



COFFEE BOARD : BANGALORE

**MODALITIES FOR IMPLEMENTATION OF THE COMPONENT
“SUPPORT FOR MECHANIZATION OF COFFEE ESTATE OPERATIONS”
UNDER THE XII PLAN SCHEME “INTEGRATED COFFEE DEVELOPMENT PROJECT”**

The component “Support for Mechanization of Coffee Estate Operations” under the XII Plan scheme “Integrated Coffee Development Project” is aimed at encouraging the coffee growers to use farm machineries in carrying out crucial farm operations in a timely manner particularly in the context of shortage of labour, so as to improve labour efficiency and productivity.

The Government of India conveyed its approval of the component “Support for Mechanization of Coffee Estate Operations” for implementation during the XII Plan vide O.M No.4/5/2012-Plant-B dated 31st January 2013. The details of modalities of implementation of the scheme like scale of subsidy, eligibility criteria, procedures for claiming subsidy etc., are detailed hereunder:

APPROVED SCALE OF SUBSIDY

The approved scale of subsidy applicable for different size/category of holdings and SHGs/Growers Collectives under the component during the XII Plan is as follows:

Category of Holdings	Scale of Subsidy
Growers upto 20 Ha.	50% subject to a ceiling of Rs.2.00 lakhs
Large growers (more than 20 Ha)	25% subject to a ceiling of Rs.4.50 lakhs
SHGs/Collectives of Small Growers	50% subject to a ceiling of Rs.5.00 lakhs

I MACHINERIES AND THEIR ELIGIBILITY

The Board has identified the minimum extent of area that can be serviced by each type of machinery based on their efficiency level as well as the requirement for timely completion of critical operations. The types of machineries required for different category of holdings taking into account various factors including the efficiency of machineries to carry out the operations in a unit area are as follows:

Type of Machinery	Adequacy/Eligibility
Weed / Brush cutter	One up to 4 Ha.
Telescopic Pruner	One up to 4 Ha.
Pit Digger	One up to 20 Ha.
Hand held, battery operated coffee harvester	One up to 2 Ha.
Sprayers	One up to 4 Ha.
Power Chain Saw	One up to 10 Ha.
Power Tiller with or without trailer	One per holding of 2 Ha. and above
Mini Tractor with or without trailer	One per holding of 4 Ha. and above
Mini Transporter / Rubberized Track Carrier	One per holding of 4 Ha. and above

Subsidy is not available for purchase of only trailers without the Power Tillers/Mini Tractors.

II EMPANELLED LIST OF SUPPLIERS AND MACHINERIES

The list of suppliers (companies / firms / distributors) and the machineries / equipments along with their specifications and basic prices is furnished in **Annexure-I**.

The list of dealers of different empanelled suppliers, located in different States is furnished in **Annexure-II**. This list is only indicative and the growers can purchase empanelled machinery from any authorized dealers of empanelled companies.

This empanelled list will be in force from 1st March 2015 to 29th February 2016. If required, the Board can extend the validity of the empanelled machinery beyond the prescribed validity period by mutual agreement with the suppliers.

