

# NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT

## INVESTMENT CREDIT DEPARTMENT

Ref. No.NB.ICD/ 1826 /ACABCs -4/2006-07

Circular No. 213 / ICD-24 / 2006-07

20 December 2006

### **Central Sector Scheme - Establishing Agri Clinic and Agri Business Centres (ACABCs) by Agricultural Graduates**

As you are aware, the scheme for Agri Clinics and Agri Business Centres was launched in April 2002 with the objective of supplementing the efforts of Government extension system on fee for service basis through economically viable ventures by employing Agriculture Graduates. The same has received positive response and during a survey conducted by National Institute of Agriculture Extension Management (MANAGE), it is revealed that the promotion of private extension services has been helpful to reduce filled the gap between the extension needs and challenge. It is well understood that private extension in agriculture is relatively new and most of the qualified personnel are reluctant to agripreneurship and to get credit due to interest burden and perceived risk.

In this background, it has been decided by Government of India to launch a subsidy based Credit Linked Scheme for establishment of Agri Clinics and Agri Business Centres (ACABCs). The scheme is open to agriculture graduates / graduates in the subject allied to agriculture like horticulture, animal husbandry, forestry, dairy, veterinary, poultry farming and pisciculture.

The subsidy would be admissible only in respect of agricultural graduates trained under the ACABC scheme on or after 1st April 2004.

The agriculture graduates who were trained on or after 1st April 2004 and had availed of loan earlier for ACABC project, would also be eligible for subsidy for expansion / additional to existing units or for fresh investments, only if the earlier loan is not closed prematurely.

## **2. Concept & Definition**

- i) Agriclincs are envisaged to provide expert advice and services to farmers on technology, cropping practices, protection from pests and diseases, market trends, prices of various crops in the markets and also clinical services for animal health, etc., which would enhance productivity of crops/ animals and increased income to farmers.
- ii) Agri-Business Centres are envisaged to provide farm equipments on hire, sale of inputs and other services.

Assistance under the scheme would be purely credit linked and subject to sanction of the project by Commercial / Cooperative / Regional Rural Banks based on economic viability and commercial considerations.

### **3. Eligible institutions**

The eligible financial institutions under the scheme are :

- i. Commercial Banks
- ii. Regional Rural Banks
- iii. State Cooperative Banks
- iv. State Cooperative Agriculture and Rural Development Banks and
- v. Such other institutions, which will be eligible for refinance from NABARD.

### **4. Subsidy**

Each unit will be provided with two types of subsidies under the scheme

#### **i) Capital Subsidy**

- a) Credit linked capital subsidy @ 25% of the capital cost of the project funded through bank loan would be eligible. This subsidy would be 33.33% in respect of candidates belong to SC, ST, Women and other disadvantaged sections and those from North-Eastern and Hill States.
- b) The ceiling of project cost for individual projects will be Rs.10.00 lakh. The ceiling of project cost for group projects would be Rs.10.00 lakh per trained graduates, subject to an overall ceiling of Rs.50.00 lakh. In case of groups having five persons, of which one is non-agriculture graduate, the ceiling of such group projects would also be Rs.50.00 lakh.
- c) In case of loans upto Rs.5.00 lakh, no margin money is required as per present norms. The margin money to be contributed by the general category entrepreneur will be as per prevailing norms.
- d) However, concessions would be made in respect of SCs /STs, women and beneficiaries of North- Eastern States, Hill areas. In such cases, a maximum of 50% of the margin money prescribed by banks could be given by NABARD to meet the

shortfall in borrower's contribution, if the bank is satisfied that the borrower is unable to meet the margin money requirements. Such assistance to banks by NABARD will be without any interest. The banks may, however, levy a service charge upto 2% per annum from the borrowers.

e) The term loan would be composite in nature and participating bank (s) would extend bank loan as per the project cost, which would be inclusive of subsidy amount eligible, as capital subsidy is back-ended, but exclusive of margin money as stipulated.

## **ii) Interest Subsidy**

Interest Subsidy on the Bank loan portion will be provided to banks on annual basis for crediting to the account of the Agripreneurs. For this purpose, financial year (April-March) will be reckoned for calculation of interest. Interest subsidy will be released to the banks on the balance outstanding in account against principal amount of loan, net of capital subsidy released. The same will be claimed after completion of one year, for the first year and after completion of two years, for the second year.

## **5. General Awareness and Training Programme**

i) General Awareness, publicity and training programmes for eligible candidates and hand holding support would be undertaken by MANAGE and Nodal Training Institutions as per the Scheme.

ii) MANAGE will be responsible for providing training to eligible candidates, through its nodal institutes and motivating them for setting up of Agri-Clinics and Agri-Business Centres.

iii) MANAGE will ensure sponsoring of sufficient number of cases to the participating banks for financing under the scheme and arrange to establish required number of units at ground level, as envisaged, to make the scheme a success.

