

GOVERNMENT OF WEST BENGAL  
DEPARTMENT OF AGRICULTURE  
NABANNA, 3<sup>RD</sup> FLOOR  
325, SARAT CHATTERJEE ROAD,  
MANDIRTALA, SHIBPUR, HOWRAH-711 102.

No. 1074 -Nab./2S-03/12 (Pt. I)

Howrah, the 26<sup>th</sup> September, 2016

MEMORANDUM

**Sub : Continuation of the “Financial Support Scheme for Farm Mechanization (FSSM)” a State Plan scheme under the Agriculture Department, West Bengal during 2016-17 regarding.**

In continuation of this Department’s Memo. No. 1045-Nab./2S-03/12 (Pt.1) dated 30.09.2015, the undersigned is directed to inform that the Governor is pleased to extend the validity of the ‘**Financial Support Scheme for Farm Mechanization (FSSM)**’ as an on-going scheme under the State Plan schemes of Agriculture Department **upto 31<sup>st</sup> March 2017**. The scheme will be implemented as an umbrella scheme, as it was done in previous years, by pooling in fund pertaining to farm mechanisation component under various Centrally sponsored and State Plan schemes to ensure uniformity in implementation.

Under the scheme, the State Government will provide **front-ended subsidy to the small and marginal farmers of the State for purchase of farm equipments and machineries**. The subsidy amount will be up to **Rs.1,25,000/-** subject to individual limits as per **Annexure- II**.

The detailed **Operational Guidelines** of the scheme describing the eligibility norms, area of implementation, procedure of application, sponsoring, sanctioning and disbursement of subsidy, monitoring etc. is appended as **Annexure – I**. The **district-wise allocation of fund** for the current financial year is detailed in **Annexure – III**. All concerned are requested to implement the scheme as per the above mentioned guidelines.

-By order of the Governor,



**Joint Secretary**  
**to the Government of West Bengal**

Contd...p/2.

No. 1074 -Nab./1(65)

Howrah, the 26<sup>th</sup> September, 2016

Copy forwarded for information and necessary action to:-

- (1) The Principal Accountant General (A&E), W.B., Treasury Buildings, Kolkata – 700001.
- (2) The Accountant General (Audit), Treasury Buildings, Kolkata – 700001.
- (3) The Pay & Accounts Officer-I, Kolkata Pay and Accounts Office, 81/2/2, Phears Lane, Kolkata – 700012.
- (4) The O.S.D. & E.O. Director of Agriculture, West Bengal.
- (5) The District Magistrate \_\_\_\_\_ District.
- (6) The Commissioner, Agriculture Department (Budget & Planning Cell), Writers Buildings, Kolkata – 700001.
- (7) Convener, State Level Bankers' Committee, West Bengal.
- (8) Chief General Manager, NABARD, West Bengal Region.
- (9) The Joint Director of Agriculture (Accounts), Govt. of West Bengal.
- (10) The Joint Director of Agriculture (Range)/Dy. Director of Agriculture, (Range).....
- (11) The Deputy Director of Agriculture (H.Q.), Govt. of West Bengal
- (12) The Deputy Director of Agriculture (Administration), \_\_\_\_\_ District
- (13) Treasury Officer, \_\_\_\_\_
- (14) Sr. P.A. to Additional Chief Secretary, Agriculture Department.
- (15) Guard file.



Joint Secretary  
to the Government of West Bengal

**GUIDELINES FOR “FINANCIAL SUPPORT SCHEME FOR FARM MECHANISATION(FSSM)” 2016-17**

The Financial Support Scheme for Farm Mechanization (FSSM) has been designed by the Government of West Bengal for extending financial support to the farming community of the State with an aim to increase the level of mechanization in agricultural operations for better productivity and minimizing the cost of cultivation. The scheme was first started in the year 2012-13 and thereafter renewed every year with the approval of the Cabinet. The FSSM scheme extends **front-ended subsidy to the small and marginal farmers of the State**. The scheme has become very popular among the farmers because of its ‘farmer friendly’ features. In the last four financial years more than 1,37,000 farmers have been benefitted through assistance for purchase of farm machinery/equipments under the scheme.

