norms and policies as circulated from time to time.

vi) The State Govt. shall periodically furnish progress report to the NCDC and NCDC shall furnish the same to DMI.

vii) DMI shall release advance subsidy for parking in NCDC's account. The project-wise subsidy shall be adjusted/replenished by DMI.

viii) NCDC shall furnish utilisation certificate to DMI.

ix) NCDC and DMI may undertake inspection of godowns to verify the utilization on a random basis.

### **12. MONITORING**

i) The monitoring of each project shall be done by DMI through its Regional/Sub-Offices (Annexure VI) and review will be done on monthly basis with NABARD/NCDC.

ii) As mentioned in para 11(iv), a Joint Inspection Committee consisting of officials from NABARD, NCDC, participating bank(s), as the case may be, and DMI would inspect the project within the overall scope of the operational guidelines of the scheme and would submit its report in the format at **Annexure-V** which should be enclosed with **Annexure II**. For this purpose, the promoters/participating banks/NABARD will initiate necessary action to get the inspection conducted on the project site by the Joint Inspection Committee as soon as the project is completed, so as to avoid any delay in release / adjustment of subsidy.

iii) After crediting the final installment of subsidy in the reserve fund of the borrower, a utilization certificate as per **Annexure III** is required to be submitted by the participating bank to NABARD/ NCDC as the case may be to the effect that amount of subsidy received by them has been fully utilized/adjusted in the books of account under the sanctioned terms and conditions of the project, within the overall guidelines of the scheme.

iv) The progress report of the scheme as per format at Annexure - IV shall be sent by NABARD / NCDC directly to the Head Office of DMI on monthly basis.

**Annexure -I**

**FORMAT FOR PROJECT PROFILE -CUM -CLAIM FORM FOR CLAIMING  
50% ADVANCE SUBSIDY/REFINANCE**

**(TO BE SUBMITTED BY BANK IN TRIPLICATE TO NABARD WITH A COPY  
TO DMI)**

To,

- (1) Regional Office, NABARD
- (2) Regional/ Sub-office, (nearest, as per addresses enclosed) Directorate of Marketing & Inspection.

**CAPITAL INVESTMENT SUBSIDY SCHEME FOR CONSTRUCTION/  
RENOVATION OF RURAL GODOWN.**

**PART- I**

**(For use by Bank)**

- 1.i) Name & address of project including Tehsil/Taluka/District
  - ii) Whether located in NE States/Hilly areas i.e., above 1000 MSL
- 2.i) Name and address of promoter.
  - ii) Whether belongs to SC/ST / their cooperative, if yes, specify:
  - iii) Whether farmer\*/agriculture graduate/SWC/CWC/Cooperative
    - a) If farmer, whether a small farmer\*\*
  - iv) Whether individual/company/corporation/others

\* Farmer is a person whose main source of income is from Agriculture.

\*\* Small farmer is a person having less than 2.5 acres of irrigated land or 5 acres of dry land.

3. Entitlement of subsidy (15%/25%/33.33%)

4. Name & address of financing bank

5. Date of receipt of proposal/application.

- 6.a) Amount of loan sanctioned
- b) Date of sanction of loan
- c) Date of disbursement of first installment

7. Item wise financial projections

	As per project report (Rs)	As appraised by bank (Rs.)
i) Land		
ii) Godown		
iii) Allied facilities		
a) Boundary wall		
b) Internal road		

c) Others (to be specified)

**Total outlay:**

8. Means of finance

As per project report (Rs)	As appraised by bank (Rs.)
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- Promoters contribution
- Bank loan
- Any other source

**Total:**

9. Capacity of godown:

No. of chambers	Size (cu.mtrs)	Capacity (in tones)
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- New unit to be created
- Existing unit, if any
- Renovation of  
Cooperative godowns

10. Rate of interest (to be charged)%

11. Brief coverage on technical feasibility and financial viability.

12. Other relevant information including as to whether the godown would be for self use/to be leased out to private or Govt. agencies/to store farmers produce on rent and commodity to be stored.