6. This central sector scheme has been approved by Government of India for implementation through NABARD during 2006-07. The sanction and release of subsidy is subject to availability of funds and adherence of the instructions issued by Government of India from time to time in this regard. Subsidy will be available to existing units for expansion and addition of the new units. However, Agriculture Graduates trained by MANAGE on or after 1 April 2004 will be eligible under the scheme provided the earlier loan is not closed prematurely. The benefit of subsidy will however, be extended only once.

7. As the Government of India desires that the scheme may be taken up immediately in the current financial year, you may instruct your controlling offices/branches about the details of the scheme and initiate other necessary steps on priority basis for its effective implementation. You may submit the proposals to ROs of NABARD in the respective States which will release the subsidy to participating banks under the scheme. The subsidy will be released by the ROs for all banks including commercial banks. A copy of the operational guidelines of the scheme as approved by Government of India is enclosed.

Encl : A copy of the operational guidelines

Endt. No.NB. ICD.GSS/ 1827 / ACABC-4/ 2006-2007 of date

Copy forwarded for information / necessary action to :

1. The Secretary, Government of India, Ministry of Agriculture and Rural Development, Department of Agriculture and Cooperation, Krishi Bhavan, New Delhi.
2. The Secretary, Government of India, Ministry of Agriculture and Rural Development, Department of Rural Development, Krishi Bhavan, New Delhi.
3. The Director (CSR), Government of India, Ministry of Agriculture, Department of Agriculture & Cooperation, Directorate of Marketing and Inspection, Head Office, New CGO Building, NH IV, Faridabad - 121 001.
4. The Secretary, Government of India, Ministry of Finance, Department of Economic Affairs, Banking Division, New Delhi.
5. The Secretary, Planning Commission, Yojana Bhavan, Parliament Street, New Delhi.
6. The Joint Secretary (Credit and Marketing), Ministry of Agriculture and Rural Development, Government of India, New Delhi.
7. The Director (Cooperation), Planning Commission, Yojana Bhavan, New Delhi.
8. The Deputy Commissioner (AC), Ministry of Agriculture and Rural Development, Department of Agriculture and Co-operation, Government of India, New Delhi.
9. The Director (IADP) (Co-operation), Directorate of Extension, Ministry of Agriculture and Rural Development, Government of India, New Delhi.
10. The Director (Credit), Department of Agriculture and Co-operation, Ministry of Agriculture and Rural Development, Government of India, New Delhi.
11. The Director (Small Farmers), Ministry of Agriculture and Rural Development, Department of Agriculture and Co-operation, Government of India, New Delhi.
12. The Deputy Advisor (Co-operation), Planning Commission, Parliament Street, New Delhi.
13. The Secretary to Government, Co-operation Department, All States and Union Territories.

14. The Managing Director, National Federation of State Cooperative Banks Ltd. (NASCOB), JK Chambers, 5th Floor, Plot No.76, Sector-17, Vashi, Navi Mumbai.
15. The Chairman, Indian Banks Association, Blocks 2 & 3, Stadium House, 6th Floor, 81-83, Veer Nariman Road, Mumbai 400 020.
16. The Chief General Manager, Rural Planning and Credit Department, Reserve Bank of India, Central Office, Mumbai - 23.
17. The Registrar of Co-operative Societies, All States/Union Territories.
18. The Managing Director, SCARDB Federation, 701 BSEL Tech Park, VII Floor, 'A' Wing, Opp. Railway Station, Vashi, Navi Mumbai - 400 705.
19. The Chief General Manager, All Departments in Head Office, National Bank for Agriculture and Rural Development, Mumbai.
20. Additional Commissioner (Extn.), Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, Krishi Bhavan, New Delhi - 10 012.
21. Joint Secretary (Extn.), Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, Krishi Bhavan, New Delhi - 10 012.
22. Director General, MANAGE, Rajendranagar, Hyderabad, Andhra Pradesh - 500 030.
23. Director (Finance), Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, Krishi Bhavan, New Delhi - 10 012.
24. Deputy Director General (Extn), ICAR, Krishi Annsandhan Bhavan, New Delhi.
25. Additional Secretary (Extn.), Department of Agriculture and Cooperation, Ministry of Agriculture, Government of India, Krishi Bhavan, New Delhi - 10 012.
26. Vice Chancellors of All State Agricultural Universities.
27. Secretary (A & C), Department of Agriculture & Cooperation, All States/UTs.
28. Director, Agriculture, All States /UTs
29. Director, Horticulture, All States /UTs
30. Director, Animal Husbandry and Poultry, All State Governments / UTs
31. The Chief General Manager/General Manager/Officer-in-Charge, National Bank for Agriculture and Rural Development, all Regional Offices and Sub-office. A copy of the circular may be made available to each of the District Development Managers.
32. The Director, Bankers Institute for Rural Development, Lucknow.

