

## NABARD WAREHOUSING SCHEME (NWS) 2013- 14

Consequent upon the announcement of an allocation of Rs. 5000 crore to NABARD in the budget for 2013- 14, for supporting creation of infrastructure for storage of agricultural commodities, Reserve Bank of India (RBI) issued guidelines for creation of Warehouse Infrastructure Fund (WIF) in NABARD. With a view to operationalising WIF, NABARD has formulated a scheme viz., NABARD Warehousing Scheme 2013- 14 (NWS), which envisages extension of loans to Public and Private Sectors for construction of warehouses, silos, cold storages and other cold chain infrastructure. The Scheme has been approved by Government of India (Copy enclosed as Appendix).

Funds under this scheme would be utilized for meeting the growing demand for storage capacity for agricultural commodities in the entire country and also in the wake of enactment of National Food Security Act 2013. Priority will be given for the projects proposed in Eastern & North Eastern and food grain deficit states.

### The salient features of the Scheme are indicated below:

1	Eligible Institutions/ Entities	<ul style="list-style-type: none"> <li>• State Governments</li> <li>• Agencies Owned/ Sponsored by State Govt.</li> <li>• Panchayati Raj Institutions (through respective State Governments)</li> <li>• Agencies owned/ sponsored by Government of India, Special Purpose Vehicles (SPVs) set up under the projects in Public- Private Partnership (PPP) mode, Cooperatives (and their Federations), Farmers' Producers' Organizations (FPOs), Federations of Farmers' Collectives, APMCs, Apex Marketing Boards, Private Companies, Individual Entrepreneurs, etc.</li> </ul>
2	Activities Covered	<p>Loans will be provided for projects involving creation of storage infrastructure, with a minimum capacity of 5000 metric tons (MT), for agricultural and allied produce including construction of:</p> <ol style="list-style-type: none"> <li>a. Warehouses</li> <li>b. Silos</li> <li>c. Cold storage, Controlled Atmosphere (CA) stores, other cold chain activities like reefer vans, bulk coolers, Individually Quick Frozen units (IQF), chilling/ freezing infrastructure, etc.</li> </ol> <p>Modernization/ improvement of the existing storage infrastructure projects will be considered on merit of each proposal provided it leads to scientific/ additional storage capacity.</p>
3	Registration by WDRA	Loans will be provided in respect of only those storage projects, which not only conform to the norms laid down by Warehousing Development and Regulatory Authority (WDRA), but also give an

		undertaking for obtaining accreditation/ registration from WDRA on completion of the infrastructure.
4	Priority Segments	<p>Funds under this Scheme would be utilized for meeting the growing demand for storage capacity for agricultural commodities and also in the wake of enactment of National Food Security Act 2013 from the following segments:</p> <ul style="list-style-type: none"> <li>• Food grain procurement agencies, like FCI (including under PEG Scheme), Central Warehousing Corporation (CWC), State Warehousing Corporations (SWCs), State Government Departments/ Agencies, etc.</li> <li>• Panchayats, PACS and other Co-operative Societies (including modernization/ renovation/ repairs of the existing warehouses) for enabling farmers to store their produce and avail concessional post harvest loans</li> <li>• State Civil Supplies Departments/ Corporations for Public Distribution System (PDS) and supply of essential commodities</li> <li>• Private Sector entities for storing food grains as well as other agricultural commodities like pulses, oilseeds, cotton, spices &amp; condiments and perishables, like fruits &amp; vegetables, dairy/ poultry/ meat/ fish products.</li> </ul> <p><b>Priority will be given for the projects proposed in Eastern &amp; North Eastern Regions and in food grain deficit states.</b></p>
5	Loans to Public Sector	Loans to State Government, Agencies Owned/ sponsored by State Govt. and Panchayats (through State Governments) will be governed by the extant Rural Infrastructure Development Fund (RIDF) guidelines.
6	Loans to Private Sector	Direct loans to private sector and to the entities owned/ sponsored by the State Govt., which are not covered by mandate/ guarantee, would be governed by the terms of lending indicated in Annexure– I.
7	Implementation Period	The Scheme will be operational during the year 2013- 14.