Augmenting farm-power is one of the main enabling factors for enhancing agricultural productivity. Farm-power availability in the State has improved from 1.37 Kw/ha in 2010-11 to 1.58 Kw/ha in 2015-16. However, to have an optimal effect on productivity, farm-power availability should go up to the level of 2 kwh/hectare by 2020. Appropriate policy interventions are needed to facilitate this. Thus it is necessary **to continue FSSM as an on-going scheme under State Plan**. As earlier, it will be implemented as an umbrella scheme by pooling in fund pertaining to farm mechanisation component under various Centrally sponsored and State Plan schemes to ensure uniformity in implementation.

**The following are the guidelines for implementation of the scheme.**

**Area of implementation:** Applicable uniformly throughout the State.

**Implementing Agencies:** Commercial Banks, Regional Rural Banks and Cooperative Banks.

**Eligible Beneficiaries:** Individual farmers, Members of Primary Agriculture Cooperative Societies (PACS), Joint Liability Groups (JLG) belonging to Small and Marginal Farmers’ category who hold valid Kisan Credit Cards (KCC) and **have not availed any benefit under the scheme within the last two years.**

Farmers should possess minimum 2.5 acres of irrigated land to opt for tractor and 1.5 acre of irrigated land for power tiller.

**Purpose of Loan:** To purchase equipments/ machineries like tractor, power tiller, pump sets, power reaper etc as mentioned in the list at **Annexure – II**. There will be no tie up arrangement with any specific company. However, the borrowers have to choose the equipment from the list of approved equipments given in Annexure – II.

**Loan proposal:** Assistant Director of Agriculture (Block) [Asst. DA (Block)] will send the approved loan proposals in a common format as designed by NABARD for KCC. However, individual Banks may obtain separate applications in their standard formats from those applicants, considered to be financed by them.



|                          |  |
|--------------------------|--|
| <b>Processing:</b>       | Loan proposals should be duly processed after observing all the due diligence formalities and disposed of within the financial power of the Branch Managers within 15 days from receipt of the loan proposals from the sponsoring authorities. <b>In case of self-financing cases, the beneficiaries should deposit their own contribution with the financing bank before release of fund to the dealer/supplier.</b>  |
| <b>Nature of Loan:</b>   | Direct lending to agriculture under Mid Term Farm Loan.  |
| <b>Margin:</b>           | 15% to 25% of the project cost. However, no contribution is to be insisted for loan amount up to Rs.1.00 Lakh. Borrowers are to deposit their contributions with the financing bank before release of fund to the supplier.  |
| <b>Rate of Interest:</b> | As per individual Banks' guidelines and within RBI norms of charging interest to agriculture loan accounts.  |
| <b>Processing fee:</b>   | No processing fee should be charged.   |
| <b>Security:</b>         | <b>Primary</b> – Hypothecation of assets created out of project cost.<br><b>Additional</b> – Charge on land possessed by the borrowers, wherever applicable. <b>No additional security is to be insisted upon for loan amount up to Rs.1.00 Lakh as per RBI norms.</b>   |
| <b>Insurance:</b>        | Comprehensive insurance of the assets is to be done at the borrower's cost with Bank Clause.   |
| <b>Documents:</b>        | As per individual Bank's norms. The list of indicative documents is given below:<br>i) Sanction letter duly accepted by the borrower<br>ii) Quotation/ Proforma Invoice duly accepted by the borrower<br>iii) SC/ST certificate (wherever applicable) from appropriate authority<br>iv) Demand Promissory Note<br>v) Hypothecation of Transport Equipment (in case of tractor & p/tiller)<br>vi) Hypothecation of moveable Plant & Machinery<br>vii) Charge on land in Form-I, wherever necessary<br>viii) Duplicate copy of Blue Book/ Registration Certificate with bank's name registered as hypothecate and duplicate ignition key (in case of tractor).   |
| <b>Disbursement:</b>     | Disbursement of the <b>full amount (i.e. Front-end Govt. Subsidy + Beneficiary's own contribution + Bank loan)</b> will be done directly to the Dealer/ Supplier as per quotation accepted by the borrower, after satisfactory delivery of the machinery/equipment. In case of tractor, necessary arrangements are to be made by the supplier/ dealer to get the name of financing bank registered as hypothecate/ mortgagee in the Registration Certificate/ Blue Book of the vehicle.<br><br>Respective Bank will issue delivery order (D.O.) to the supplier/ dealer advising them to deliver equipments to the borrowers and to submit bill and related documents duly acknowledged by the borrowers to get payment from bank. A copy of the D.O. should be endorsed to the respective ADA (Block) and the DDA (Admn). |



Banks, after getting the duly receipted challans/ bills / documents shall release the total amount (i.e. **Front-end Govt. Subsidy + Beneficiary's own contribution + Bank loan**) to the dealer/ supplier of the machinery/equipment.