33. The Principal, College of Agricultural Banking, Ganeshkhind Road, Pune-411 016.
34. The Principal,
- i. National Bank Training Centre, Sector D/S, Sitapur Road, Opp. Mandi Samiti (Aliganj), Lucknow - 226020
  - ii. NABARD Staff College, Lucknow.
  - iii. Regional Training Centre, National Bank for Agriculture and Rural Development, Bolpur Lodge, Bolpur - 731 204, Dist. Birbhum, West Bengal.
  - iv. Regional Training Centre, National Bank for Agriculture and Rural Development, St. Aloysius College Hostel Complex, Mangalore.
  - v. Zonal Training Centre, National Bank for Agriculture and Rural Development, Hyderabad.
35. All Zones / Sections of ICD, HO, Mumbai.
36. PPS to Chairman, NABARD, HO, Mumbai.
37. PS to MD/ EDs, NABARD, HO, Mumbai.

# GUIDELINES FOR ADMINISTERING SUBSIDY UNDER AGRI-CLINICS AGRI-BUSINESS CENTRES SCHEME (ACABCs)

**Department of Agriculture & Cooperation**  
**Ministry of Agriculture**  
**Government of India**

## **1. Objectives of the scheme**

- § To provide extension and other services to farmers on payment basis:
- § To support agriculture development and entrepreneurship:
- § To promote self-employment

## **2. Concept/Definition**

**2.1 Agri-Clinics:** Agri-Clinics are envisaged to provide expert advice and services to farmers on technology, cropping practices, protection from pests and diseases, market trends, prices of various crops in the markets and also clinical services for animal health, etc. which would enhance productivity of crops/animals and increased income to farmers.

**2.2 Agri- Business centers:** Agri- Business centers are envisaged to provide farm equipments on hire, sale of inputs and other services.

## **3. Eligibility**

3.1 The scheme is open to agriculture graduates /graduates in subjects allied to agriculture like horticulture, Animal Husbandry, Forestry, Dairy, Veterinary, Poultry farming and Pisci-culture.

3.2 The subsidy would be admissible only in respect of agricultural graduates trained under the **ACABC** scheme on or after 1st April 2004.

3.3 The agricultural graduates who were trained on or after 1st April 2004 and had availed of loan earlier for **ACABC** project, would also be eligible for subsidy for expansion / additional to exiting units or for fresh investments, only if the earlier loan is not closed prematurely.

3.4 The trained graduates could also undertake group projects. If the group consists of a total of five more persons, all except one of them would have to be agriculture graduates trained under the scheme and the remaining person could be non-agriculture graduate with experience in business development and management.

3.5 Delivery of Extension services shall be the main component of **ACABC** projects for availing of the benefit of subsidy under the scheme. Commercial activities in agriculture and allied sectors may, on a case-by-case basis, considered as eligible component of **ACABC** projects with a view to improve their viability.

3.6 States are encouraged to provide information on all government policies, programs, schemes, etc. to agriprenurs and also use their services in implementation of extension activities funded by the Government.

#### **4. Project Cost Ceiling**

4.1 The ceiling of project cost for individual projects will be Rs. 10.00 lakhs. The ceiling of project cost for group projects would be 10.00 lakhs per trained graduates, subject to an overall ceiling of Rs. 50.00 lakhs. Incase of groups having five persons, of which one is non-agriculture graduate, the ceiling of such group projects would also be Rs.50.00 lakhs.

#### **5. Linkage with credit:**

5.1 Assistance under the scheme would be purely credit linked and subject to sanction of the project by Commercial /Cooperative/Regional Rural Banks based on economic viability and commercial considerations.

5.2 The eligible financial institutions under the scheme are;

- i) Commercial Banks
- ii) Regional Rural Banks
- iii) State Cooperative Banks
- iv) State Cooperative Agriculture and Rural Development Banks; and
- v) Such other institutions, which will be eligible for refinance from **NABARD**.

#### **5.3 Term Loan**

i) The term loan would be composite in nature and participating banks would extend bank loan as per the project cost, which would be inclusive of subsidy amount eligible, as capital subsidy is back-ended, but exclusive of margin money as stipulated.

ii) The repayment schedules will be drawn on the total amount of the loan (including subsidy) in such a way that the subsidy amount is adjusted after liquidation of net bank loan (excluding subsidy).

