



**GOVERNMENT OF ODISHA**  
**DEPARTMENT OF AGRICULTURE AND FARMERS' EMPOWERMENT**  
**DIRECTORATE OF AGRICULTURE AND FOOD PRODUCTION**  
**OPERATIONAL MODALITY**  
**FOR**  
**ESTABLISHMENT**  
**OF**  
**FARM MACHINERY BANKS FOR CUSTOM HIRING**  
**UNDER**  
**CENTRALLY SPONSORED PLAN SCHEME (SMAM)**  
**SUB-MISSION ON AGRICULTURAL MECHANISATION**

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ESTABLISHMENT OF FARM MACHINERY BANKS FOR CUSTOM HIRING UNDER  
SMAM

(OPERATIONAL MODALITIES)

NB: These Operational Modalities should be read with the SMAM Guidelines 2020-21 issued by the Government of India, Ministry of Agriculture and Farmers Welfare, Department of Agriculture, Cooperation & Farmers Welfare (Mechanization & Technology Division), Krishi Bhawan, New Delhi-110001 (Revised in 2020-21) for Selection beneficiaries and implementation of the Scheme. In the event of any discrepancies/ mismatches in explanations/ interpretations, the explanations with proper interpretation of the Revised SMAM Guidelines 2020-21 (with subsequent revisions if any) as mentioned above shall prevail and hold good.

Funds has been allocated by Government of India, Ministry of Agriculture and Farmers Welfare, Department of Agriculture, Cooperation & Farmers Welfare



(Mechanization & Technology Division for Establishment of FARM MACHINERY BANKS FOR CUSTOM HIRING UNDER SMAM under component-IV of SMAM 2021-22. As per decision taken in the SLEC meeting held on 25.02.2021 under the Chairmanship of Agriculture Production Commissioner, Department of A & FE, Govt. of Odisha, the scheme will be implemented by APICOL through offline, at present. Later on, it will be implemented through online mode.

Scheme: ESTABLISHMENT OF FARM MACHINERY BANKS FOR CUSTOM HIRING  
UNDER SMAM

Pattern of Assistance: 40% of the fixed capital (excluding the cost of  
the land)

Component No. 4: Establishment of Farm Machinery Banks for Custom Hiring:

A. Implementing Agencies: APICOL

B. Objectives of Custom Hiring Enterprises:

- (i) To promote mechanization in districts with low farm power availability
- (ii) To provide hiring services for various agricultural machinery/implements and PHT equipments applied for different operations.
- (iii) To expand mechanized activities during cropping seasons in large areas especially in small and marginal holdings.
- (iv) To involve manufacturers/KVKs in operation and maintenance of machines in the hiring centres
- (v) To introduce improved/newly developed agricultural implements and machines in crop production

C. Area of Operation & Composition of Custom Hiring Centre:

- (i) Custom Hiring Centres will be established in the districts identified for implementation in the State AAP.
- (ii) The districts in State AAP will include villages having low farm power availability and large area under small and marginal holdings.
- (iii) Each CHC of Agricultural Machinery/Implements will have the capacity to cover

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minimum area of 10 ha/day and at least 300 ha in a cropping season. Machines can be hired for entire operations from land development to residue management

(iv) Each CHC will be set up on specific crop based, cost based and cluster based approach. Each custom hiring centre will have small crop specific machinery suitable for local requirement for mechanized farming under small and marginal holdings.

D. The following parameters may be chosen for selection of Village/Town for setting up of custom hiring centers:

- (i) Low ratio of farm power availability.
- (ii) Low number of tractor population
- (iii) Small & marginal operational Holdings
- (iv) Less productivity of food grains but potential to enhance productivity.
- (v) District level agencies will identify/invite application to set up CHCs
- (vi) Any business model can be adopted for expanding the reach of mechanization through Custom Hiring Centres. It will be necessary to maintain, upgrade the CHCs from time to time.

E. Identification of Machines/Implements:

- (i) Beneficiaries will select such machinery/implements appropriate for the crops grown in the identified districts.
- (ii) Beneficiaries will select machinery/implements for entire operations of a particular crop grown in that area
- (iii) The capacity of the machines will be selected on the basis of area to be covered in a cropping season.

Machines/equipments will be selected from the list at Annexure I (A)

F. Procurement of Machinery:

Procurement would be from the approved Suppliers/Manufacturers. The beneficiary is free to procure any brand as per his choice from the SLTC approved list. However, only tested equipments from either FMTTIs or designated Institute from DAC&FW are eligible for financial assistance for establishing the Custom Hiring Centres.