13. The project has been appraised and found to be technically feasible and financially viable. We intend/do not intend to avail of refinance from NABARD. The refinance amount is Rs.\_\_\_\_\_ (if to be availed).

14. An amount of Rs.\_\_\_\_\_ (Rupees \_\_\_\_\_) being the 50% of the eligible amount of subsidy may please be released in respect of the project for crediting to the "Subsidy Reserve Fund Account - Borrower-wise".

15. We note that a time limit of 15 months is stipulated for completion of the project from the date of disbursal of first installment of loan. If reasons for delay in completion of the project are justified, a maximum grace period of up to 6 months may be allowed for completion of project. We also note that the advance subsidy has to be refunded forthwith if the project is not completed within the above stipulated period and as per the broad parameters of the scheme. It is further noted that in case of any delay in refund of subsidy, the participating

bank/beneficiary will be liable for payment of penal interest. It is also confirmed that the project does not fall within a Municipal Corporation area.

Place: \_\_\_\_\_  
Date: Seal and signature of the  
Authorized signatory of Bank

- Enclosures - 1) Project report  
2) Land documents  
3) Loan sanction letter issued by competent authority  
4) Brief coverage on technical feasibility & financial viability  
5) Proof of category  
6) Affidavit of the beneficiary that he has not availed/shall not avail subsidy for the project from any other source.

**PART-II**  
**(For use of RO, NABARD)**

***(A) For use by RO, NABARD***  
Advance subsidy

The claim of advance subsidy of Rs. \_\_\_\_\_ is forwarded herewith for release of the same.

Date: \_\_\_\_\_  
Authorized signatory,  
Regional Office, NABARD.

***(B) For use by NABARD***

Scheme Code	Project Code
State Code	Bank Code
District Code	

An amount of Rs. \_\_\_\_\_ is released as advance subsidy on \_\_\_\_\_ (name of the bank) vide subsidy disbursement advise no. \_\_\_\_\_ (copy enclosed). This amount may please be replenished/adjusted by DMI.

Date: \_\_\_\_\_  
Authorized signatory,  
Head Office, NABARD.

***(C) For use by HO, DMI***

An amount of Rs. \_\_\_\_\_ as advance subsidy against above mentioned claim is hereby released/replenished to NABARD vide D.D No. \_\_\_\_\_ dated \_\_\_\_\_ drawn on \_\_\_\_\_ (Bank)

Date: \_\_\_\_\_  
Authorized signatory,



**Annexure - II**

**FORMAT FOR CLAIMING FINAL INSTALMENT OF SUBSIDY**

**(To be submitted by Bank in triplicate to NABARD with a copy to DMI)**

To,

- (1) The Regional Office, NABARD/
- (2) Regional/ Sub-office, (Nearest, as per addresses enclosed)  
Directorate of Marketing & Inspection,

**CAPITAL INVESTMENT SUBSIDY SCHEME FOR CONSTRUCTION /  
RENOVATION OF RURAL GODOWN.**

**(For use by Bank)**

1. i) Name & address of project including Tehsil/Taluka/District  
ii) Whether located in NE States/Hilly areas i.e. above 1000 MSL
2. i) Name and address of promoter.  
ii) Whether belongs to SC/ST / their cooperative, if yes, specify :  
iii) Whether farmer\*/agriculture graduate/SWC/CWC/Cooperative  
a) If farmer, whether a small farmer\*\*  
iv) Whether individual/company/corporation/others

\* Farmer is a person whose main source of income is from Agriculture.

\*\* Small farmer is a person having less than 2.5 acres of irrigated land or 5 acres of dry land.