**The subsidy under the scheme will be meant for purchase of new equipments only and the amount cannot be adjusted with any outstanding loan of the concerned farmer.**

**Repayment:**

Maximum within 7 years in case of tractor and within 5 years in case of other loans. Schedule of repayment is to be fixed considering the harvesting time of the crops for which short term production credit has to be extended through KCC in order to ensure economic viability of the scheme.

**As the revised KCCs are now issued for maximum 5 years period, so tractor loan should not be shown as investment credit in the revised KCC book. Quantum of other loans may be shown as term loan portion in the KCC book as part of composite limit under revised KCC.**

**Operational Guidelines:**

**SMAM** being the parent of all mechanization schemes, the guideline of SMAM 2016-17 to be followed subject to points mentioned in this guideline.

**In view of Gol** decision relating to registration of manufacturers of agricultural machineries in the Farmers' Portal ([www.farmers.gov.in](http://www.farmers.gov.in)) and compulsion of manufacturers/ importers for furnishing dealers' data, price, product details etc. in the portal, only eligible manufacturers along with their approved dealers are to take part in the subsidy programme to eliminate disparity in price of the machineries from district to district and after sales service etc.

**The whole system of FSSM** starting from application to final delivery of the intended machinery may be done through suitable software. An online system may be developed for execution.

**Distribution of the machineries** should preferably done in camp mode in presence of BLSC members and should be documented properly for each distribution.

**Progress of the scheme** should be reported by the district in every month as per prescribed format.

**Every product to be supplied under FSSM 2016-17** should bear a metal tag/ sticker with embossing as under, at manufacturer/ dealer's cost :

কৃষি যান্ত্রিকীকরণ প্রকল্প  
কৃষি বিভাগ  
পশ্চিমবঙ্গ সরকার

A district wise allocation of fund is given in Annexure – III.

**i) Sponsoring of loan proposals:**

A Block Level Screening Committee (BLSC) consisting of the Block Development Officer (BDO) as Chairman, Asst. DA (Block) as Member-convener and Asst. DA (SMS) (to be nominated by Asst. DA (Admn.) of the concerned Sub-division) as Member will be in overall charge of receiving, verifying, scrutinizing, screening and recommending of loan applications.

**The process flow will be as follows:**

a) Asst. DA (Block) will receive applications in triplicate as per prescribed application form (see **Annexure – IV**) and will enter a running serial number in chronological manner on both Part-A and Part-B of the application form and shall issue receipt to the applicant as given in Part-B.

b) Each application form shall be verified and scrutinized by the Asst. DA (Block) to ascertain genuineness and completeness of the applications. He will then convene a meeting of BLSC for screening and selection of the eligible applications. The BLSC shall indicate its recommendation on each application.

c) The Asst. DA (Block) will then send the recommended applications simultaneously to the Deputy Director of Agriculture (Admin) [DDA (Admn)] for sanction of subsidy and to the respective Banks for sanction of bank loan. **The DDA (Admn) shall make sufficient publicity of the scheme all over the districts.**

**ii) Subsidy administration:**

State Government will provide subsidy to the tune of **Rs.1,25,000/- or 50% of cost of machinery whichever is less ( for SC/ST/women beneficiaries the limit is 60%); however, item- wise limit will be strictly maintained as per Annexure –II** depending upon the type of equipment purchased. The process flow of subsidy administration will be as follows:

a) The DDA (Admn), after receiving the recommended loan applications from BLSC, shall place the same before the District Level Selection Committee (DLSC) comprising of the District Magistrate as Chairman, DDA (Admn) as Member-convener, Lead District Manager and DDM (NABARD) as Members. DLSC shall be the competent authority to sanction subsidy under the scheme.