G. Financial Assistance:

(i) Financial assistance for setting up of Custom Hiring Centres will be available to Rural Entrepreneurs (Rural youth and farmer as an entrepreneur), Co-operative Societies of farmers Registered Farmers Societies, Farmer Producer Organizations (FPOs) and Panchayats as per the approved pattern of assistance and as indicated below

Establishment of Farm Machinery Banks for Custom Hiring (Table-1)

Sl. No. ITEM MAXIMUM PERMISSIBLE PROJECT COST PATTERN OF ASSISTANCE

A Procurement subsidy for establishment of Custom Hiring Centre upto 10

lakh Project based 40% limited to Rs. 4.00 lakh whichever is less

B Procurement subsidy for establishment of Custom Hiring Centre upto 25

lakh Project based 40% limited to Rs. 10.00 lakh whichever is less

C Procurement subsidy for establishment of Custom Hiring Centre upto 40

lakh Project based 40% limited to Rs. 16.00 lakh whichever is less

D Procurement subsidy for establishment of Custom Hiring Centre upto 60

lakh Project based 40% limited to Rs. 24.00 lakh whichever is less

@# : The maximum permissible assistance per machine under the project will be as per the approved Pattern of assistance of the Govt. of Odisha in A&FE Department or assistance indicated against each machine in Annexure –II (c) of the SMAM Guidelines 2020-21 whichever is less and for other machines which are not indicated in the list of Annexure–II (c), it will be 40% of the machine cost or maximum permissible subsidy under the approved Pattern of assistance of the Govt. of Odisha in A&FE Department, whichever is less.

The sample sheets of project cost calculations and allowable financial assistance is as given in Annexure – XI of the SMAM Guidelines 2020-21.

(ii) The custom hiring centres having the project cost more than Rs. 25 lakh will be

established under the model of credit linked back ended financial assistance.

(iii) The bank will lock the financial assistance released to them for a period of 4 years. The beneficiary will repay the complete bank loan within the period of not less than 4 years. The Beneficiary will not be allowed to transfer/ sell/ mortgage the CHC to any one before the completion of 6 years.

7. Monitoring:

(i) The established CHCs will be provided technical assistance from KVKs/enlisted manufacturers/Approved Testing Centres, FMTTIs and ICAR centres to maintain and train CHC Entrepreneurs.

(ii) The Custom Hiring Centres established under the mission will be supervised by the Chief District Agriculture Officer for its operation so that custom hiring charges are reasonable and affordable to small and marginal farmers

8. Partnerships:

The CHCs can be established by the manufacturers in PPP mode. They may also be encouraged to undertake maintenance of the machinery for a given number of CHCs. They may undertake exposure visits of the beneficiaries in other districts/states. They may enter into annual maintenance contracts for supply of spare parts

MODALITIES:

1. Commencement of operation

The guidelines shall be deemed to have come into operation with effect from the date of notification. APICOL, as the Nodal Agency for successful implementation of the scheme may revise the format and guideline with inclusion/ modification/ deletion through executive order looking to the changing circumstances on approval from the DA & FP (O).

2. Terms, Expressions, Definition & Steps to be followed.

2.1 Implementing Agencies: Executive Engineer (Agriculture)/ Assistant Executive Engineer (Agriculture) of the district will implement the programme at the field level

and will be the District Nodal Officer for the programme. The Agricultural Promotion and Investment Corporation of Odisha Limited (APICOL) under the Department of Agriculture & Farmers' Empowerment will be the Nodal Agency for successful implementation of this programme. The Asst. Agricultural Engineer (AAE) in charge of concerned Block will issue feasibility report and verify the DPR of the proposed project. Non-Refundable Application fees of Rs2000/- inclusive of GST in terms of Demand Draft drawn in favour of the Managing Director, APICOL, Bhubaneswar is to be submitted along with the application form. In case of WSHG the Non-Refundable Application fees will be Rs500/- including GST instead of Rs.2000/-. The application fees of unsuccessful applicants will be refunded by the DNO after DLC meeting.

2.2. Eligible Beneficiary- The eligible beneficiaries are Co-operative societies/ Registered Farmer Societies/ FPOs /FPCs/ Panchayats/ SHGs/ WSHGs. They will be eligible for availing subsidy to the tune of 40% of the project cost as indicated in Table-1 above. The groups engaged in agriculture and allied activities will be given preference.

2.3. Eligibility criteria-

- a) . The applicant should be from the concerned Block.
- b) The applicant should have an active bank account & must not be a bank loan defaulter.
- c) The applicant must have undertaken regular meeting and systematic book keeping.

2.4. Project Cost:- The project cost ranges from Rs.10.00 lakhs to Rs. 60.00 lakhs. The components of the project(equipment and machinery) must be approved by the SLTC. At least 3 Machineries/ Implements (with no maximum limit) are to be selected basing on the crops grown in that area. However, the size/capacity of the project should be such that, the net annual income from the enterprise should not be less than 10% of the project cost with minimum Rs. 1.00 lakh.

3. Assessment of Fixed Capital

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### 3.1 Land

No subsidy will be paid on cost of land. The land on which the project is proposed to be set up should be:

- a) In the Name of Co-operative societies/ Registered Farmer Societies/ FPOs /FPCs/ Panchayats/ SHGs/ WSHGs or
- b) Leased out in favour of the Cooperative societies/ Registered Farmer Societies/ FPOs / FPCs/ Panchayats/ SHGs/ WSHGs for a period of minimum 10 years in the office of the concerned Sub-Registrar.

### 3.2. Infrastructure

No cost of infrastructure is admissible under the scheme.

### 3.3 Project Report

The project report should be prepared by a Chartered Accountant, a professional from O.U.A.T. or any Institute of Government of India or a Consultant approved by APICOL or concerned line department officers or professionals in Agriculture and allied sectors or APICOL.

