



Ref. No. NB.DoR / PPS – 9 /71482-71512/ 2024-25

Cir No.232/ DoR –59/ 2024

23 October 2024

The Managing Director
All State Cooperative Banks

Madam/Dear Sir,

Special Refinance Facility – Transformation of PACS as Multi-Service Centre (MSC) for implementation of projects under World’s Largest Grain Storage Plan (WLGSP) in Cooperative Sector

To support the Primary Agriculture Cooperative Societies (PACS) for implementation of projects under World’s Largest Grain Storage Plan in Cooperative Sector (WLGSP), NABARD is providing the Special Refinance Facility under PACS as MSC scheme to StCBs under Automatic Refinance Facility mode.

2. The eligibility criteria relating to CRAR, Net NPA and Net Profit for StCBs and DCCBs has been relaxed as a special case for implementing the World’s largest Food Grain Storage Project. Under the facility, refinance will be extended to those StCBs with NABARD internal risk rating of NBD1 to NBD7.

3. Further, refinance will be provided to STCBs/DCCBs with NABARD internal risk rating of NBD8 and NBD9 and/or with negative net worth, against pledge of Fixed Deposit Receipts as collateral with lien clearly marked in favour of NABARD to the tune of 105% of the amount proposed to be disbursed so as to cover the principal and accrued interest amount. The FDRs held for such purposes shall not be less than 105% of the outstanding principal amount during the entire tenor of the loan disbursed.

4. The Interest rate on this Special Refinance Facility to StCBs will be at @3% per annum and the ultimate interest rate to be charged from PACS should not be more than 1% over and above the interest rate charged by NABARD. The interest margin to be shared by StCB & CCB will be decided on mutually agreed terms and shall be fixed. NABARD reserves the right of change of the interest rate from time to time.

5. The refinance shall be repaid within a maximum period of 7 years including a grace period of 6-24 months, depending on income generation and type of infrastructure proposed by PACS. The actual repayment period to be fixed will be based on the

राष्ट्रीय कृषि और ग्रामीण विकास बैंक
National Bank for Agriculture and Rural Development

पुनर्वित्त विभाग

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projected cash flows, economic life of asset and average Debt Service Coverage Ratio (DSCR) of 1.50.

6. All other terms and conditions as applicable to Automatic Refinance Facility from NABARD to StCB and DCCB shall remain unchanged.

Yours faithfully

eSign

Signed by: KANIYUR SUNDARARAJAN
MAHESH
Organization Unit: CHIEF GENERAL
MANAGER
Organization Name: THE NATIONAL BANK
FOR AGRICULTURE AND RURAL
DEVELOPMENT
Date: 23-Oct-2024 (04:31 PM)

(Dr. K S Mahesh)
Chief General Manager