

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2755  
ANSWERED ON:17.12.2004  
NABARD LOAN FOR COLD STORAGES  
Khanna Shri Avinash Rai

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Union Government has given any instructions to the nationalized banks through the NABARD that the proposals for granting loans for the setting up of cold storages recovered by these banks should be forwarded to NABARD;
- (b) if so, the number of proposals sent by the nationalized banks to NABARD, State-wise;
- (c) the action being taken by Government in case any bank does not forward such proposals to the NABARD; and
- (d) whether different rate of interest is charged or any different policy of subsidy for cold storages is followed by NABARD and various nationalized banks ?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

- (a) As per the operational guidelines of the centrally sponsored `Capital Investment Subsidy Scheme for Cold Storage` circulated by national Horticulture Board(NHB) the participating banks include Nationalised Banks and other Commercial Banks, Co-operative Banks, Regional Rural Banks(RRBs), State Co-operative banks, etc. NABARD is the implementing agency for disbursement of subsidy among the participating banks. The participating banks after sanctioning the term loan for construction of cold storage are required to submit the proposal to NABARD for release of subsidy.
- (b) The State wise position of cold storage proposal received by NABARD from the participating banks are as under:
- (c) In the proposals where no bank loan is involved National Horticulture Board (NHB) is directly releasing the subsidy to the promoter.
- (d) Yes, As per the scheme guidelines the financing banks have to extend bank loan at a rate of interest not exceeding Prime Lending Rate(PLR) plus 1% to the beneficiary. The rate of interest varies from bank to bank.