### 3.4 Mode of Evaluation

3.4.1. Self-finance project: The evaluation of completed projects will be done by the District Nodal Officer and AAE/AEE of Agriculture Department, Govt. of Odisha.

3.4.2. Institutional Finance Projects: The valuation of completed projects will be done by the concerned Financing Institution through an approved valuer duly countersigned by the Branch Manager.

### 4. Sanctioning Committee

#### District Level Committee

There will be a District Level Committee in each district. The members of the Committee are as follows.

Collector and District Magistrate of the District- Chairman

Lead Bank Manager- Member

District Manager, NABARD- Member

General Manager, DIC- Member



Chief District Agriculture Officer- Member  
District Project Manager, Mission Shakti Member  
District Manager, APICOL (Nodal Officer) Member Convener

The Collector & DM may choose any Department/ Agency/ Registered Body or any person with relevance with the project to be a member of the DLC.

The submitted DPRs of the projects will be placed before the DLC for approval and issue of go-ahead letter by the District Manager APICOL (DNO) for execution of the projects. The Committee shall go into merits of each case to decide whether the project qualifies for grant of Govt. assistance. List of eligible beneficiaries of each block is to be shortlisted. In case of non execution of the project by the first beneficiary within the specified time limit (6 months), the 2nd eligible beneficiary will be given Go-Ahead letter on receipt of application fee. Due permission is to be obtained from the Chairman, DLC for cancellation of 1st Go-ahead letter and issue of new Go-ahead letter.

Minutes of each such meeting shall be recorded by the Convener and after due approval by the Chairman, circulated to all concerned members, Director of Agriculture & Food Production, MD, APICOL and copy thereof endorsed to the Government in Agriculture & FE Department.

Again, the proposals against which Go-ahead letters have been issued as per the recommendation of DLC, need to be placed again before DLC for sanction of subsidy after completion of the units. Thereafter DNO will submit the detail proposal to APICOL for release of subsidy.

#### 5. Implementation Modalities

5.1. For present, the scheme will be executed in offline mode. The District Manager, APICOL will be the Nodal Officer for the scheme. MD, APICOL will take all possible steps to make the process online at the earliest.

5.2. The APICOL will make news paper Advertisement centrally for invitation of applications from the interested beneficiaries in the prescribed format as per Annexure- I with respect to the target communicated by the DA& FP (O).The

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applicants are to submit the application as per Annexure- I along with application fees and related documents to the concerned Chief District Agriculture Officer (CDAO). The cost of advertisement will be reimbursed to the APICOL from the funds available in the SNA Account under Administrative Expenses of CSS-SMAM as per eligible Government approved rate. The advertisement should also invariably be published in the Agrinetodisha Homepage, Odisha Farm Mechanisation DBT Homepage, Website of APICOL and MKUY Portal for wide publicity among interested entrepreneurs.

5.3. The applications will be scrutinised by a Sub-Committee under the Chairmanship of CDAO with BAO/ AAO of the concerned block, AAE/ AEE, DM, APICOL and BPM/ CDPO from Mission Shakti as members. The shortlisted entrepreneurs will be asked to submit the original documents before the Committee such as Registration Certificates, Bank Pass Book details etc. The AAE & AAO will visit the farm site, verify the relevant land records, and take a GPS photograph of the site. They will submit the feasibility report (Annexure-II) to the CDAO within 15 days. The CDAO will forward the copy of the meeting proceedings along with all relevant documents to the DNO for further action.

5.4. Upon receipt of the proposal along with Feasibility Report and Project Report from the CDAO, the concerned DM, APICOL-cum-DNO will process and review the same and retrieve the land records from Bhulekh Application of Govt. of Odisha. The DNO may carry out the spot verification of the proposal and interact with the entrepreneur personally if deemed necessary. Once the DNO is satisfied, he will place the proposals before DLC for approval of the beneficiary as per the target communicated by DA& FP (O). The DNO will take the responsibility of preparing the proceedings and get it signed from Chairman, DLC within 3 working days. Then, DNO will issue Go Ahead letter (Annexure-III). Application fees will be returned back to the unsuccessful applicant(s) by the DNO after DLC meeting. The DNO will submit the copy of Go-ahead letter along with demand draft to the MD, APICOL immediately

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for necessary action at their end. The scheduled date for completion of the project will be maximum 6 months from the date of issue of Go-ahead letter.

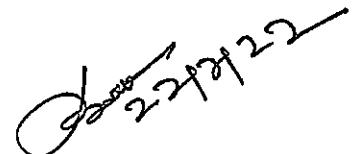
5.5. In case of delay in execution of the project beyond stipulated period mentioned in the Go-ahead Letter, the applicant will not be eligible to claim for subsidy. The DNO should monitor the progress of work and send reminder to the beneficiary in every 1 month interval by Registered post/ email in case of incomplete projects.

5.5. After completion of the project, the application for Capital investment subsidy shall be made by the beneficiary in the prescribed format Annexure- IV to the DNO and Lending Bank (in case of institutional finance), who in turn will take steps for evaluation of the project. The Completion- cum-Subsidy application form submitted by the entrepreneur along with all relevant bills & vouchers in prescribed format will be approved by the DNO after visiting the project site. The completion papers will be forwarded to the lending Bank for action at their level in case of Bank Finance. For the proposals against which Go-ahead has been issued as per the recommendation of DLC need to be placed again before DLC for sanction of subsidy after completion of the unit.