b) DLSC shall approve the list of the eligible beneficiaries. The allotment will be issued by the Agriculture Department in favour of the respective DDOs and fund should be drawn by presenting '**DLSC approved Beneficiary List**' with the bill to the respective Treasuries for issuing Treasury cheques/**e-Pradan** in favour of loan sanctioning Bank branch. After sanction of subsidy, DDA (Admn) shall upload the list of beneficiaries in the District Magistrate's website and 'Matir Katha' Portal giving name, address, financing bank, equipment to be purchased and amount of subsidy sanctioned, geo- tagging and other necessary details.

c) On getting approval of subsidy, the beneficiaries shall approach the financing bank with a request to disburse the project cost. Meanwhile, the loan applications received by the banks are to be disposed of maintaining the time schedule of 15 days. **As such, in this scheme subsidy is front ended, subject to proper end use of the fund.** To ensure this the ADA (Block) shall issue a 'Distribution Certificate' in the prescribed format at **Annexure – V** after distribution of the farm machinery/equipment.

d) **For disposal of application, priority will be given on regional spread of mechanization, equity etc. by the committee. A cut-off date will be fixed for receiving of applications after which disposal may be based on first-come-first-served basis, if necessary.** Benefits of the subsidy under the scheme are to be extended to **at least 16% SC and 8% ST beneficiaries.**

e) The entire process from sponsoring of applications to disbursement of subsidy should be completed within the concerned financial year. The respective Bank shall submit a monthly statement of disbursement to the DDA (Admn.) indicating the name of the beneficiary with identification no./account no., amount disbursed and type of farm machinery/equipment purchased.

### **iii) Monitoring & Grievance Redressal mechanism:**

Close monitoring of the implementation of the scheme shall be undertaken both at the District and the State level banking forum. At the State level, the issue will be discussed as part of structured agenda in the SLBC meetings.

At District level, the DLSC shall hold regular meetings to monitor the implementation of the scheme. The matter may also be discussed as an agenda in the DLCC for proper monitoring.

The Asst. DA (Block) and the Asst. DA (Admn.) of the respective Subdivision will regularly monitor the schemes in the Blocks within their jurisdiction. Proper register should be maintained at the district/block level to keep records of physical and financial achievement. Regular inspections shall be carried out to ascertain proper end use of subsidy disbursed. The minimum number of cases to be inspected at various levels will be as follows:

1. Asst. DA (Block) – 10% of all disbursed cases of the Block
2. Asst. DA (Admn) – 2% of all disbursed cases of the Sub-division.

An inspection report in all such cases shall be prepared as per **Annexure – VI** and submitted to the DDA (Admn) of the District. The DDA (Admn) shall properly document such inspection reports and may also conduct sample checking for his satisfaction.

**Grievances, if any, which may arise during implementation of the scheme, shall be resolved by the DDA (Admn) at the district level and by the Director of Agriculture at State level.**



**iv) Other issues:**

The beneficiary must satisfy himself/herself that the supplier/ dealer/ manufacturer opted, has extended adequate guarantee/ facilities for **after sales services** for a period not less than 6 months from the date of purchase.

An undertaking in the above respect is to be obtained from the supplier/ dealer/ manufacturer by the borrower before/ at the time of purchase and to be submitted to the financing bank.





**List of Farm Machinery/Equipment and admissible rate of Subsidy**

| Sl. No. | Name of Farm Machinery/Equipment  | Subsidy @50% (60% for SC/ST/women) subject to maximum of following amounts/rates |
|---------|---|--|
| 1       | Tractor above 20 HP to 40 HP  | Rs.1,00,000/- or 35% of cost of equipment whichever is lower                     |
| 2       | Tractor above 40 HP   | Rs.1,25,000/- or 35% of cost of equipment whichever is lower                     |
| 3       | Power Tiller 8 HP & above   | Rs.60,000/-  |
| 4       | Self propelled Power Reaper   | Rs.50,000/-  |
| 5       | Self Propelled Paddy Transplanter (4 row)   | Rs.75,000/- or 40% of cost of equipment whichever is lower                       |
| 6       | Self Propelled Paddy Transplanter (above 4 row to 8 row)  | Rs.1,25,000/- or 40% of cost of equipment whichever is lower                     |
| 7       | Tractor Drawn Zero Till Seed-Cum-Fertilizer Drill   | Rs.15,000/-  |
| 8       | Multi Crop Thresher / Paddy Thresher  | Rs.40,000/-  |
| 9       | Electric / diesel operated Pump Sets 1.5 HP to 5 HP (BIS/ ISI Certified)- kerosene operated pump sets are not eligible) | Rs.10,000/-  |
| 10      | Rotavator   | Rs.35,000/-  |
| 11      | Power Sprayer above 16 Litre  | Rs.10,000/-  |
| 12      | Potato Planter/ Potao Digger  | Rs.50,000/-  |
| 13      | Any other implement listed in SMAM 2016-17 guideline  | As per subsidy pattern of SMAM limited to Rs. 1,25,000/-                         |



