

No. R-11016/2/2020-I&P-(Part 5)(86454)  
Government of India  
Ministry of Agricultural and Farmers Welfare  
Department of Agricultural, Cooperation & Farmers Welfare  
(Cooperation Division)

Krishi Bhawan, New Delhi  
Dated: 4<sup>th</sup> February, 2021

To,

The State Nodal Officers (SNO) of AIF

Subject: Standard Operating Procedure (SoP) for release and use of Grants-in-aid to State Governments for Administrative Cost of Project Monitoring Unit (PMU) – reg.

Sir,

I am directed to enclose herewith a copy of Standard Operating Procedure (SoP) for release and use of Grants-in-aid to State Governments for Administrative Cost of Project Monitoring Unit (PMU) for information and further necessary action in this regard.

Encl: a/a

Yours Faithfully,



(K.R Meena)

Director (CPC)

Tel No. 23386224

Copy to:

- (i). Chief Secretaries of all States and UTs.
- (ii). Principal Secretary (Agriculture) of all states and UTs.

Mechanism of release of Funds

- i. First time grants-in-aid for the year 2020-21 will be given by the Department of Agriculture, Cooperation & Farmers Welfare on the basis of allocation worked out depending on the number of applications received on AIF portal from the States and their share of Financing Facility under AIF. Funds for FY 2021-22 onwards will be given on the basis of demand received from the States for funds in addition to the above two criteria.
- ii. State Government shall submit the UCs/USB for the above funds and submit a report of formation of SLMC/DLMC and State PMUs to the Department of Agriculture, Cooperation & Farmers Welfare.
- iii. Funds for FY 2021-22 years onwards will be released only after the State Government will submit the UCs/USB and report of formation of the State PMU and SLMC/DLMC.

Utilization of the funds:-

Funds given to State Governments as Grants-in-aid can be used for the following purposes:-

- i. Cost of setting up State Project Monitoring Unit (PMU)
- ii. Cost of capacity building of State PMU
- iii. Administration expenses of State PMU
- iv. Handholding support
- v. Providing consultation/support to beneficiaries in preparing viable DPRs
- vi. Identifying clusters including export clusters and gaps in supply chains to target projects and
- vii. Making awareness about the scheme in the public/beneficiaries