GOVERNMENT OF WEST BENGAL
DEPARTMENT OF AGRICULTURE
NABANNA, 3RD FLOOR
325, SARAT CHATTERJEE ROAD,
MANDIRTLA, SHIBPUR, HOWRAH-711 102.

No. 1075 -Nab./9M(Nab.).-15/14

Howrah, the 26th September, 2016.

MEMORANDUM

Sub: Continuation of the scheme “Credit Linked Subsidy Scheme for Rural Entrepreneurs to set up Custom Hiring Centres (CHC) of Farm Machinery” under the Agriculture Department, West Bengal.

In continuation of this Departments memo no. 1099-Nab/9M (Nab)-15/14 dated 13th October, 2015, the undersigned is directed to inform that the Governor is pleased to extend the validity of the “Credit Linked Subsidy Scheme for Rural Entrepreneurs to set up Custom Hiring Centres (CHC) of Farm Machinery” as an on-going scheme under the State Plan schemes of Agriculture Department up to 31st March, 2017. The scheme will be implemented with a financial allocation of Rs. 18 Crore (Rupees eighteen Crore) only which will be defrayed from RKVY fund for 2016-17 and will follow RKVY/SMAM guidelines.

Under the scheme, the State Government will provide front-ended credit linked subsidy of 40% of the project cost (TFO), subject to maximum subsidy limit of Rs. 24 Lakh, to rural entrepreneurs for setting up of Custom Hiring Centres (CHCs) of end-to-end (from land development to residue management) farm machineries, to be hired out to all farmers, with preference to the Small and Marginal farmers of the adjoining areas. For Hi-Tech CHC, the subsidy amount may go up to Rs. 40 lakh or 40% of TFO whichever is less.

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.

The West Bengal Agro Industries Corporation Ltd., a Govt. of West Bengal undertaking will set up one CHC at Singur area of Hooghly district.

By order of the Governor

[Signature]
Joint Secretary
to the Government of West Bengal

Contd.. P/2
No. 1075/1(65)-Nab./9M(Nab.)-15/14 Howrah, the 26th September, 2016.

Copy forwarded for information and necessary action to :

3. The O.S.D. & E.O. Director of Agriculture, Govt. of West Bengal.
4. The Commissioner, (Budget & Planning Cell) of this Department.
5. The District Magistrate ____________________________ District.
7. Chief General Manager, NABARD, Regional Office, Abhilasa, 6 Royd Street, Kolkata – 16.
8. The Pay & Accounts Officer-I, Kolkata Pay and Accounts Office, 81/2/2, Phears Lane, Kolkata-700012.
9. The Pay & Accounts Officer-II, Kolkata Pay and Accounts Office, P1, Hyde Lane, Kolkata-700012.
10. The Joint Director of Agriculture (Accounts), Govt. of West Bengal.
11. The Deputy Director of Agriculture (H.Q.), Govt. of West Bengal.
12. The Deputy Director of Agriculture (Administration), District: ________________
13. Sr. P.A. to Additional Chief Secretary, Agriculture Department, Govt. of West Bengal.
14. Treasury Officer, ____________________________ District.
15. Guard file.

[Signature]

Joint Secretary

to the Government of West Bengal.
The "CREDIT LINKED SUBSIDY SCHEME FOR RURAL ENTREPRENEURS TO SET UP CUSTOM HIRING CENTERS OF FARM MACHINERY" was launched as a new scheme by the Agriculture Department, Govt. of West Bengal, in the financial year 2014-15, for setting up Custom Hiring Centers of Farm Machineries, with an aim to increase farm power availability for the purpose of increasing agricultural productivity. Setting up of CHCs would help in encouraging usage of farm machineries by small and marginal farmers, who would otherwise be deprived of this aid for increasing field productivity because of the prohibitive cost of owning such assets. The details of the scheme are given below. The financial allocation for the scheme shall be made from the available RKVY funds as proposed in Annexure — III.

Objective of the Scheme:
1. To encourage the usage of farm machinery among small and marginal farmers for increasing farm productivity;
2. To offset high cost of owning farm machinery for small holdings:
3. To increase farm power availability to 2 kwh/hectare by the year 2020 from present level of 1.58 kw/ha.