6. Evaluation will be done (Annexure-V) by the Branch Manager of the lending bank irrespective of the project cost basing upon authentic bills and vouchers with GST No. submitted by the entrepreneur and detailed estimate submitted by an Assistant Engineer/approved valuer duly countersigned by the valuer in case of Bank Finance. Lowest of the capital investment reflected in project report, evaluation report submitted by the Bank/ DNO and detailed estimate, authentic bills and vouchers with GST No. submitted by the Promoter will be eligible for Capital Investment against which Subsidy will be sanctioned (based on GST verification). In case of the Self Finance project the evaluation will be made by the DNO along with Assistant Agriculture Engineer in charge of the concerned Block.

7. Disbursement of Capital Investment Subsidy

Capital Investment Subsidy will be disbursed after the unit is completed.

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7.1. The entrepreneurs shall be required to execute an agreement with the District Nodal Officer as per Annexure-VII before release of subsidy i.e at the time of submission subsidy release certificate.

7.2. The amount of subsidy provided in the budget will be placed with the APICOL and will be released to the Financing Institution/ Entrepreneurs after due sanction by the Competent Authority through PFMS.

7.3. Subsidy will be disbursed to the Loan account of the Promoter maintained in the lending bank in case of projects financed by them.

8. Audit: The accounts maintained by APICOL shall be submitted to the Government of Odisha within 4 months from the date of Financial Year ending. The A.G., Odisha on receipt of such reports will cause audit of the accounts.

#### 9. Recovery of the Subsidy

Where an Enterprise in the opinion of the District Level Committee has availed the subsidy by misrepresentation of facts or by furnishing false and misleading information or suppressing/ masking any information, cessation of the unit/changing the site of the unit prior to the period mentioned in the agreement (Annexure-VII), the subsidy will be recoverable as Arrears of Land Revenue under OPDR Act.

ANNEXURE-I

APPLICATION FOR ESTABLISHMENT OF FARM MACHINERY BANKS UNDER SMAM  
BY THE COOPERATIVE SOCIETIES OF FARMERS/REGISTERED FARMERS'  
SOCIETIES/FPOs/FPCs/PANCHAYATS/SHGs/WSHGs IN SELECTED VILLAGES

Please fill in block letters (Strike out, which is not applicable: Individual /Group of

individuals)

Note: If group of individuals are the applicants, the legal status of the group is required to be mentioned and authorized person will need to fill up the Application form.

1. Name of the Applicant/Head of Group/ Managing Partner (for Partnership enterprise)/

Managing Director (for Private Ltd. Co.) :

2. Name of the father/husband :

3. Date of Birth/ Date of Incorporation :

4. Sex :

5. Category (ST/SC / General) :

6. Educational Qualification :

7. Address

(a) Present Address : Telephone/Fax/E-mail :

(b) Permanent Address :

Telephone/Fax/E-mail :

8. Present occupation :

9. Annual Income :

10. Land particulars of proposed project.

a. Ownership of the land

i. Stands in name of entrepreneur.

ii. Leased out in favour of entrepreneur

b. Khata No/Plot no :

c. Village/Town :

c. Gram Panchayat :

d. Block :

e. Sub-Division :

f. District :

11. Means of Finance (Self/Bank) :

12. Name of Financing Bank

and Branch Name :

(for Bank Finance cases)

13. General Information

a. Type of Project :

b. Product/services to be produced/marketed :

c. Tentative cost of the Project (in lakh) :

i) Own contribution

ii) Bank Loan

The above information is correct to the best of my/our Knowledge.

Signature of the Applicant/ Authorized Person

Copy of Documents to be enclosed(Check list)

- Land record/Lease document
- Photograph of the applicant.
- Identity proof (Photo identity card)/ AADHAAR Card/ Udyog AADHAAR)
- Detail Project Report(DPR)
- Registration Certificate
- Copy of Bank Pass Book

□ Demand Draft drawn in favour of MD, APICOL

ANNEXURE-II

ABSTRACT OF PROJECT REPORT

Name of the Entrepreneur :

Category of Project :

Unit Size (Nos) :

1. DETAILS OF THE PROJECT COST: (Please refer to the sample Sheet at Annexure XI of SMAM Guidelines 2020-21)

Sr. No Particulars Cost

1 Equipment & Machinery

2 Insurance premium of assets

3 Recurring Expenditure

(Not eligible for CIS)

4 Others, if any

Total Project Cost

2. MEANS OF FINANCE

Sr. No Particulars Amount (Rs.) Remarks

1. Own Investment

2. Term Loan

3. Working Capital Loan

4. Any Other Source

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22/2/22

Total

### 3. PROFITABILITY PROJECTIONS

Sr. No. Particulars 1st year 2nd year 3rd year 4th year 5th year 6th year 7th year

- A. Gross Revenue/Income
- B. Total Cost
- C. Gross Profit(PBDIT)
- D. Net Profit

### 4. CASH FLOW STATEMENT

Description 1st year 2nd year 3rd year 4th year 5th year 6th year 7th year

Total Cash Inflow

Total Cash Out flow

Net Cash Inflow

### 5. KEY BUSINESS MATRIX

Break Even Point: DSCR:

IRR:

Information related to Feasibility of the Project

1. Previous experience :
2. Feasibility :
  - a) Road connectivity
  - b) Distance from nearby village :
  - c) Electrification - available/  
not :
  - d) Pollution control clearance -

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22/12/22



obtained / not obtained :

3. Financial Capability :

The information submitted in Annexure- I & II are correct to the best of my knowledge & belief.