(For any queries/ clarifications– email to [dsm@nabard.org](mailto:dsm@nabard.org)/[nabardwarehouse@gmail.com](mailto:nabardwarehouse@gmail.com))

## Annexure – I

### Direct Loans to Private Sector– Terms of Lending

Type of Borrower	Maximum Quantum of Loan (% of TFO)	Tenure of Loan (Years)	Rate of Interest (% p.a.)
Agencies owned/ sponsored by Government of India, SPVs set up under the projects in PPP mode, FPOs, Federations of Farmers' Collectives, Apex Marketing Boards, etc.	95	07	PLR* + Risk Premium
		More than 7 years	PLR + Risk Premium + Tenor Premium
Cooperatives (and their Federations), APMCs or similar institutions	95	07	PLR + Risk Premium
		More than 7 years	PLR + Risk Premium + Tenor Premium
Private Companies, Individual Entrepreneurs, etc.	75	07	PLR + Risk Premium
		More than 7 years	PLR + Risk Premium + Tenor Premium

\* PLR is Prime Lending Rate of NABARD

### Appendix

#### GoI Approved NABARD Warehousing Scheme 2013-14

While presenting the Budget for the year 2013-14, the Hon'ble Union Finance Minister announced that a sum of Rs. 5000 crore will be made available to NABARD to finance construction of warehouses, godowns, silos and cold storage units designed to store agricultural produce, both in the public and the private sectors. This window will also finance, through the State Governments, construction of godowns by Panchayats to enable farmers to store their produce.

RBI vide their Letter No. RPCD. CO. Plan/51/04.09.58/2013-14 dated 01 July 2013 advised allocation of Rs 5000 crore under separate fund called **Warehouse Infrastructure Fund (WIF)**. RBI has further advised that the fund will be utilized for financing construction of warehouse infrastructure to store agriculture and allied produce both in the public and private sector.

This allocation of Rs. 5000 crore is proposed to be utilized by implementing/ operationalising a scheme viz. **NABARD Warehousing Scheme 2013- 14**. The salient features of the proposed scheme are indicated in the following paragraphs:-

### 1. **Mode of Financial Support**

NABARD will provide direct financial support for public and private sector by sourcing funds from WIF.

### 2. **Eligible Institutions/ Entities**

The following institutions/ entities would be eligible for assistance:

- State Governments- by way of loans (on the lines of RIDF)
- Agencies Owned/Sponsored by State- by way of loans (on the lines of RIDF)
- Panchayati Raj Institutions- by way of loans through respective State Governments (on the lines of RIDF)
- Agencies owned/ sponsored by Government of India, Cooperatives & federations of cooperatives, individual entrepreneurs, corporates/ companies, etc.

### 3. **Purpose/ Activities**

Financial support from NABARD would be provided for the projects involving creation of storage infrastructure for agricultural produce, including:

- Warehouses/ Godowns
- Silos
- Cold storage/ other cold chain activities like controlled atmosphere (CA) storage, reefer vans, bulk coolers, individually quick frozen (IQF) units, chilling/ freezing infrastructure, etc.
- Modernization/ renovation/ repairs of the existing storage infrastructure

### 4. **Priority Segments**

Funds under this allocation would be utilized for meeting the growing demand for storage capacity for agricultural commodities from the following segments:

- Food grain procurement agencies like FCI (including under PEG Scheme), Central Warehousing Corporation, State Government Departments/ Agencies, SWCs, etc.
- Panchayats, PACS and other Co-operative Societies (including modernization/ renovation/ repairs of the existing warehouses) for enabling farmers to store their produce and avail concessional post harvest loans
- State Civil Supplies Departments/ Corporations from for Public Distribution System (PDS) and supply of essential commodities
- Private sector entities for storing food grains as well as other agricultural commodities, like pulses, oilseeds, cotton, spices & condiments and perishables, like fruits & vegetables, dairy/ poultry/ meat/ fish products
- Special focus to be given to projects in Eastern & North Eastern States and food grain deficit States.

### 5. **Rate of Interest, Quantum of Support and Repayment Period**

The financial support for various eligible institutions/ entities would be provided as follows:-

<b>Sr. No.</b>	<b>Type of Facility</b>	<b>Rate of Interest (% p.a.)</b>	<b>Repayment Period (Years)*</b>
1	Loans to the State Governments, Agencies Owned/Sponsored by State Governments and Panchayati Raj Institutions	As per RBI norms	07
2	Loans to Corporates/ Companies, Individual Entrepreneurs, etc. **	As per RBI norms	07

\* - Including a moratorium of 02 years

\*\* - The modalities of funding would be in accordance with RBI stipulations.

**6. Accreditation by WDRA**

Financial assistance under the scheme will be provided in respect of only those projects, which conform to the norms laid down by Warehousing Development and Regulatory Authority (WDRA).

**7. Implementation Period**

The Scheme will be operational during the year 2013- 14. Financial assistance from NABARD would be available against the proposals sanctioned on or after 01 April 2013.