Area of implementation: Applicable uniformly throughout the State.

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

Eligible Entrepreneur/Beneficiaries: Individuals, group of individuals. Members of PACS, Joint Liability Groups with bank accounts, SHGs, Proprietorship Firms, Partnership Firms, Co-operative societies, Farmer's Clubs, FPOs, FIGs and Private/Public Ltd Companies.

Purpose of Loan: To set up Custom Hiring Centres of end-to-end (from land development to residue management) farm machineries, to be hired out to all farmers, with preference accorded to small and marginal farmers of the adjoining areas, so that the coverage is at least 10 ha/day and 300 ha in the entire cropping season.

Nature of Assistance:
1. The maximum subsidy will be limited to 40% of the Total Financial Outlay (TFO=cost of machinery, including transportation + AMC + cost of open shed + insurance for 1 year + any other operational cost that may be applicable) for the CHC. Minimum TFO would be Rs. 10.00 lakh and the maximum would be Rs. 60.00 lakh. In case the TFO is more than Rs.60.00 lakh, the subsidy would be restricted to the highest limit of Rs. 24.00 lakh.

2. Hi-Tech CHC (subject to approval of SLSC of RKVY):
   a) CHCs with Total Financial Outlay (TFO) with more than Rs. 60 lakh
   b) Subsidy will be 40% of TFO limiting to Rs. 40 lakh.
   c) They will be motivated to include high cost machinery like combined harvester, multi- crop thresher, paddy transplanter, precision irrigation equipments etc.
Operational Guidelines:

Nodal Committee: The District ATMA Management Committee shall be the Nodal Committee for sponsoring applications and monitoring the scheme. The District Level Banker's Committee may be co-opted by a resolution of the ATMA Governing Board for the purpose of implementation of this scheme. The District Level Sanctioning Committee (DLSC) formed for the purpose of FSSM scheme will be the final authority for sanction of subsidy under this scheme.

Loan proposal:

i) Eligible individuals/groups shall apply (in duplicate) for the purpose of availing assistance under this scheme to the DDA (Admin.of the respective)District in the prescribed form given in Annexure —IV.

ii) DDA (Admin.) will receive applications in duplicate as per prescribed form and will enter a running serial no. 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.

iii) Each application form shall be verified and scrutinized by the DDA (Admin.) to ascertain genuineness and completeness of the applications. He will then cause to convene a meeting of ATMA Management Committee for screening and selection of the eligible applications. The Committee shall indicate its recommendation on each application and send it to the DLSC for sanctioning subsidy and to the respective bank for sanction of loan. For disposal application, priority will be given on regional spread of mechanization, equity etc. by the committee. A cutoff date will be fixed for receiving of applications after which disposal may be based on first-come-first-served basis, if necessary.

iv) The DLSC will consider the cases sponsored by the ATMA Management Committee and approve the project proposals and sanction subsidy on being satisfied about the feasibility of the cases. A sanction letter should be issued to the entrepreneur whose project proposal is approved by the DLSC. However, the subsidy should be released only after sanction of bank loan to the concerned entrepreneur.

v) After getting confirmation of sanction of loan by the respective bank, the DDA (Admin) shall release the subsidy.
amount in favour of the eligible entrepreneur, directly in the entrepreneur’s loan account through A/c Payee Cheque/ Draft/ Bankers’ Cheque/RTGS/e-Pradan. After sanction of subsidy, DDA (Admin.) shall upload the list of beneficiaries in the District Magistrate’s website giving name and address of the beneficiary, financing bank, equipment to be purchased and amount of subsidy sanctioned.

vi) After disbursement of the subsidy in the respective loan accounts, the entrepreneur shall approach financing bank with a request to disburse the project cost. As such, in this scheme subsidy is front ended, subject to proper end use of the fund.

vii) The entire process upto disbursement of loan should be completed by 31st March, 2017. The DDA (Admin) shall make sufficient publicity of the scheme all over the districts.

viii) A permanent metal tag/sticker as furnished below should be fixed on each of the machinery:

Processing at Bank:

कृषि दप्तर, पश्चिमবঙ্গ সরকারের
সাহায্যপ্রাপ্ত কৃষি- যন্ত্র জাড়া কেন্দ্র,

2016-17

All Loan proposals sponsored by the District ATMA Management Committee shall be duly processed after observing all due diligence and formalities and disposed of by the Branch Managers within 15 days from receipt of the loan

Margin Money:

25% of the TFO. Borrowers are to deposit their contributions with the financing bank before release of fund to the supplier.