III ELIGIBILITY CRITERIA, TERMS & CONDITIONS AND PROCEDURES GOVERNING THE GRANT OF SUBSIDY

A. APPLICABLE TO COFFEE GROWERS

1. Individual coffee growers / holdings under joint ownership, SHGs and Grower Collectives are eligible for subsidy support under the scheme for procurement of identified machineries at the applicable scale of subsidy depending on the category of holdings. If joint ownership holdings are considered under any component of ICDP, such owners will be considered as single unit for all the components under ICDP including Mechanization component and their total land holdings will be reckoned for determining their eligibility. The eligibility is based on submission of all the required documents along with the application.
2. Joint application by two or more growers each owning separate holdings in their names are not eligible for subsidy. That is, if one grower is owning two hectare and another three hectare they cannot submit a joint application for claiming subsidy.
3. Applications can be filed by individuals in case of individual holdings or jointly in case of joint ownership of holdings or authorized representatives of SHGs/ Collectives of small growers.
4. The main criteria for determining the scale of subsidy in each case shall be the total extent of the area owned by individual growers / holdings under joint ownership.
5. The Applicant/s can avail the subsidy for purchase of one or all empanelled machineries listed in **Annexure-I** at the same time or at different times during the XII Plan period within the maximum permissible limit of subsidy for the plan period.
6. The applicant/s are at liberty to select and purchase any machinery and their models from the empanelled list in the **Annexure-I** either from the suppliers (companies / firms / distributors) directly or from their authorized dealers as listed in the **Annexure-II** or other authorized dealers of empanelled suppliers. In case of purchase from authorized dealers not listed in Annexure-II, the growers should furnish the proof of authorized dealership along with the subsidy application. The concerned Deputy Director (Extn.) shall confirm the authenticity of such dealership from the manufacturers / suppliers of the machinery before sanctioning subsidy. However, the Deputy Directors (Extn.) shall keep the Head Office informed about such cases.
7. Before purchase of any machinery, the growers should check whether the machinery/ model intended to be purchased is listed in the approved list at **Annexure-I**. The machineries / models which are not in the empanelled list as per **Annexure-I** are not eligible for subsidy under the scheme.

8. In respect of big machineries such as Power Tillers, Mini Tractors and Rubberized Track Carriers the following norms apply:
 - a) A small / medium growers (upto 20 ha.) can purchase any one of the three machineries namely power tiller / mini tractor / rubberized track carrier (which was not purchased during XI Plan) during the entire XII Plan period.
 - b) Large growers (more than 20 ha.) and SHGs/Collectives are eligible for purchase of any two of the three machineries among the power tiller / mini tractor / rubberized track carriers (which was not purchased during XI Plan) during the entire XII Plan period.
9. The ceiling on the basic rate of machineries is indicated against each machinery in **Annexure-I. The amount eligible for subsidy shall be limited to the ceiling on Basic price of the machinery plus applicable taxes like VAT in the respective states on the ceiling limit.**

For example: If the ceiling on the basic rate of a machinery is Rs.30,000/- and VAT is 5.5% then the maximum eligible amount of subsidy for that machinery under different eligible categories is as follows:

 - a) In case of small / medium growers owning upto 20 Ha and SHGs/ Collectives, the maximum eligible subsidy will be 50% of (Rs.30,000/- plus 5.5% VAT). That is 50% of Rs.30,000/- plus 50% of Rs.1650/- = Rs.15,825/-
 - b) In case of large growers owning above 20 Ha, the maximum eligible subsidy will be 25% of (Rs.30,000/- plus 5.5% VAT). That is 25% of Rs.30,000/- plus 25% of Rs.1650/- = Rs.7,912.50/-
10. If the basic price mentioned in the invoice (of a machinery) is above the ceiling amount, then the basic rate eligible for subsidy and the applicable taxes (VAT) shall be limited to the ceiling amount only.
11. If the basic rate mentioned in the invoice of a machinery is less than the ceiling amount, then the actual basic rate mentioned in the invoice plus applicable VAT rate shall be considered for calculating the subsidy.
12. In respect of Mini Tractors with or without trailers and Rubberized Track Carrier / Mini Transporters, the maximum amount of subsidy will be limited to Rs.1.00 lakh per unit or eligible percentage of subsidy, whichever is lower.
13. Subsidy is not available for purchase of only trailers without the Power Tillers / Mini Tractors.
14. The growers should ensure that the invoice given by the company / dealer clearly specifies the name of beneficiary, name, model and serial number of machinery and details of additional accessories, if any etc. The cost of the machinery should be shown separately as Basic price, percentage of applicable tax and amount of taxes and total price.
15. For claiming subsidy, the applicant/s shall submit the application in the prescribed format in duplicate, along with the necessary documents to the concerned office of the SLO/JLO after purchasing the approved machinery.