Signature of the Applicant

Verified the above mentioned information submitted by the entrepreneur by personally visiting the project site. I certify that the project.....  
.....with project cost of..... is technically feasible and economically viable.

Signature:

Name of the AAE: Designation:

ANNEXURE-III

SPECIMEN GO-AHEAD LETTER

Department of Agriculture & Farmers' Empowerment

GO-Ahead Letter

No. \_\_\_\_\_ Date \_\_\_\_\_

M/s \_\_\_\_\_, Registration No \_\_\_\_\_  
\_\_\_\_\_ of Village \_\_\_\_\_, GP \_\_\_\_\_

Block \_\_\_\_\_ Dist: \_\_\_\_\_ is allowed for establishment

of the \_\_\_\_\_ project at

vill: \_\_\_\_\_ GP: \_\_\_\_\_, Block: \_\_\_\_\_ Dist: \_\_\_\_\_

After successful establishment and trial of the project, it will be entitled for subsidy to the tune of 40 % of the project cost limited to Rs. .... lakh based on the DPR. The

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project will be executed by Bank Finance/ Self Finance. The maximum time allowed for completion of the project is 6 months from the date of issue of this Go-ahead Letter.(Maximum Project duration -dd/mm/yyyy to -dd/mm/yyyy)

N.B- No subsidy is admissible beyond the stipulated date of completion.

Seal & Full Signature of DNO

ANNEXURE-IV

PROJECT COMPLETION REPORT-CUM-APPLICATION FOR  
SANCTION/DISBURSEMENT OF CAPITAL INVESTMENT SUBSIDY

From

M/s (in Block Capitals)

Registration No.....

At/Village/Town.....

P.O./Block.....

Sub-Division.....

District.....

Date of application.....

To

The District Nodal Officer, APICOL (Executive Engineer(Agril.)/ Assistant Executive Engineer(Agril.))

.....

Sub: Project Completion Report and Application for Subsidy

Sir,

In accordance with the Go Ahead Letter No \_\_\_\_\_, Dt \_\_\_\_\_,

*[Handwritten Signature]*  
22/12/22

the application is herewith submitted for grant/sanction of subsidy of Rs.....  
(Rupees.....) only on investment in fixed capital for the  
Establishment of Farm Machinery Bank (under SMAM). The subsidy amount may be  
credited in account/ Loan Account (for Bank Finance cases) through PFMS/RTGS as  
follows.

Name of the Account Holder :

Bank account Number/Term Loan Account Number :

Name of the Bank branch : IFSC Code :

(a) Name /identification / location of the Enterprise

Village : Land/site Particulars :

P.O. : Khata (s) Nos. :

Block : Plot Nos. : Sub-Division :

District :

(b) General Information

i) A new project or not :

ii) Present unit size(details of Machineries) :

iii) Employment created or likely to be created :

iv) Mode of Finance (Self/Bank) :

v) Date of starting and completion of the project :

(c) Project Cost Details :

i) Cost of Farm Machineries :

ii) Cost of other items if not specified :

(d) I/we hereby agree that I/we shall forthwith repay the amount disbursed to  
me/us with interest prescribed by Government from time to time, if the amount of  
Capital Investment Subsidy is found to have been disbursed in excess of the amount  
actually admissible for whatsoever reason.

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22/11/22

It is hereby further certified that I/we have not either applied for or received any amount by way of Capital Investment Subsidy from any other source for this project. I/we hereby undertake to abide by the terms and conditions as laid down under the Guideline.

This to certify that the information furnished above are true to the best of my/our knowledge.

Date:

Yours faithfully,

Signature of the Applicant in full,

Place: for and on behalf of Enterprise

#### LIST OF DOCUMENTS TO BE ATTACHED

1. Authentic bill/ vouchers having GST for expenditure incurred against equipment and machinery.
2. Photograph of the unit in presence of the entrepreneur
3. Certificate as regards to new project and non-availing of subsidy from any other source for that particular project in non judicial stamp paper.
4. Agreement

Completion Report by the District Nodal Officer, APICOL (Executive Engineer(Agril.)/ Assistant Executive Engineer(Agril.))

I have visited the unit of M/s. of village/post \_\_\_\_/Block: \_\_\_\_ Dist: \_\_\_\_ on dated: \_\_\_\_ and found that the unit has been completed/not completed as

per the project report submitted by the entrepreneur. I agree/disagree to the information submitted in Annexure-V by the entrepreneur.

Signature

Name of DNO

Designation.....