3. Entitlement of subsidy (15%/25%/33.33%)

4. Name & address of financing bank

5. Date of receipt of proposal/application.

6. a) Amount of loan sanctioned
- b) Date of sanction of loan
- c) Date of disbursement of first installment
- d) Date of disbursement of last installment
- e) Total loan amount disbursed

7. Item wise cost of project

Actual cost	As per project report	As appraised by Bank
i) Land		
ii) Godown		
iii) Allied facilities		
a) Boundary wall		
b) Internal road		

c) Others (to be specified)

**Total :**

8. Source of finance

As per project report (Rs)	As approved by bank (Rs.)	Actual (Rs.)
----------------------------	---------------------------	--------------

- Promoters contribution
- Bank loan
- Any other source

**Total**

9. Capacity:

No. of chambers	Size ( cu.mtrs).	Capacity (in tones)
-----------------	------------------	---------------------

- i) New capacity created
- ii) Existing unit, if any
- iii) Renovation of Cooperative godowns

10. Total entitlement of subsidy Rs.

11. Amount of advance subsidy released Rs.

12. Balance subsidy to be released Rs.

13. Date of sanction of refinance by NABARD

14. Date of amount of refinance released by NABARD

15. Construction/renovation has been carried out as per technical parameters envisaged under the project.

16. Since the project is complete as per terms and conditions stipulated under the scheme and final inspection of godown has been conducted, an amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) being the final instalment of subsidy may please be released for crediting to the "Subsidy Reserve Fund Account - Borrower-wise".

17. The following documents are enclosed:-

- a) Copy of Joint Inspection Committee Report.
- b) Compliance report from bank, if any
- c) Completion certificate signed by promoter and verified by Joint Inspection Committee.
- d) Proof of category

(\_\_\_\_\_)

Place :

Seal and signature of the  
Branch Manager of Bank

Date

**PART-II**

**(For use of RO, NABARD)**

***(A) For use by RO, NABARD***

An amount of Rs. \_\_\_\_\_ as final instalment of subsidy towards the above claim of \_\_\_\_\_ (name of the bank) in respect of \_\_\_\_\_ (name of the project) may be released.

Date:

(\_\_\_\_\_)

Authorized signatory,

Regional Office, NABARD.

***(B) For use by NABARD***

Scheme Code  
State Code  
District Code

Project Code  
Bank Code

An amount of Rs. \_\_\_\_\_ is released as final subsidy on \_\_\_\_\_ (name of the bank) vide subsidy disbursement advise no. \_\_\_\_\_ (copy enclosed). This amount may please be released by DMI.

Date:

(\_\_\_\_\_)

Authorized signatory,  
Head Office, NABARD.

***(C) For use by HO, DMI***

An amount of Rs. \_\_\_\_\_ as final subsidy against above mentioned claim is hereby replenished/adjusted to NABARD vide D.D No. \_\_\_\_\_ dated \_\_\_\_\_ drawn on \_\_\_\_\_ (Bank)

Date:

(\_\_\_\_\_)

Authorized signatory,  
Head Office, DMI

FORMAT FOR UTILIZATION CERTIFICATE

(FOR THE USE OF FINANCING BANK TO BE SUBMITTED, IN TRIPLICATE,  
TO THE REGIONAL OFFICE OF NABARD)

CAPITAL INVESTMENT SUBSIDY SCHEME FOR CONSTRUCTION/  
RENOVATION OF RURAL GODOWNS

1. Name, address/location of the Project:
2. Name and address of the beneficiary:
3. Name and address of the financing bank:
4. Date of sanction of loan by bank:
5. Date of inspection by Joint Inspection Committee:
6. Date of completion of the project:

7. (i) Total financial outlay	- Rs.	
(ii) Margin money	- Rs.	
(iii) Bank loan	- Rs.	
(iv) Subsidy received	Amount	Date of credit to the
Date of receipt	(Rs.)	Subsidy Reserve
from NABARD		Fund A/c of the
		Borrower

(a) 50% Advance Subsidy

(b) Final installment of subsidy

**Total**

-----  
=====

8. (i) Capacity created

	Volume (cubic mtrs.)	Capacity (In tonnes)	No. of Chambers
(a) New Unit			
(b) Renovation			

9. Rate of interest charged by financing bank           -% p.a.  
a) In the case of CBs -PLR                                   -% P.A.  
b) In the case of others-  
    PLR of Convener bank of SLBC

10. The bank has/has not availed of refinance from NABARD.

11. This is to certify that the full amount of subsidy received in respect of the above project has been fully utilized (by way of crediting to the "Subsidy Reserve Fund Account - Borrower-wise) and adjusted in the books of account under the sanctioned terms and conditions of the project and within the overall guidelines of the scheme.