Rate of Interest:

As per individual banks' guidelines and within. RBI norms of charging interest to agriculture loan accounts.

Processing fee:

No processing fee should be charged.

Security:

Primary - Hypothecation of assets created out of project cost.

Additional - Charge on land possessed by the borrowers, wherever applicable. No additional security is to be insisted upon for loan amount up to Rs.10.00 lakh for SHIGs as per RBI norms.
Insurance: Comprehensive insurance of the assets is to be done at the borrower's cost with Bank Clause.

Documents:  
1. Proforma Application form, properly filled in.  
2. Proof of Citizenship (EPIC/Passport etc.)

3. Proof of financial solvency (self-authenticated photocopy of updated bank pass-book etc.)  
4. Title Deed/Lease Certificate/Rent Receipt of land.

Disbursement 
i) Disbursement should be done directly to the dealer/supplier as per quotation, accepted by the borrower. Necessary arrangements are to be made by the supplier/dealer to get the name of financing bank registered as hypothecated/mortgaged in the Registration Certificate/Blue Book of the vehicle (wherever applicable).

ii. 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 DDA (Admin.) for record and monitoring purpose.

iii) Banks, after getting the duly receipted challans/bills/documents shall release the total amount (bank loan+subsidy+margin money) to the dealer/supplier of the equipment.

iv) 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 applicant.

Repayment: 
The loan taken under this scheme shall have a mandatory repayment period of not less than five years. During the repayment period, the entrepreneur shall not alienate the assets procured under this scheme by way of sale or lease or create any other security interest on them whatsoever.

Monitoring & Grievance Redressal:
Close monitoring of the implementation of the scheme shall be undertaken both at District and State level banking forum. At the State level, the issue will be discussed as part of structured agenda in the SLBC meetings. At the District level, the District ATMA Management Committee shall hold regular meetings to monitor the implementation of the scheme. The matter shall also be discussed as an agenda in the DLBC and DLCC for proper monitoring.

A joint inspection of the CHC shall be conducted by a
Joint Inspection Committee (JIC) comprising of Representatives of the Financing Bank, NABARD and DDA (Admin.) of the
district within three months of sanctioning of the loan
to ascertain proper utilization of the sanctioned amount
including subsidy amount and submit a report to the
District ATMA Management Committee.

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

Other issues:

The entrepreneurs must satisfy themselves that the Supplier/dealer/ manufacturer has extended
adequate guarantee/ facilities for after sales services for a period not less than 12 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.

A List of indicative/suggested Farm Machineries is given in Annexure-II.
### SUGGESTED LIST OF EQUIPMENT AND FARM MACHINERY FOR CUSTOM HIRING CENTRE