### ANNEXURE – V

### EVALUATION/VALUATION OF FIXED CAPITAL INVESTMENT OF AGRO- ENTERPRISES

1. Date of receipt of the proposal for valuation.
2. Date (s) of visit of the site  
of evaluation and examination of records.
3. Evaluated by  
(Name, designation and address)
4. Name/Identification/Location of the enterprise
5. Name/address of the entrepreneur Present during the evaluation
6. Whether a Bank financed  
Agro-Project/Enterprise Yes / No/ Partially Bank Financed
7. Name/address of the Bank(s)
8. Date of completion of the project
  
9. Cost of Farm machineries/ equipments  
(Note: Details, item-wise, make, type, brand, specification etc. to be given in separate sheets)

10. Cost of insurance

Rs.....

(In words).....

.....

Rs.....

(In words).....

.....

11. Cost of any other item (s) not specified

(Note : Details be highlighted)

13. Any other opinion/comment/ suggestion considered necessary by the evaluator

Grand Total : Rs.....

(In words).....

.....

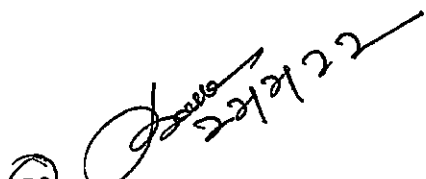
CERTIFICATE

Certified that the total Capital Investment Cost of this Agro-Enterprise, after my/our verification/detailed valuation/evaluation in my/our inspection (s) on date(.....) come to Rs..... (in words Rupees ..... ) only.

I found, said capitals/assets are working/in-use.

1. Signature in full

(Name, designation, date and place with seal of the Agro-Entrepreneur present

 22/11/22

for/on behalf of.....

2.

3.

1. Full signature of the evaluator/valuator (Name, designation, address, date and place with seal

2.

3.

ANNEXURE-VI

(COMPARATIVE STATEMENT)

Item Project Cost Evaluation Cost Cost of Detailed Bills&

Vouchers

(As per GST verification) Eligible Capital Investmt CIS

Equipment & Machinery

Insurance premium

DPR Cost

Any other

TOTAL

Signature

Name of the Executive Engineer (Agriculture)

/Assistant Executive Engineer (DNO)

Designation.....

Date-

Date:

ANNEXURE-VII

AGREEMENT

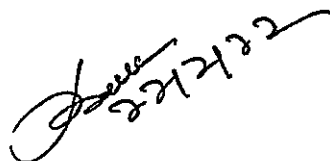
This Indenture/Agreement made on this day.....

BETWEEN an individual/a body of individuals/ a co-operative/a registered Organization/a company incorporated under the Companies Act, 1956, having its office/Residence/Address at hereinafter called "The Agro-Entrepreneur (s)" (which expression shall unless it be repugnant to the context or meaning thereof, be deemed to include its successor or successors etc.) as the first party,

and the Government of Odisha exercising the executive powers of the Government of the State of Odisha (hereinafter refer to as "the Governor" as the second party,

WHEREAS:

a) The Government of Odisha have framed a scheme under Capital Investment Subsidy under the State Agriculture Policy 2013 with a view to promote agricultural production and productivity stating therein that Government of Odisha will grant a subsidy to the parties who set up new Agro-Enterprises in any of the districts of the State provided said party (s) satisfy the terms and conditions laid down under the said guide line which shall be deemed to be a part of this agreement. This CIS is





being disbursed under the Centrally Sponsored Plan Scheme- SMAM Guidelines 2020-21.

b) The Agricultural Entrepreneur (s) have set up an Agro-Enterprise at

.....on Plot No.....Khata No. ,

Measurement of area....., Mouza ,

G.P....., P.S....., Block ,

Sub-Division.....,Dist standing in the

name of M/s.....Regd. No..

and have satisfied other conditions of the Capital Investment Subsidy Scheme and have, therefore, become beneficiaries under the said capital investment- subsidy.

c) The Agro-Entrepreneur (s) by his / their application in prescribed proforma dated applied to the District Nodal Officer for the grant of stipulated capital investment subsidy amounting to Rs.....  
(in words Rupees .....)

and WHEREAS:

d) After considering the above application and the further representations made by the Agro-Entrepreneur (s) from time to time, it is found that the total fixed capital investment made by the unit at..... during the period .....is estimated at Rs..... Accordingly, the maximum amount of stipulated Capital Investment Subsidy admissible is Rs.....  
(in words Rupees.....) only and

e) Relying on the said application and subsequent representations made by the Agro-Entrepreneur (s), the Government have sanctioned capital investment subsidy of Rs..... and the District Nodal Officer has agreed to pay the same on

*[Handwritten signature]*  
27/2/22

behalf of the Government to the entrepreneur (s) on their executing the necessary documents as hereinafter appearing and creating the fixed assets to the term of Rs.....