Place

Date

Seal and Signature of the  
Branch Manager (Financing bank)

**Annexure-IV**

**PROGRESS OF CAPITAL INVESTMENT SUBSIDY SCHEME FOR RURAL GODOWNS**

SANCTIONED/PENDING SCHEME (ABSTRACT)\*

STATUS AS ON \_\_\_\_\_

	S t a t e	N a m e o f t h e p r o j e c t	L o c a t i o n	C a p a c i t y ( t o n n e s )	T F O S a n c t - i o n e d	B a n k l o a n	P r o m o t e r ' s C o n t r i b u t i - o n	T o t a l e l i g i b l e s u b s i d y	Subsidy released to financing banks		
									A d v a - n c e	F i n a l	T o t a l

\* The above information break-up may be furnished for projects sanctioned to farmers/small farmers/SC/ST entrepreneurs and their cooperatives separately.

Annexure-V

**PROFORMA FOR JOINT INSPECTION REPORT OF GODOWN  
CONSTRUCTED UNDER GRAMEEN BHANDARAN YOJANA**

Date of Inspection:

1. Members of Joint Inspection Committee

Organization	Name	Designation	Address
--------------	------	-------------	---------

- i) NABARD
- ii) Financing bank
- iii) DMI

2. i) Name & address of project including Tehsil/Taluka/District

ii) Whether located in NE States/Hilly areas i.e., above 1000 MSL

3. i) Name and address of promoter.

ii) Whether belongs to SC/ST / their cooperative, if yes, specify:

iii) Whether farmer\*/agriculture graduate/SWC/CWC/Cooperative

a) If farmer, whether a small farmer\*\*

iv) Whether individual/company/corporation/others

\* Farmer is a person whose main source of income is from Agriculture.

\*\* Small farmer is a person having less than 2.5 acres of irrigated land or 5 acres of dry land.

4. Rate of entitlement of subsidy i.e. 15% / 25% / 33.33%

5. Use of godown

i) Own use/to store farm produce on rental/to be leased out to private or Govt. agency

ii) Commodity(ies) to be stored

6. Name & address of financing bank

7. i) Date of sanction of loan

ii) Amount of loan sanctioned

iii) Date of disbursement of first installment

iv) Date of disbursement of last installment

v) Total loan amount disbursed

8. i) Date of completion of the project

ii) Date of intimation of completion to NABARD & DMI



## Annexure VI

### LIST OF REGIONAL / SUB-OFFICE OF DIRECTORATE OF MARKETING & INSPECTION WITH ADDRESSES

#### Andaman & Nicobar Island

Dy. Agricultural Marketing Adviser,  
Directorate of Marketing & Inspection,  
General pool Offices Building,  
4<sup>th</sup> Floor, A Wing, DF Block,  
Sector-1, Salt Lake,  
Kolkata-700064  
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#### Andhra Pradesh

Dy. Agricultural Marketing Adviser,  
Directorate of Marketing & Inspection  
Green House 3<sup>rd</sup> Floor, Block 1,  
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Ph.040-4657446

#### Arunachal Pradesh

Asstt. Agricultural Marketing Adviser,  
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#### Bihar

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#### Chandigarh

Asstt. Agricultural Marketing Adviser  
Directorate of Marketing & Inspection,  
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Sector 9 'A',

Chandigarh-160 047  
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Chhatisgarh

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33, Anand Nagar,  
RAIPUR,  
Chhatisgarh.  
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Dadra & Nagar Haveli

Dy. Agricultural Marketing Adviser,  
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New CGO Building, 3<sup>rd</sup> Floor,  
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Mumbai-400080  
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Gujarat

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Goa

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Haryana

Asstt Agricultural Marketing Adviser,

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Himachal Pradesh

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Jammu & Kashmir

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Jharkhand

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Kerala

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Karnataka

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Meghalaya

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