16. The claim for grant of subsidy not accompanied by the required documents and not fulfilling the eligibility criteria / stipulated norms is liable to be rejected by the sanctioning authority of the Board.
17. Subsidy amount will be paid through Electronic Funds Transfers (EFT) / NEFT to the bank account of the beneficiary only.
18. The subsidy benefit shall be applicable only towards purchase of new machinery. Repaired / Second hand machineries are not eligible for subsidy benefit.
19. The growers are encouraged to further negotiate the prices of the machinery at the time of purchase in order to avail the lowest price in the market.
20. In case of applicant/s who avail financial assistance / loan from financial institutions, the eligible support will be released to the Institutions concerned.
21. The machinery for which subsidy has been availed by the growers should be used on their own farm and cannot be sold or leased out. Coffee Board reserves the right to inspect the machinery at any time even after the settlement of subsidy claims.
22. Willful suppression of material facts would make the applicant/s liable for legal action. The particulars of such claimant shall also be notified in the Website of the Coffee Board.
23. The SHGs/Collectives of small growers are required to fulfill following criteria to become eligible for subsidy:
 - a) SHGs/Grower Collectives formed by a group of small coffee growers each having holding upto 10 Ha are only eligible for financial support.
 - b) SHGs/Grower Collectives shall have Memorandum of Association, Bye-laws, Administrative Committees and shall be registered under the relevant Law of the respective States.
 - c) SHGs/Grower Collectives shall adopt suitable Resolutions in their General Body for availing support from Coffee Board in respect of the proposed activity.
 - d) The SHGs/Grower Collectives are required to show adequate financial resources in the accounts maintained by them, in the form of membership fee, annual subscriptions, contributions / donations, loans/assistance from financial institutions etc.
 - e) SHGs/Grower Collectives shall procure the machinery equipment in the name of concerned Registered SHG/Grower Collective only.
24. The following documents are required to be submitted for claiming subsidy:
 - a) **For individual growers/ holdings under joint ownership**
 - i. The applicant can apply online or manual for claiming the subsidy
If Manual
 - a. Application for claiming Subsidy along with Declaration by the Applicant/s (in duplicate) in the prescribed format.
 - b. Proof of **photo identity** of the applicant/s such as Copy of Driving License, Ration Card, Passport, Electoral Photo Identity Card (EPIC) issued by the Election Commission, Aadhaar etc.
 - c. Proof of Land Ownership and crops grown in the form of CRC. In case the CRC is not available, copy of Patta / Krishi Pass Book / Khata Extract/ RTCs for all Survey Nos., having coffee in possession of the applicant / Chitta & Adangal /Possession Certificate as the case may be in respective states.



- d. Original Proforma Invoice / Bill having TIN with full description of the machinery purchased, including the model, specifications, serial number of the machinery, details of additional accessories, amounts of basic price & taxes, percentage of taxes etc.
- e. Copy of RC Book in respect of Power Tillers / Mini Tractors.
- f. Proof of authorized dealership in case of purchase from the dealer not mentioned in the Annexure-II.

If Online

- a. The grower has to register online and upload the required details and documents as per the instructions appearing on the screen.

However, it may be noted that the manual system of submission of applications / claims will be dispensed shortly.

b) For SHGs / Collectives

- i. Application for claiming Subsidy along with the declaration by the Authorized Persons of SHGs/Grower Collectives (in duplicate) in the prescribed format.
- ii. Copy of Registration Certificate issued under the relevant Law of respective States.
- iii. Copy of byelaws, list of Directors and Grower Members
- iv. Proof of Land Ownership under coffee in respect of all the members of the SHGs/Grower Collectives
- v. Copy of Resolutions passed by General Body in connection with the implementation of the project and availing subsidy
- vi. Copy of Bank Account Pass Book opened in the name of SHG/Grower Collective
- vii. Original Proforma Invoice/Bill having TIN with full description of the machinery purchased, including the model, specifications, serial number of the machinery, details of additional accessories, amounts of basic price & taxes, percentage of taxes etc.
- viii. Copy of RC Book in respect of Power Tillers / Mini Tractors
- ix. Pre receipt by the authorized representative
- x. Proof of authorized dealership in case of purchase from the dealer not mentioned in the Annexure-II



**APPLICATION FOR SUBSIDY UNDER THE COMPONENT – ‘SUPPORT FOR
MECHANIZATION OF COFFEE ESTATE OPERATIONS’ UNDER THE SCHEME
“INTEGRATED COFFEE DEVELOPMENT PROJECT” DURING THE YEAR _____
OF XII PLAN**