NOW THIS INDENTURE WITNESSETH AND it is hereto as under:

1. In consideration of the Government agreeing to give to agroentrepreneurs under the said scheme. In such Instalments the Government in its sole discretion think fit, an aggregate amount of Rs and by way of the capital investment subsidy to the Agro-Entrepreneur(s) creating the fixed assets of Rs. for the purpose of the said unit and the agro-entrepreneur(s) do and each of them do hereby covenant with the Government as under :
  - I) The Department will be entitled in its sole discretion to make disbursement of the capital investment subsidy or of any part thereof either in one or more instalments to the first party on its applying with the terms and condition and the State subsidy scheme and of this agreement.
  - II) In the event of the District Level Committee ultimately deciding for any reason whatsoever, that the Agro- Entrepreneur (s) are entitled to a lesser amount of subsidy the excess amount of the capital investment subsidy shall be repaid by the entrepreneur (s) to the Government or to the corporation as the Agent of the Government along with interest thereon at the rate of 12.5 (Twelve half percent) per annum or such other higher rate (s) as the Government might decide from time to time from the date of payment of the said amount of Rs.....or any part thereof paid under this agreement till the repayment.
  - III) The entrepreneur (s) shall duly observe and perform the covenants and the condition to be observed and performed by him /them under the said scheme.
  - IV) The Agro-Entrepreneur (s) shall without prior approval of the District Level Committee change the location of the whole or any part of the Agro Enterprise/project; effect any substantial change in the said project within a period of 10 years from the date of the completion of "the unit/ project/ enterprise".

V) The Agro-Entrepreneur (s) shall promptly furnish to the Dist. Nodal Officer concerned as the case may be, all the information asked for from time to time.

VI) The said sum of Rs. or such part there of as may be till then paid by the Government to the Agro-Entrepreneur(s) shall become forthwith repayable by Agro-Entrepreneur(s) to the Government in each and every of the following events namely:

- a) If the entrepreneur(s) fail to go into production/ agricultural activities with a reasonable time as decided by the Department.
- b) If the Agro-Entrepreneur(s) go out of production/ agricultural activities within ten years from the date of trial production or completion of the enterprise.
  - i) If the Agro-Entrepreneur(s) change the location of whole or any part of the Agro-Enterprise or effect any substantial construction or disposal of substantial part of their total fixed capital investment within a period of ten years after going into trial production or completion of the enterprise.
  - ii) If the Agro-entrepreneurs shift the known location of the office of the enterprise outside the state without taking prior permission of the State Government.
- d) If any information furnished by the agro entrepreneurs in his/their application for the subsidy or otherwise, prior to the sanctioning of the sum of Rs..... as the subsidy is found to be incorrect or false or misleading and there has been suppression of any materials /fact.
- e) If a distress of execution shall be levied upon any property of the entrepreneurs or any part of the said enterprise or a receiver thereof be appointed.
- f) If the entrepreneurs shall commit a breach of any and of the covenants or provisions here in continued and on his/its/their part to be observed and performed.
- g) If the entrepreneurs close the said enterprise for a period exceeding six months at a time for reasons other than labor trouble, want of electric power or raw materials or shall cease to carry on agricultural business for any reason whatsoever within ten

*[Handwritten signature]*  
22/7/22

years from the date of trial production/completion of the enterprise.

h) If the agro-entrepreneurs or any of them file a petition for being adjudicated as insolvent or are/is adjudicated as insolvent.

i) If any petition for winding up the entrepreneur's agricultural enterprise is presented to any Court or the enterprise passes any resolution for being wound up.

j) If the agro-entrepreneurs fail or neglect to forthwith execute such further documents as may be required by the Government or to duly comply with any directions given to it by the Government. In each one of the aforesaid contingencies the entrepreneur (s) agree to repay the whole amount mentioned above with interest thereon at the rate of 12.5 per cent per annum or such higher rate as the Government might define from time to time from the date of disbursement of the subsidy till the repayment.

2. Whenever any sum due and payable by the agro-entrepreneur (s) under these present shall be in arrears, the same shall be deemed to be public demand and may without prejudice to any other right and the remedies of the Government be recovered from the agricultural entrepreneur (s) as a public demand under the Orissa Public Demand Recovery Act, 1962.

3. The Agro-Entrepreneur(s) shall permit any person or persons authorized by the Government in that behalf at any time and from time to time during the usual time of the agricultural business to inspect and examine any part of the said entrepreneur (s) and shall render to him/them such assistance as may be required for the Government and furnish to such person or persons as aforesaid all such information relating to the said enterprise/factory as may be required by such person or persons.

4. The Agro-Entrepreneur(s) shall observe and perform all instructions and directions that may be issued from time to time by the Government/Dist Nodal Officer in relation to utilization of the said sum of Rs..... and shall for ten years hereinafter submit yearly/periodical progress reports on the working of the said enterprise at the time and in the form prescribed by Government/Dist Nodal Officer

5. In the event of any dispute or difference arising between the parties hereto in respect of or in relation to this agreement or any provision herein contained either during the subsistence of this agreement or thereafter the same shall be referred to the sole Arbitration of a suitable person acceptable to the agro- entrepreneur(s) as well as to the Government/Dist Nodal Officer or any other person nominated by Government and his decision thereof shall be final and binding on the parties, such arbitration shall be under the provision of the Arbitration Act, 1940 and shall be held in Bhubaneswar.

6. The Agro-Entrepreneur(s) agree that in respect of any Court/ Arbitration arising under this agreement shall be headquartered at Bhubaneswar.

7. In the event of any action arising under any of the clauses herein above the agro- entrepreneur(s) agree to pay to the Dist. Nodal officer as the Agent of the Government legal charges and such other costs as the Government may be required to incur in with the aforesaid action.

