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DEPARTMENT OF AGRICULTURE & FARMERS' EMPOWERMENT
RESOLUTION

The 19th August, 2023

The State Government in Department of Agriculture and Farmers' Empowerment have published the Guidelines on "Mukhyamantri Krushi Udyog Yojana" vide Notification No. 20984/A.&FE., dated the 23rd December, 2020. In a way forward, for the larger interest and benefits of the Farmers' community those have chosen to be agri-entrepreneurs, the Government after due consideration have been pleased to modify the aforesaid guidelines of MKUY in the process of Disbursement of Capital Investment Subsidy by modifying Para-R(4) as follows:—

"The amount of subsidy provided in the budget will be placed with APICOL. The Front ended CIS procedure will be followed in case of projects financed through Banks. The detailed SOP is placed at **Annexure-XIV** to this Guidelines. The amount of subsidy shall be released directly to the entrepreneur's Bank Account in case of self-financing projects after due sanction by the Competent Authority".

This shall come into force with effect from the date of issue of the Resolution throughout the State of Odisha.

ORDER: Ordered that the Resolution be published in the Extraordinary issue of the *Odisha Gazette* and copies thereof be forwarded to all the Departments of Government.

By Order of the Governor
ARABINDA KUMAR PADHEE
Principal Secretary to Government

**Standard operating Procedure (SOP) for release of Front ended CIS
under MKUY in the mirror account of Bank**

1. On credit linkage of the proposal under MKUY, the concerned Bank will open a mirror account in the name of the entrepreneur and submit online release request for Front ended Capital Investment Subsidy (CIS) to APICOL through DNO indicating.

- a. Name of the Entrepreneur
- b. Go-ahead No
- c. Type of project
- d. Project Cost
- e. Capital Cost
- f. Recurring Cost
- g. Total project Cost
- h. Loan Sanction Order No.....Date.....Amount (Including both TL and CC)
- i. Estimated CIS amount based on fixed capital of DPR and eligibility as per MKUY Guidelines
- j. 80% of Estimated CIS amount as front ended CIS
- k. Mirror account number of the entrepreneur, IFSC code, Name of the bank

2. On receipt of online request for release of front ended CIS, APICOL will finalize the front ended CIS amount to be released basing on lowest of the 80% of estimated CIS amount based on fixed capital of DPR/ loan amount/ maximum of CIS eligibility under MKUY to the Bank.

3. The finalized front ended CIS amount will be released to the designated mirror account of the bank under intimation to the concerned Bank, Entrepreneur and DNO within 15 days of the receipt of the request. The advance CIS will be kept in the Mirror account at "Zero"% Interest rate

4. The lending Bank should disburse sanctioned loan amount to the

entrepreneur in accordance with normal banking practice. The EMI should be calculated without taking into account the front ended CIS amount released to the Mirror Account.

5. After completion of the project, APICOL will calculate the final subsidy amount as per the parameters of the MKUY guidelines and eligible CIS will be released to the Bank after deducting the front ended CIS amount already released.

6. On receipt of the balance CIS amount, the total CIS (CIS released to mirror account+ balance CIS released after completion of the project) will be adjusted against the loan amount. In such case, no interest would be payable by the entrepreneur on the portion of the loan disbursed by the Bank equal to the CIS amount released to the Mirror Account and balance CIS released after completion of the project from the respective date of their credit to the Mirror Account/ Loan Account held by the concerned bank. Accordingly, the concerned Bank will recalculate new EMI for the entrepreneur.

7. If the entrepreneur fails to complete the project or CIS amount is less than the amount kept in the mirror account, APICOL will intimate to the concerned Bank. Accordingly, the Bank will refund the front-ended CIS to APICOL within 15 days of such intimation.