## Annexure – III

## Scheme wise and District wise proposed allocation for FSSM 2016-17

Rupees in lakh

| Name of District              | RKVY | BGREI   |        | NFSM   |        | NMOOP | IPIIWL | Farm Mechanisation including OTA-EAP | Total   |
|-------------------------------|------|---------|--------|--------|--------|-------|--------|--------------------------------------|---------|
|                               |      | Rice    | Wheat  | Rice   | Pulse  |       |        |                                      |         |
| Alipurduar                    | 20   | 0       | 23.6   | 101.95 | 7.3    | 4     | 9      | 10                                   | 175.85  |
| Jalpaiguri including Siliguri | 40   | 140.1   | 42.5   | 125.3  | 8.9    | 8     | 9      | 10                                   | 383.8   |
| Cooch Behar                   | 30   | 0       | 26.4   | 156.15 | 9.65   | 15    | 9      | 55                                   | 301.2   |
| Uttar Dinajpur                | 20   | 0       | 26.25  | 72.4   | 7      | 25    | 25     | 25                                   | 200.65  |
| Dakshin Dinajpur              | 30   | 200     | 0.6    | 0      | 8.3    | 10    | 9      | 35                                   | 292.9   |
| Malda                         | 30   | 174.3   | 0.6    | 0      | 18.75  | 5     | 20     | 25                                   | 273.65  |
| Murshidabad                   | 50   | 212.55  | 0.6    | 0      | 39.45  | 31    | 20     | 25                                   | 378.6   |
| Nadia                         | 30   | 223.87  | 0.6    | 0      | 24.86  | 6     | 10     | 25                                   | 320.33  |
| North 24 parganas             | 50   | 274.75  | 0.6    | 0      | 9.65   | 6     | 7      | 25                                   | 373     |
| South 24 Parganas             | 30   | 0       | 25.3   | 141.05 | 7.3    | 10    | 10     | 10                                   | 233.65  |
| Howrah                        | 30   | 0       | 33.5   | 149.45 | 9.3    | 6     | 5      | 10                                   | 243.25  |
| Hoogly                        | 90   | 342.5   | 0.6    | 0      | 9.75   | 10    | 10     | 50                                   | 512.85  |
| Burdwan                       | 90   | 369.5   | 0.6    | 0      | 11.25  | 10    | 10     | 40                                   | 531.35  |
| Birbhum                       | 50   | 329.1   | 0.6    | 0      | 17.7   | 10    | 7      | 25                                   | 439.4   |
| Bankura                       | 50   | 243     | 0.6    | 0      | 8.3    | 6     | 20     | 25                                   | 352.9   |
| Purulia                       | 40   | 0       | 75.8   | 114.3  | 11.95  | 10    | 20     | 30                                   | 302.05  |
| West Medinipur                | 70   | 297     | 0.6    | 0      | 8.3    | 8     | 10     | 25                                   | 418.9   |
| East Medinipur                | 50   | 0       | 56     | 171.9  | 7.3    | 10    | 40     | 50                                   | 385.2   |
| <b>Total</b>                  | 800  | 2806.67 | 315.35 | 1032.5 | 225.01 | 190   | 250    | 500                                  | 6119.53 |