(INDIVIDUAL COFFEE GROWERS / HOLDINGS UNDER JOINT OWNERSHIP)

1. Name and address of the applicant with Telephone / Mobile No.					
2. Gender	Male / Female				
3. Applicant's category (Pl. tick one)	General / OBC / Religious Minorities / SC / ST/ Women				
4. Name & Address of the Estate					
5. Category of Holdings (Pl. tick one)	Upto 20 Ha.	> 20	SHG/ Grower Collective		
6. Sy. No. wise planted area of the estate (in Ha.)	Village	Sy. Nos.	Extent (in Ha.)		
7. Details of machineries / equipments purchased for which subsidy is claimed under the scheme	Name of the machinery / Model	Invoice No. & date	No. of units	Total cost (Rs.)	Subsidy Amount (Rs.)
8. Source of Finance & Amount	Source	Amount (Rs.)			
	Self Finance				
	Bank Finance				
9. a) Infrastructure already available in the Estate in terms of farm machineries	1.			3.	
	2.			4.	
b) Farm machineries for which subsidy availed under the scheme so far	1.			3.	
	2.			4.	
10. Details of the Bank Account of the Applicant/s	Name of the Bank / Branch with IFSC Code			Account No.	

Place:

Signature of the Applicant/s

Date:

Name of the applicant/s



DECLARATION

1. I/We the owner(s) of the estate with a total area of Ha., hereby solemnly declare that the information provided above is true to the best of my / our knowledge and correct and no material information is suppressed.
2. I/We have read and understood the eligibility norms and terms and conditions governing the grant of subsidy under the scheme Support for Mechanization of Coffee Estate Operations of XII Plan period and abide by the same.
3. I/We have not claimed subsidy benefit for the same machine unit from any other government departments/ agency.
4. I/We declare that the machinery for which subsidy has been applied for shall be used on my/ our own farm and not sell / lease the same.
5. I am / We are aware that I am / we are liable for legal consequences that may arise if my / our claim is found false at a later date.

Place:

Signature of the Applicant/s

Date:

Name in Capital letters

List of documents to be enclosed by Growers

- i. Application for claiming Subsidy along with Declaration by the Applicant/s (in duplicate) in the prescribed format.
- ii. Proof of **photo identity** of the applicant/s such as Copy of Driving License, Ration Card, Passport, Electoral Photo Identity Card (EPIC) issued by the Election Commission, Aadhaar etc.
- iii. Proof of Land Ownership and crops grown in the form of CRC. In case the CRC is not available, copy of Patta / Krishi Pass Book / Khatta Extract/ RTCs for all Survey Nos., having coffee in possession of the applicant / Chitta & Adangal / Possession Certificate as the case may be in respective states.
- iv. Original Proforma Invoice / Bill having TIN with full description of the machinery purchased, including the model, specifications, serial number of the machinery, details of additional accessories, amounts of basic price & taxes, percentage of taxes etc.
- v. Copy of RC Book in respect of Power Tillers / Mini Tractors.
- vi. Pre-receipt by the Applicant
- vii. Proof of authorized dealership in case of purchase from the dealer not mentioned in the Annexure-II.



**APPLICATION FOR SUBSIDY UNDER THE COMPONENT – ‘SUPPORT FOR
MECHANIZATION OF COFFEE ESTATE OPERATIONS’ UNDER THE SCHEME
“INTEGRATED COFFEE DEVELOPMENT PROJECT” OF XII PLAN**

DURING THE YEAR _____

(SHG / GROWER COLLECTIVE)

1. Name and address of the SHG/Grower Collective with Telephone / Mobile No.					
2. Registration No. & Date					
3. Name of the President & address					
4. Total No. of Members & Villages benefitted					
5. Total extent of coffee area of the members in Ha.					
6. Planted area details (in Ha.)	Arabica	Robusta	Total (in Ha)		
7. Details of machineries / equipments purchased for which subsidy is claimed under the scheme	Name of the machinery / Model	Invoice No. & date	No. of units	Total cost (Rs.)	Subsidy Amount (Rs.)
8. Source of Finance & Amount	Source	Amount (Rs.)			
	Self Finance				
	Bank Finance				
9. Infrastructure already available with the SHGs/Collectives in terms of farm machineries	1.	3.			
	2.	4.			
10. Farm machineries for which subsidy availed under the scheme so far	1.	3.			
	2.	4.			
11. Details of the Bank Account of the SHG/ Collectives	Name of the Bank / Branch with IFSC Code			Account No.	

