



## National Workshop on BPDP/DPDP

### Presentation on available funding for projectized proposals - NABARD

# Possible areas for collaboration by Block and District Panchayats



## Grant Products

1. Rural Infrastructure Promotion Fund (RIPF)
2. Construction of Rural Haat (RH)
3. Support under Watershed Development Fund (WDF)

## Loan products-

1. Rural Infrastructure Development Fund (RIDF)
2. NABARD Infrastructure Development Assistance (NIDA)



# RIPF



**Type of assistance:** Grant

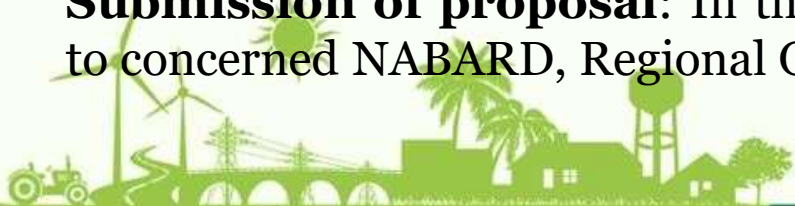
**Eligible activities:** Creation of experimental infrastructure projects by entities like Gram Panchayats  
Creation of critical infrastructure of smaller investments with focus on last mile connectivity

**Guiding principles:**

- Activity should lead to promotion of sustainable infrastructure development in rural, agri and allied sectors
- Activity should be innovative/experimental/demonstrative nature and should result in generating demand for other infrastructure.
- PRIs to establish how far the experimental project would benefit people in rural area

**Duration of project:** Project having short duration upto 1 year

**Submission of proposal:** In the prescribed format through District Development Manager, NABARD to concerned NABARD, Regional Office



# Rural Haat

**Type of assistance:** Grant

**Definition:** Open-air market that serves as a trading venue for local people in rural areas and normally catering to the needs of 10 to 20 villages

**Project location:** Proximity to black topped road; resident population of at least 5000

**Mandatory components in Haat:** Raised platforms with roofing, Pathways, drinking water & sanitation facility, compound wall/fencing, solid waste disposal, solar lighting, notice board, small storage room/office space

**Quantum of assistance:** 90 % of total cost or Rs.15 lakh whichever is lower (in case of NER-95%)

**Project period:** 1 year

**Submission of proposal :** Through District Development Manager, NABARD to concerned NABARD Regional Office



# WDF



**Watershed** – Catchment area/drainage basin of particular stream/river

**Type of assistance:** Loan/Grant

**Project area:** Preference to projects in vulnerable states and districts – States with large tracts of untreated areas. Prioritization as per Composite Index developed by NRAA.

**Components:** Soil & land management, water management, afforestation, agriculture & fodder development, livestock & energy management and community development

**Phases of implementation:** Capacity Building Phase (CBP) / Full Implementation Phase (FIP)

**Period :** **CBP** – 1 year – / **FIP** – Maximum period 3 years

Proposal to be routed through District Development Manager, NABARD to concerned Regional Office



# RIDF



**Type of assistance :** Loan for creation of rural infrastructure to borrowing entities (State Government)

**Eligible institutions :** State Govt, UTs, State owned corporations/undertakings/state sponsored organisations & Panchayat Raj Institutions, etc.

**Eligible Activities :** Covered under 39 broad categories.

Activities which may be of interest to PRIs/Local bodies are :

- **Agri & related sectors** - Micro/Minor/Medium/major irrigation projects, Soil conservation, watershed dev, storage, marketing infra, cold storage, construction of irrigation wells, seed farm, AH, P&H, grading & certifying lab, village knowledge center, mechanization of farm operations, drainage, forest dev., Infrastructure for alternate source of energy, rural industrial estates, 5/10, MW Solar photo voltaic Power Plants.
- **Social sector:** Drinking water, Infra for rural education institution, public health institutions, construction of toilet, construction of Anganwadi centers, waste management, setting up of KVIC industrial estate/center.
- **Rural connectivity:** Roads, bridges, road over bridge on railway crossings, ropeway.

**Procedure:** Proposal to be routed through State Government

**Security:** Irrevocable letter of authority/mandate executed by State Government and registered with Reserve bank of India/Scheduled commercial bank

**Interest Rate:** Linked to Bank rate. Currently, it is Bank Rate **minus** 1.5%

# NIDA



**Type of assistance:** Loans on both on-budget as well as off-budget for creation of rural infrastructure

**Eligible Institutions :** State govts/State/Central Govt companies/corporations and other govt institutions/Dairy Cooperatives/Federation/Agri Marketing Coop/Fed/ **Local Bodies** etc.

**Eligible activities:** Agriculture, Transport, Energy, Drinking water and Sanitation, Social & commercial infrastructure

**Procedure:** Proposal to be routed through State Government

**Security:** Government guarantee, hypothecation of assets, collateral of unencumbered assets, mortgage of immovable assets, pledge of shares, personal guarantee, corporate guarantee, availability of budgetary provision for servicing the loan, escrow and default escrow account, debt service reserve account.

**Rate of interest:** Commercial rate



# Thank You