8. The Agro-Entrepreneur(s) agree to bear and pay all the costs/ charges and the expenses incidental to the preparation and execution of this agreement.

IN WITNESS WHEREOF parties hereto have affixed their common seal of this writing the day and year first here in above written.

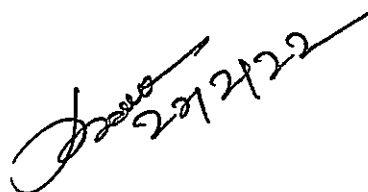
THE COMMON SEAL is herein to affix pursuant to the resolution of the Dist.Nodal officer passed on the day of in the presence of who/has/have put his/their signature IN TOKEN OF HIS/ THEIR PRESENCE in the presence of

IN THE WITNESS where of the entrepreneur (s) have put their (respective) hand hereto day and year herein above written.

Signed and delivered by the with in named in the presence of

1)

2)

A handwritten signature in black ink, followed by the date '27/2/22' written in a similar style.

Signature of officer acting in the premises for and on behalf of the Governor of Odisha in the presence of

1)

2)

Place :

Date :

Signature (full name)

Dist. Nodal officer (With seal)

ANNEXURE-VIII

CAPITAL INVESTMENT SUBSIDY RELEASE CERTIFICATE

BY

THE DISTRICT NODAL OFFICER

Letter No..... Dated.....

To

The Managing Director, APICOL, Odisha.

Sub: Request for release of CIS.

Ref: Go-ahead letter No....., dt.....

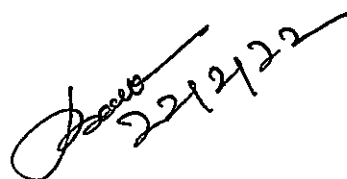
Sir,

A sum of Rs..... (subsidy amount)

(in words ..... ) may be released in favour of .....

A/c no..... Branch ....., IFSC code..... towards CIS on establishment of Farm Machinery Bank for Custom Hiring under Centrally Sponsored Plan Scheme "Sub-Mission on Agricultural Mechanisation" (SMAM).

The said subsidy amount has been duly approved and sanctioned for release by the Chairman of District Level Committee.



Yours faithfully,

DNO

( Executive Engineer (Agriculture)-  
/Asst.Executive Engineer(Agril.))

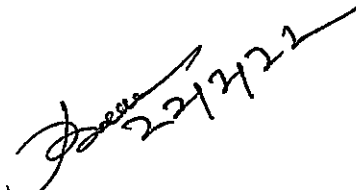
.....

Copy to Branch Manager, .....

ANNEXURE-IX

CHECK LIST OF DOCUMENTS FOR COMMERCIAL AGRI ENTERPRISES

1. Application form by Promoter (Annexure – I &II)
2. Go-Ahead Letter (Annexure – III)
3. DNO certified Project completion report-cum- Application for sanction of CIS by Promoter (Annexure – IV)
4. Evaluation / Valuation Report of Capital Investment by DNO/Bank Manager (Annexure– V)
5. Comparative statement(Annexure– VI)
6. Agreement on Non Judicial stamp paper (Annexure – VII)
7. Capital Investment Subsidy Release Certificate by DNO(Annexure – VIII)
8. Project report duly appraised by the DNO
9. Sanction letter of bank against the term loan.
10. Land record (ROR) along with Sketch map of land
11. Lease out document from the concerned Sub-Registrar for a period of more than 15 years if the land is not in the name of the entrepreneur.
12. All related vouchers/bills with GST duly countersigned by the financing Bank/ District Nodal Officer.
13. Joint verification reports the DNO & Other DLOs.
14. Certificate as regards to new project and non-availing of subsidy from any other source for that particular project in non-judicial stamp paper by the entrepreneur.

2/  22/7/22

15. Subsidy non availing certificate by DNO
16. Insurance of machineries.
17. Advance Money Receipt by Promoter.
18. Photograph of the unit in the presence of the entrepreneur and the DLC members.
19. Registration certificate of tractor and trailer issued by RTO (If procured)

1. Name of the component under SMAM-"Establishment of Farm Machinery Banks for Custom Hiring."

The Approved Annual Action Plan 2021-22 of the Department of Agriculture & Farmers' Empowerment the component under SMAM is as follows

Establishment of Farm Machinery Banks for Custom Hiring

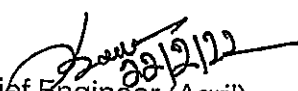
2. Physical & Financial outlay- (As per AAP- 2021-22)


Normal- 12 Units, SCP- 03 Units & TASP- 5 Units (Total- 20 Units) – Annual Outlay- Rs. 80.00 Lakhs. (Physical target may be changed keeping financial outlay intact)

3. GOI- Approval & Release in 1st Installment-

Project approved for Rs. 80.00 Lakhs under Normal (GEN) Component. Central Share- Rs. 48.00 Lakhs, State Share- Rs. 32.00 Lakhs.

The target assigned may be exhausted on First Come First Serve Basis giving preference to applicants from districts having low Farm Power availability as per SMAM Guidelines.

  
Chief Engineer (Agri)  
O/O DA&FP, Odisha

  
Managing Director  
APICOL

  
Director of Agriculture & Food Production, Odisha