**iii) Repayment Period** will depend on the nature of activity and will vary between 5 to 10 years. The repayment period may include a maximum, grace period of 2 years (to be decided by the financing bank as per needs of individual projects).

**iv) Rate of Interest** On term loan shall be as per **RBI** guidelines and declared policy of the bank in this regard. Interest would be chargeable on borrower's accounts as per procedure laid down by **RBI** for direct agricultural advances under priority sector guidelines.

v) The financial institutions may also provide working capital separately, if needed for the project.

## **6. Margin Money**

In case of loans up to Rs. 5.00 Lakhs, no margin money is required as per present norms. The margin money to be contributed by the general category entrepreneur will be as per prevailing norms.

However, concessions would be made in respect of **SCs/STs**, women and beneficiaries of North-eastern States, Hill areas. In such cases, a maximum of 50% of the margin money prescribed by banks could be given by **NABARD** to meet the shortfall in borrower's contribution, if the bank is satisfied that the borrower is unable to meet the margin money requirements. Such assistance to banks by **NABARD** will be without any interest. The banks may, however, levy a service charge up to 2% per annum from the borrowers.

## **7. Security**

The security for availing the loan will be as per guidelines issued by RBI from time to time. As most of the eligible activities pertain to agricultural input supply and services and the cost of investment will be less than Rs. 25.00 Lakhs in most cases, the security norms applicable to tiny industries as prescribed in RBI circular No. RPCD.PLNFS.BC.65/06/02.31/99-2000 dated 31.03.2000 would be made applicable to these units. Accordingly, up to a loan amount of Rs. 5.00 Lakhs, the loans can be secured against hypothecation of assets created and no further security would be necessary.

## **8. Time limit for Completion of the project.**

- i) Time limit for completion of the project would be as envisaged under the project, subject to maximum of 6 months period from the date of disbursement of the first installment of loan by a further period of 6 months, if reasons for delay are considered justified by the financial institution concerned.
- ii) If the project is not completed within the stipulated period, benefit of subsidy shall not be available and advance subsidy placed with the participating bank, if any, will have to be refunded forthwith to NABARD.

## **9. Other Conditions**

- i) Projects under the scheme may be treated as direct financing to agriculture.
- ii) The participating banks will adhere to the norms of appraising the projects regarding technical feasibility and commercial/financial viability.
- iii) The participating banks should ensure insurance of the assets created under the project, wherever required statutorily. If beneficiary opts to buy insurance on these assets, even if insurance is not required statutorily, such expenditure would be eligible component of ACABC project.

- iv) A signboard displaying “Assisted under the scheme of Agri-Clinics and Agri-Business centers, Ministry of Agriculture, Government of India” will be exhibited at the unit.
- v) Pre and post completion inspection of the project shall be undertaken by the participating bank to verify physical, financial and operational progress as and when required.

## **10. Refinance Assistance from NABARD**

NABARD would provide refinance assistance to commercial banks, RRBs, SCBs SCARDBs and other such eligible institutions at the rate of 100% of the amount financed by the banks as term loan. Rate of interest on refinance will be as decided by NABARD from time to time.

## **11. Subsidy**

- 11.1 Credit linked capital subsidy @ **25% of the capital cost of the project funded through bank loan** would be eligible. This subsidy would be 33.33% in respect of candidates belonging to SC, ST, Women and other disadvantaged sections and those from North-Eastern and Hill States.
- 11.2 In addition, full interest subsidy would be eligible for the first two years of the project.
- 11.3 In case subsidy of whatever amount is availed of under any other scheme of Central or State Government, subsidy will not be admissible under this scheme.
- 11.4 The benefit of subsidy will be extended only once.
- 11.5 The capital subsidy will be back\_ended with minimum **3 Years lock-in period**.
- 11.6 The interest subsidy would, however, be concurrent.
- 11.7 The capital and interest subsidy would be admissible only if all repayments till date had been made as per schedule.
- 11.8 The capital subsidy will be adjusted against the last few installments of repayment of bank loan.
- 11.9 The capital subsidy admissible under the scheme will be kept in the “**subsidy reserve Fund Account**” (Borrower-wise) in the books of the financing bank. **No interest will be charged on this by the bank**. In view of this, for the purposes of changing interest on the loan component, the subsidy amount

should be excluded. The balance lying to the credit of the " Subsidy Reserve Fund Account" will not form part of Demand and Time Liabilities.

11.10 Interest subsidy shall be provided for a period of **First two Years of bank loan** sanctioned as per the net outstanding balance in the account.

11.11 The banks should levy interest on annual basis and claim interest subsidy accordingly during this period.

11.12 Banks should prescribe interest rates as per declared policy of the bank, at the time of sanction of the loan amount.