Place:

Authorized signatory

Date:

Name



DECLARATION

1. I/We the President of the SHG/Collective with a total area of Ha. from No. of villages, hereby solemnly declare that the information provided above is true to the best of my / our knowledge and correct and no material information is suppressed.
2. We have read and understood the eligibility norms and terms and conditions governing the grant of subsidy under the scheme Support for Mechanization of Coffee Estate Operations of XII Plan period and abide by the same.
3. I/We have not claimed subsidy benefit for the same machine unit from any other government departments/ agency.
4. I/We declare that the machinery for which subsidy has been applied for shall be used on my/ our own farm and not sell / lease the same.
5. I am / We are aware that I am / we are liable for legal consequences that may arise if my / our claim is found false at a later date.

Place:

Authorized signatory

Date:

Name

List of documents to be enclosed by SHGs / Grower Collectives

- i. Application for claiming Subsidy along with the declaration by the Authorized Persons of SHGs/Grower Collectives (in duplicate) in the prescribed format.
- ii. Copy of Registration Certificate issued under the relevant Law of respective States.
- iii. Copy of byelaws, list of Directors and Grower Members
- iv. Proof of Land Ownership under coffee in respect of all the members of the SHGs/Grower Collectives
- v. Copy of Resolutions passed by General Body in connection with the implementation of the project and availing subsidy
- vi. Copy of Bank Account Pass Book opened in the name of SHG/Grower Collective
- vii. Original Proforma Invoice/Bill having TIN with full description of the machinery purchased, including the model, specifications, serial number of the machinery, details of additional accessories, amounts of basic price & taxes, percentage of taxes etc.
- viii. Copy of RC Book in respect of Power Tillers / Mini Tractors
- ix. Pre receipt by the authorized representative
- x. Proof of authorized dealership in case of purchase from the dealer not mentioned in the Annexure-II



FORMAT FOR PHYSICAL VERIFICATION REPORT ON PURCHASE OF MACHINERY BY BENEFICIARIES UNDER THE COMPONENT 'SUPPORT FOR MECHANIZATION OF COFFEE ESTATE OPERATIONS' UNDER THE SCHEME "INTEGRATED COFFEE DEVELOPMENT PROJECT" OF XII PLAN DURING THE YEAR _____

1.	Name & Designation of the Inspecting Officer / Official							
2.	Date of visit to the Estate/ spot for physical verification							
3.	Name & Address of the applicant & location of the estate							
4.	Sy. No. wise planted area of the estate (in Ha.)	Village		Sy. No.	Arabica	Robusta		
		Total						
5.	Details of machinery purchased with specifications in relation to the claim. (The type of machinery, model, specifications, serial number of the individual machines should be checked in relation to the details furnished in the Invoice / Bills furnished)							
	Type of Machinery	No. of units	Make/Model	Serial No.	Invoice No. & date	Basic rate (Rs.)	Taxes (Rs.)	Total amount (in Rs.)
a.								
b.								
c.								
d.								
6.	Any other Remarks (Specify any variations observed with regards to the particulars)							

Certified that I have visited the estate / spot and physically verified the machineries procured by the applicant as per Invoice/ Bill No..... dated and found to be in order.

Place:

Signature of the Inspecting Officer/Official

Date:

Designation:

Certified that the claim is in order and conforms to the eligibility criteria/norms prescribed under the scheme and recommend for release of eligible subsidy @ 50% / 25% amounting to Rs..... to the applicant under the scheme on **"Support for Mechanization of Coffee Estate Operations"**.

Place:

SIGNATURE & SEAL OF THE SLO / JLO