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of Equipments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>TRACTOR above 20 HP</td>
</tr>
<tr>
<td>2</td>
<td>POWER TILLER - 8.0 HP and above</td>
</tr>
<tr>
<td>3</td>
<td>MINI COMBINE HARVESTER 20 HP and above</td>
</tr>
<tr>
<td>4</td>
<td>COMBINE HARVESTER - 60 HP and above</td>
</tr>
<tr>
<td>5</td>
<td>ROTAVATOR (Tractor Drawn)</td>
</tr>
<tr>
<td>6</td>
<td>LASER LAND LEVELLER</td>
</tr>
<tr>
<td>7</td>
<td>ZERO TILLAGE SEED DRILL</td>
</tr>
<tr>
<td>8</td>
<td>PNEUMATIC PLANTER</td>
</tr>
<tr>
<td>9</td>
<td>POWER REAPER</td>
</tr>
<tr>
<td>10</td>
<td>PADDY TRANPLANTER (Hydraulically Operated)</td>
</tr>
<tr>
<td>11</td>
<td>PADDY TRANPLANTER (Mechanically Operated)</td>
</tr>
<tr>
<td>12</td>
<td>REAPER BINDER (Self Propelled)</td>
</tr>
<tr>
<td>13</td>
<td>POWER WEEDER</td>
</tr>
<tr>
<td>14</td>
<td>POWER SPRAYER</td>
</tr>
<tr>
<td>15</td>
<td>POWER THRESHER (Tractor Drawn)</td>
</tr>
<tr>
<td>16</td>
<td>GROUND NUT DECORTICATOR</td>
</tr>
<tr>
<td>17</td>
<td>VEGETABLE PLANTER</td>
</tr>
<tr>
<td>18</td>
<td>POTATO PLANTER</td>
</tr>
<tr>
<td>19</td>
<td>POTATO HARVESTER (DIGGER)</td>
</tr>
<tr>
<td>20</td>
<td>POTATO GRADER</td>
</tr>
<tr>
<td>21</td>
<td>OIL EXTRUCTION MILL</td>
</tr>
<tr>
<td>22</td>
<td>MINI DALL MILL</td>
</tr>
<tr>
<td>23</td>
<td>PORTABLE SPRINKLER SET (100 Acre/200 Acre Set)</td>
</tr>
<tr>
<td>24</td>
<td>MULTY CROP THRESHER</td>
</tr>
<tr>
<td>25</td>
<td>SUGAR CANE CRUSHER</td>
</tr>
<tr>
<td>26</td>
<td>SET OF MANUAL EQUIPMENT</td>
</tr>
<tr>
<td></td>
<td>a Paddy Thresher</td>
</tr>
<tr>
<td></td>
<td>b Knapsack Sprayer</td>
</tr>
<tr>
<td></td>
<td>c Drum Seeder</td>
</tr>
<tr>
<td></td>
<td>d Cono Weeder</td>
</tr>
<tr>
<td></td>
<td>e Tree Climber</td>
</tr>
<tr>
<td></td>
<td>f Dibbler</td>
</tr>
<tr>
<td></td>
<td>g SRI Marker</td>
</tr>
<tr>
<td></td>
<td>h Seed Drill</td>
</tr>
<tr>
<td></td>
<td>i Winnower</td>
</tr>
<tr>
<td></td>
<td>j Happy Seeder</td>
</tr>
<tr>
<td></td>
<td>k Manure Spreader</td>
</tr>
<tr>
<td></td>
<td>l Nail Weeder</td>
</tr>
</tbody>
</table>
Annexure- III

District wise break up of fund for CHC 2016-17

<table>
<thead>
<tr>
<th>Name of District</th>
<th>RKVY 2016-17 (in Lakh Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alipurduar</td>
<td>70</td>
</tr>
<tr>
<td>Jalpaiguri including Siliguri Sub-Division</td>
<td>90</td>
</tr>
<tr>
<td>Coochbehar</td>
<td>70</td>
</tr>
<tr>
<td>Uttar Dinajpur</td>
<td>50</td>
</tr>
<tr>
<td>Dakshin Dinajpur</td>
<td>85</td>
</tr>
<tr>
<td>Malda</td>
<td>86</td>
</tr>
<tr>
<td>Murshidabad</td>
<td>100</td>
</tr>
<tr>
<td>Nadia</td>
<td>45</td>
</tr>
<tr>
<td>North 24 Parganas</td>
<td>70</td>
</tr>
<tr>
<td>South 24 Parganas</td>
<td>30</td>
</tr>
<tr>
<td>Howrah</td>
<td>20</td>
</tr>
<tr>
<td>Hoogly *</td>
<td>314</td>
</tr>
<tr>
<td>Burdwan</td>
<td>290</td>
</tr>
<tr>
<td>Birbhum</td>
<td>80</td>
</tr>
<tr>
<td>Bankura</td>
<td>110</td>
</tr>
<tr>
<td>Purulia</td>
<td>90</td>
</tr>
<tr>
<td>Paschium Medinipur</td>
<td>110</td>
</tr>
<tr>
<td>Purba Medinipur</td>
<td>90</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1800</strong></td>
</tr>
</tbody>
</table>

* Includes one CHC to be set up by WBAIC Ltd. for Singur area where land is being returned to the farmers in terms of order of Hon’ble Supreme Court of India
GOVERNMENT OF WEST BENGAL
DEPARTMENT OF AGRICULTURE