## **12. Procedure for Release of Subsidy.**

12.1 The subsidy will be **routed through NABARD** by the Department of Agriculture and Cooperation, Government of India and the amounts will be **placed with NABARD in advance.**

12.2 For the present, **NABARD** shall not change any service charge for handling subsidy under the scheme. If at a future date, Ministry of Finance approves payment of service charge to **NABARD** for handling subsidy under all the schemes similar to the Agri-Clinics Scheme, the matter could be revisited on the amount of advance subsidy placed with them.

## **12.3 Capital Subsidy**

i) An interested Agri-entrepreneur will submit the project proposal for term loan and subsidy to the bank on an application form as prescribed by the concerned bank along with the project report and other documents for appraisal and sanction of loan.

ii) Bank, after sanction of the project and disbursement of first installment of loan, the project and disbursement of first installment of loan, will furnish a brief project profile-cum-claim form for advance subsidy in the **prescribed format (Annexure-I)** along with a copy of a bank's sanction letter to **RO, NABARD**, in the state where the unit is located.

iii) **NABARD**, on receipt of project profile-cum-claim form from the participating bank will sanction and release 50% advance subsidy to the participating bank for keeping the same in the subsidy Reserve Fund A/c (Borrower-wise). The release of subsidy by **NABARD** will be subject to availability of funds from **GOI**.

iv) When the project is nearing completion, the agri-preneur will inform the participating bank for conducting inspection.

v) The participating bank would conduct inspection on the project site, within the overall scope of the operational guidelines of the scheme.

vi) After inspection is conducted, the bank will submit the claim for final capital subsidy in the **Prescribed format (Annexure II & Annexure VII) to NABARD**, Regional Office. The inspection report and completion certificate should be enclosed with the claim form for final subsidy.

vii) After crediting the final installment of subsidy in the reserve fund of the Borrower, a Utilization Certificate in the **prescribed format (Annexure III)** shall be submitted by the participating bank to **NABARD** to the effect that the amount of subsidy received by them has been fully utilized and adjusted in the books of account of the project within the overall guidelines of the scheme.

**viii) NABARD** shall release the final subsidy to banks, which will be replenished by GOI or adjusted against the subsidy amount provided to NABARD in advance.

**ix) NABARD** would delegate adequate powers to Chief General Managers/In charges of Regional Offices of NABARD so as to facilitate expeditious sanction of projects and release of refinance/subsidy amount under the scheme.

#### **12.4 Interest Subsidy**

i) Interest subsidy would be released to bank(s) **after completion of one year for the first year and after completion of two years for second year**, from the date of first disbursement, based on rate of interest actually charged by the bank, **on balance** outstanding in the account against principal amount of loan net of capital subsidy released.

ii) The participating bank will claim interest subsidy annually from NABARD, which was charged to the loanee account and upon receipt of interest subsidy from NABARD, the bank should credit the borrowers account with the interest subsidy.

iii) The participating bank shall visit the unit on completion of one year/two years as the case may be, and conduct inspection to satisfy that unit is physically, financially and operationally progressing well and submit its report in **prescribed format (Annexure - IV)** recommending release of first/final installment of interest subsidy.

iv) The participating banks should prefer claim for interest subsidy within 90 days, after completion of the stipulated period together with the certificate/inspection report. The claims for first/final installment of interest subsidy may be submitted by **Banks on quarterly basis, in the prescribed format.**

v) After release of capital and interest subsidy to the borrower, the participating bank shall submit a final Utilization Certificate, in the **prescribed format (Annexure - V) to NABARD** to the effect that the amount of subsidy received by them has been fully utilized and adjusted in the books of account under the sanctioned terms and conditions of the project within the overall guidelines of the scheme.

### 13. Monitoring

- 13.1 The participating bank shall do the monitoring of each project. Review will be undertaken on a monthly basis by participating bank/**NABARD**.
- 13.2 **NABARD** may prescribe suitable formats for submission of various reports by participating banks, taking in to account reporting requirements of the **DAC** and subject to guidance off **DAC**/Empowered Steering Committee.
- 13.3 The progress report of the scheme in the **prescribed format (Annexure - VI)** shall be sent to the Department of Agriculture and Cooperation, Government of India by **NABARD** on monthly basis, with a copy to **MANAGE**.
- 13.4 The scheme of **ACABC** and the progress there under shall be reviewed invariably in all District Level Consultative Committee and State Level Bankers Committee meetings with a view to sorting problems/issues emerging in smooth implementation thereof.