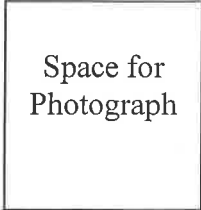
Sl. No. \_\_\_\_\_

ANNEXURE - IV

**GOVERNMENT OF WEST BENGAL  
DEPARTMENT OF AGRICULTURE**

**Application Form for Purchase of Agricultural Equipment / Machinery under FSSM**

**Part-A**



- 1. Name of the Farmer/farmers :
- 2. Father's / Husband's Name :
- 3. EPIC No./ AADHAAR Card No. :
- 4. KCC No. :

5. Bank details:

| Bank name | Branch | Account No. | Type of Account | IFSC Code |
|-----------|--------|-------------|-----------------|-----------|
|           |        |             |                 |           |

6. Name of Organization (if applicable, give details):

7. Address: (a) Village :

(b) GP : (c) Block : (d) PS :

(e) Subdivision : (f) P.O. (g) District:

(h) Phone/ Mobile No.:

8. Category of Farmer : General / S.C. /S.T./ Women

9. Area of Land Holding (in ha): Crops taken up during last year

Irrigated: Crop Area

Rainfed :

10. Details of Agricultural Equipment/ Machinery to be purchase ---

- a) Name of the item with Brand/Make & model :
- b) Name of Manufacturer :
- c) Name of Authorized Supplier :

I, ..... (Full Name) declare that all the information given above are true to the best of my knowledge and that I have not availed any benefit under this scheme till now.

Identified by--

\_\_\_\_\_  
Signature of the Farmer with Address

**Part - B**

Sl. No. \_\_\_\_\_

**Receipt**

Received an application for credit linked subsidy for purchase of farm machinery /equipment under the Financial Support Scheme for Farm Mechanization (FSSM) from Shri/Smt. \_\_\_\_\_ of village \_\_\_\_\_ GP \_\_\_\_\_ on \_\_\_\_\_ for consideration.

**Date:**  
**Place :**

**Signature of the Receiving Officer**  
**Official Seal**

**Annexure - V****DISTRIBUTION CERTIFICATE FOR MACHINERY /EQUIPMENT/  
IMPLEMENTS, DISTRIBUTED UNDER FARM MECHANIZATION SCHEME**

*Certified that the following Farm Machinery / Equipments / Implements the details of which is given along side has been supplied to*

*Sri/Smt.....of Vill.....*

*G.P.....Block..... as per his/her application*

*bearing sl.no ..... under the scheme..... during .....  
of Agriculture Department, West Bengal.*

| <b>Name of Product</b> | <b>Make</b> | <b>Model</b> | <b>Sl.No. /Chasis No.</b> | <b>Manufacturer</b> | <b>Remarks</b> |
|------------------------|-------------|--------------|---------------------------|---------------------|----------------|
|                        |             |              |                           |                     |                |
|                        |             |              |                           |                     |                |
|                        |             |              |                           |                     |                |
|                        |             |              |                           |                     |                |

.....  
**Signature with Seal of Supplier /  
Representative**

.....  
**Asstt. Director of Agriculture  
..... Block**

Received the above stated Farm Machinery /Equipments/Implements in good condition.

.....  
**Signature of beneficiary farmer**



Annexure - VI

**INSPECTION REPORT OF FARM MACHINERY /EQUIPMENT /  
IMPLEMENTS SUPPLIED UNDER FARM MECHANIZATION  
SCHEME DURING .....**

- 1. Name of Scheme : \_\_\_\_\_
- 2. Date, Time & Place of Inspection : \_\_\_\_\_
- 3. Name and Address of Beneficiary (With Mobile Number ) : \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

4. Product Details:

| Item Name | Make | Brand/ Model | Product SI No. | Price | Amount of Subsidy given | Quality Standard (ISI/BIS/others) |
|-----------|------|--------------|----------------|-------|-------------------------|-----------------------------------|
|           |      |              |                |       |                         |                                   |

5. Delivery Details:

| Supplier Name & Address / Phone No. | Application SL.No. | Challan/Bill No | Date of Delivery / Installation | Remarks of Beneficiary if any. |
|-------------------------------------|--------------------|-----------------|---------------------------------|--------------------------------|
|                                     |                    |                 |                                 |                                |

- 6. Findings of Inspection : i) \_\_\_\_\_
- ii) \_\_\_\_\_

**Signature with seal**  
**Asst. Director of Agriculture .....**