Application-cum-Brief Project Report for setting up of Custom Hiring Centre under Credit Linked Subsidy Scheme for Rural Entrepreneurs to set up of CHC of Farm Machinery

Part-A

1. Name of applicant:

2. Category of applicant:
   (i.e. whether Individual, Members of PACS, Joint Liability Groups with bank accounts, SHGs, Proprietorship Firms, Partnership Firms, Co-operative societies, Farmer’s Clubs, FPOs and Private/Public Ltd Companies and whether SC/ST, woman)

3. Address (Please attach a self-authenticated proof):

4. Proof of Identity:
   (Please mention the type and No. of the document like Aadhar card/ EPIC/Passport/KCC etc.)

5. Landline/mobile number:

6. Details of Land holding of the applicant (please mention whether own land/leased/ or rented):

7. Approximate area of land belonging to other farmers that may be covered in a year under custom hiring:

8. Types of crops grown in the area:

9. Types of farm machinery/equipments required in the area:

10. Expected number of farmers who may avail custom hiring services from the proposed centre:

11. List of machineries/equipments with their specifications and their cost along with quotations from dealers:

12. Total Financial Outlay:

13. Borrower’s contribution (Margin Money):

14. Loan amount sought:

15. Expected annual income from proposed custom hiring centre:
   i. Gross annual income:
   ii. Total expenditure:
   iii. Net income [(i) – (ii)]:
   iv. Loan repayment period sought (minimum Five years):

16. Whether Annual Maintenance Contract (AMC) with dealers is done:

I hereby declare that the above particulars are true to the best of my knowledge.

(Signature of applicant with date)
Part - B

Sl. No.______

Receipt

Received an application for setting up of Custom Hiring Centre under Credit Linked Subsidy Scheme for Rural Entrepreneurs to set up of CHC of Farm Machinery from Shri/Smt/Ms ____________________________ of ____________________________

village ____________________________

GP ____________________________ Block ____________________________ on __________ for consideration.

Date:
Place :

Signature of the Receiving Officer
Official Seal
ANNEXURE V

CREDIT LINKED SUBSIDY SCHEME FOR RURAL ENTREPRENEURS TO SET UP
CUSTOM HIRING CENTERS OF FARM MACHINERY

PROFORMA FOR JOINT INSPECTION COMMITTEE REPORT

1. Date of Inspection:
2. Members of Joint Inspection Committee:

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Name of the Officer</th>
<th>Designation</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>NABARD</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDA (Admin.) or his representative</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing Bank</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. i) Name and address of project with telephone No.:
    (Including Village/ Block / District)

   ii) Name & Address of the Enterpreneur with, Adhaar No., telephone No. and email ID (if any):

   a) Whether belongs to FPOs/Farmers’ club/Women/SC/ST/Cooperatives:
   b) Individual:
   c) Partnership/Company/Corporation:

4. Name and Address of Financing Bank with telephone No:

5. Details of loan sanctioned and other aspects:

   i. Date of receipt of loan application to the bank:
   ii. Date of sanction of loan:
   iii. Amount of loan sanctioned:
   iv. Amount of subsidy sanctioned:
   v. Amount including loan and subsidy disbursed with date:
   vi. Date of establishment of custom hiring centre:
   vii. Whether all the machinery / equipments envisaged in the project were installed and whether they were in working condition:
   viii. Whether custom hiring register (in the prescribed format) was maintained:
   ix. Number of trained staff deployed in the custom hiring centre:
   x. Whether approvals / permissions from local authorities are obtained for establishment/running of Custom Hiring Centre including RTO registration wherever applicable are obtained:
6. Details of actual project cost

<table>
<thead>
<tr>
<th>Items of farm machinery / equipment</th>
<th>As per project report</th>
<th>As sanctioned by the bank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cost of Farm Machinery / Equipments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of open shed, AMC and insurance expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total project cost</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. Borrowers Contribution:

8. Findings of the Joint Inspection Committee:

Signature & date  
NABARD

Signature & date  
DFA (Admin) or his representative

Signature & date  
Financing Bank