### 14. General Awareness and Training Programme.

- 14.1 General Awareness, publicity and training programmes for eligible candidates and hand holding support would be undertaken by **MANAGE** Nodal Training Institutions as per the scheme.
- 14.2 **MANAGE** will be responsible for providing **training to eligible candidates**, through its Nodal institutes and motivating them for setting up of Agri-Clinics and Agri-Business Centres.
- 14.3 **MANAGE** will ensure **sponsoring of sufficient number** of cases to the participating banks for financing under the scheme and arrange to establish required number of units at ground level, as envisaged, to make the scheme a success.

### 15 Empowering Steering Committee

- 15.1 The following empowered Steering Committee would take all important decisions within the framework of approved scheme, for its smooth implementation:

Secretary (A&C)	Chairman
Additional Secretary (Extn.)	Member
AS & FA, DAC	Member
DDG (Extn.), ICAR	Member
DG, MANAGE,	Member
ED, NABARD	Member
JS (EXTN.)	Member Secretary

16. Another independent evaluation of the scheme should be organized two years after implementation of subsidy.
17. Government's interpretations of these Guidelines will be final.
18. Government reserves the right to modify, add and delete any part of the Guideline without assigning any reason therefore.

## ANNEXURE I

### CONSOLIDATED CLAIM FORM FROM THE CONTROLLING OFFICE OF THE BANK FOR RELEASE OF CAPITAL SUBSIDY(ADVANCE) IN RESPECT OF AGRICLINIC & AGRI BUSINESS CENTRES (ACABC)

(To be submitted to the concerned Regional Office of NABARD)

NAME OF THE BANK :

MONTH/YEAR OF CLAIM:

DISTRICTS COVERED

TOTAL AMOUNT OF CURRENT CLAIM :

DETAILS OF CURRENT CLAIM :

[Rs. in lakh]

. Particulars <input type="checkbox"/>	S.No <input type="checkbox"/>	1	2	3	4	5	6	7
Name and address of the Entrepreneur								
Whether SC/ST/Women								
Whether from North-Eastern Region								
Details of training by MANAGE From To								
Bank/Branch address								
Loan A/c No.								
Purpose of Loan								
Total Financial Outlay								
Items of Investment								
Date of Sanction								
Repayment prescribed								
Security								
Date of release of 1st instalment								
<b>Advance Capital Subsidy claimed</b>								
Rate of Interest								
Any other information relevant to the project such as potential/ Permission/ Approval to be obtained								

1. We undertake having complied with all the instructions contained in NABARD circular No. NB.ICD/ 1826 /ACABCs -4/2006-07 dated 20 December 2006 regarding operational guidelines of the scheme while sanctioning above proposals.

2. We request you to release an amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) as Capital Subsidy (advance) in respect of the above entrepreneurs.

Place :

Date :

Seal and signature of the Branch Manager(financing bank)

Encl: [1] Brief project profile  
[2]Bank's Sanction letter

(For the use of NABARD RO, )

The above claim is scrutinised. HO is requested to confirm the release of Advance subsidy amount of Rs. (Rupees only) to be released to \_\_\_\_\_ (Name of the Bank).

(Signature)  
AGM/DGM  
(NABARD, RO)

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(For the use of ICD, NABARD HO)

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Release of Subsidy - Confirmation

RETURN FAX MESSAGE

Date

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FROM : CGM, ICD, NABARD, HO, MUMBAI

FOR: CGM/GM/OIC, REGIONAL OFFICE NABARD

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**ACABC - Release of advance subsidy - confirmation**

The claim No. is admitted. Since sufficient funds are available with NABARD, under the scheme, the above proposal of releasing advance subsidy amount of Rs..... (Rupees ..... only) is confirmed for release.

AGM / DGM  
ICD, NABARD-HO, MUMBAI  
Date :

## ANNEXURE II

CONSOLIDATED CLAIM FORM FROM THE CONTROLLING OFFICE OF THE BANK FOR RELEASE OF **CAPITAL SUBSIDY (FINAL)** IN RESPECT OF AGRICLINIC & AGRI BUSINESS CENTRES (ACABC)

(To be submitted to the concerned Regional Office of NABARD)

NAME OF THE BANK :

MONTH/YEAR OF CLAIM:

DISTRICTS COVERED  
CLAIM :

TOTAL AMOUNT OF CURRENT

### DETAILS OF CURRENT CLAIM :

. Particulars <input type="checkbox"/>	S.No <input type="checkbox"/>	1	2	3	4	5	6	7
Name and address of the Entrepreneur								
Whether SC/ST/Women								
Whether from North-Eastern Region								
Details of training by MANAGE From To								
Bank/Branch address								
Loan A/c No.								
Purpose of Loan								
Total Financial Outlay								
Items of Investment								
Date of Sanction								
Repayment prescribed								
Security								
Date of advance Capital Subsidy received								
Date of inspection by Inspection team								
<b>Final Subsidy claimed</b>								
Any other information								

1. We undertake having complied with all the instructions contained in NABARD circular No. NB.ICD/ 1826 /ACABCs -4/2006-07 dated 20 December 2006 regarding operational guidelines of the scheme while sanctioning above proposals.

2. We request you to release an amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_) as Capital Subsidy (Final) in respect of the above entrepreneurs.

3. We also certify that the previous claims have been fully utilised and adjusted in the books of account under the sanctioned terms and conditions of the project within the overall guidelines of the scheme.

4. The inspection report and completion certificate are enclosed.

Place : Seal and signature of the Branch  
Manager(financing bank)

Date :

Encl: [1] Inspection Report  
[2] Completion Certificate

(For the use of NABARD RO, )

The above claim is scrutinised. HO is requested to confirm the release of final subsidy amount of Rs. (Rupees only) to be released to \_\_\_\_\_ (Name of the Bank).

(Signature)  
AGM/DGM  
(NABARD, RO)

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(For the use of ICD, NABARD HO)

Release of Subsidy - Confirmation

RETURN FAX MESSAGE

Date

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FROM : CGM, ICD, NABARD, HO, MUMBAI

FOR: CGM/GM/OIC, REGIONAL OFFICE NABARD

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**ACABC - Release of final subsidy - confirmation**

The claim No. is admitted. (Ref. Claim No..... for advance subsidy). Since sufficient funds are available with NABARD, under the scheme, the above proposal of releasing final subsidy amount of Rs..... (Rupees ..... only) is confirmed for release.

AGM / DGM

ICD, NABARD-HO, MUMBAI

Date

**Annexure III**

**Format for Utilization Certificate - Capital Subsidy**

**(FOR THE USE OF FINANCING BANK TO BE SUBMITTED TO THE REGIONAL OFFICE OF NABARD)**

**SCHEME FOR SETTING UP OF AGRICLINICS & AGRIBUSINESS CENTRES**

- 1 Name, address and location of the beneficiary and project
- 2 Name of the financing bank :
- 3 Name & address of the financing branch:
- 4 Date of sanction of loan by bank :
- 5 Date of verification by Joint Verification Team
- 6 Date of commission of the unit :
- 7 (i) Total financial outlay Rs.  
(ii) Margin Money Rs.  
(iii) Bank loan Rs.  
(iv) Subsidy received Date of receipt  
Amount Date of credit to the NABARD  
from  
(Rs.) "Subsidy Reserve  
Fund A/C" of the  
Borrower  
(a) 50% Advance subsidy  
(b) Final instalment of capital subsidy
- 8 Brief description of facilities created with capacity etc.
- 9 Rate of interest charged by the financial bank : % p.a.
- 10 The bank has / has not availed refinance from

NABARD

- 11 This is to certify that the full amount of capital subsidy received in respect of the above project has been fully utilized (by way of crediting to the "Subsidy Reserve Fund Account - borrower - wise) and adjusted in the books of account under the sanctioned terms and conditions of the project within the overall guidelines of the scheme.

Place :

Date :

( \_\_\_\_\_ )  
Seal & Signature of the  
Branch Manager (Financing bank)

**ANNEXURE IV**

**CONSOLIDATED CLAIM FORM FROM THE CONTROLLING OFFICE OF THE BANK FOR RELEASE OF INTEREST SUBSIDY IN RESPECT OF AGRICLINIC & AGRI BUSINESS CENTRES (ACABC)**

(To be submitted to the concerned Regional Office of NABARD)

NAME OF THE BANK :

MONTH/YEAR OF CLAIM:

NAME & ADDRESS OF THE BANK BRANCH :

DISTRICTS COVERED  
CLAIM :

TOTAL AMOUNT OF CURRENT

**DETAILS OF CURRENT CLAIM :**

. Particulars <input type="checkbox"/>	S.No <input type="checkbox"/>	1	2	3	4	5	6	7
Name and address of the Entrepreneur								
Whether SC/ST/Women								
Whether from North-Eastern Region								
Details of training by MANAGE From To								
Bank/Branch address								
Loan A/c No.								
Purpose of Loan								
Total Financial Outlay								
Items of Investment								
Date of Sanction								
Repayment prescribed								
Security								
Total Amount of interest recovered from entrepreneur								
Total amount of interest subsidy eligible								
<b>Amount of interest subsidy claimed</b>								
Any other information								

1. We undertake having complied with all the instructions contained in NABARD circular No. NB.ICD/ 1826 /ACABCs -4/2006-07 dated 20 December 2006 regarding operational guidelines of the scheme while sanctioning above proposals.
2. We request you to release an amount of Rs. \_\_\_\_\_ (Rupees ) as Interest Subsidy in respect of the above entrepreneurs.
3. We also certify that the previous claims have been fully utilised.

4. We certify that the unit is inspected and satisfied that the unit is physically, financially and operationally progressing well and release of interest subsidy is recommended.

Place :

Date:

Seal and signature of  
the Branch Manager  
(financing bank)

(For the use of NABARD RO, \_\_\_\_\_ )

The above claim is scrutinised. HO is requested to confirm the release of interest subsidy amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) to be released to \_\_\_\_\_ (Name of the Bank).

(Signature)  
AGM/DGM  
(NABARD, RO)

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(For the use of ICD, NABARD HO)

Release of Subsidy - Confirmation

RETURN FAX MESSAGE

Date

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FROM : CGM, ICD, NABARD, HO, MUMBAI

FOR: CGM/GM/OIC, REGIONAL OFFICE NABARD

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**ACABC - Release of interest subsidy - confirmation**

The claim No. \_\_\_\_\_ is admitted. (Ref. Claim No. \_\_\_\_\_ for advance subsidy and Claim No. \_\_\_\_\_ for final subsidy). Since sufficient funds are available with NABARD, under the scheme, the above proposal of interest subsidy amount of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) is confirmed for release.

AGM / DGM  
ICD, NABARD-HO, MUMBAI  
Date :



- a. First Instalment (Ist Year)
  - b. Final Instalment (IInd Year)
- 9 Rate of interest charged        % p.a.  
by the financial bank :
- 10 The bank has / has not availed refinance from  
NABARD
- 11 This is to certify that the full amount of subsidy  
received towards both capital cost and interest on  
bank loan in respect of the above project has been  
fully utilized (by way of crediting to the "Subsidy  
Reserve Fund Account / Interest Subsidy receivable  
Account - borrower - wise) and adjusted in the books  
of account under the sanctioned terms and conditions  
of the project within the overall guidelines of the  
scheme.

Place :

Date :

( \_\_\_\_\_ )  
Seal & Signature of the  
Branch Manager (Financing bank)

**Annexure - VI**

**PROGRESS OF SCHEME FOR SETTING UP OF AGRICLINICS  
& AGRIBUSINESS CENTRES**

**SANCTIONED / PENDING PROJECTS (ABSTRACT)\***

STATUS AS ON \_\_\_\_\_

Amt. (Rs.in lakh)

S.N	State	Name of the project	Location	Nature of Activity	TFO Sanctioned	Bank Loan	Agri Entrepreneur's Contribution	Total amt. of eligible subsidy	Capital released to financial banks		
									Advance subsidy	Final installment	Total subsidy

1) The above information breakup may be furnished in the same format for schemes sanctioned in NE States, hilly areas, SC/ST / Women & other disadvantageous entrepreneurs separately.

- 2) Information to be submitted by banks to NABARD, RO for submission through HO to GoI, MoA, DoAC, with a copy to Director General, MANAGE for information on monthly basis.
- 3) Information to be submitted separately for (i) sanctioned projects and pending projects at NABARD level & (ii) Capital subsidy & Interest subsidy.

**Annexure - VII**

**PROFORMA FOR INSPECTION REPORT FOR RELEASE OF FINAL  
INSTALMENT OF CAPITAL SUBSIDY BY THE PARTICIPATING BANK  
(Specify the name of Bank & address of implementing branch)**

**Scheme for Setting up of Agriclincs & Agribusiness Centres**

- A Name and Address of  
. Agri/Entrepreneurs :
- B. Members of Inspection Team and set up  
by participating bank  
(Name, Designation & Address)
- C. (i) Date of completion of the project :  
(ii) Date of intimation of completion  
of project to NABARD  
(iii) Date of joint verification
- D Project at a glance  
. (i) Location and facility created  
(ii) Financing Bank  
(iii) Total Project cost  
(iv) Amount of term loan provided  
(v) Date & amount of first instalment of  
loan disbursed  
(vi) Date & amount of first instalment of  
subsidy released.  
(vii) Owner's contribution in the project
- E. i. Whether project implemented as per  
approval  
ii. If no, specify the deviations  
iii. Whether project implemented in time:
- F. Recommendations of the Inspection Team
- G. Signature of the Inspection Team  
Members :
- |                               |                  |
|-------------------------------|------------------|
| Team Members                  | Signature & Date |
| (1) NABARD (DDM/DDO)          |                  |
| (2) Financing Bank            |                  |
| (3) Nodal Institute of MANAGE |                  |

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