

Operational Guidelines for including the component of Soil Testing Labs (Static/Mobile and Village level)/Mini-Soil Testing Labs in CISS for Vegetable and Fruit Market Waste Compost and Bio-Fertilizers – Bio-Pesticides Production Units.

1. Introduction:

Fertilizer consumption in India is highly skewed with inter-state, inter-district and inter-crop variations. The NPK ratio – a measure of balanced use of fertilizer – shows wide inter-state disparity. Though there has been an impressive growth in the consumption of fertilizers in post green revolution period, their reckless use has been one of the reasons for declining productivity in recent years. Investigations have revealed that one reason for the unbalanced fertilizer use is lack of adequate soil testing facilities that forced the farmers to rely on fertilizer dealers for advice on the fertilizer requirement. Hence the Government of India has launched a massive campaign for promotion of Soil Health Cards among farmers. Further, the GoI has proposed to provide capital subsidy support for setting up of Soil Testing Labs in rural areas and include this as eligible component under CISS for Vegetable and Fruit Market Waste compost and Bio-fertilizers - Bio-pesticides Production Units.

The above scheme is credit-linked with back-ended capital subsidy. NABARD is the subsidy channelizing agency. The Soil Testing Labs to be promoted are required to facilitate the quick issuance of Soil Health Cards.

The objectives and parameters of the scheme are as under:

2. Objectives:

- i. To improve soil quality and profitability of farmers.
- ii. Employment generation for rural youth.
- iii. To improve timeliness in analysis of soil samples.
- iv. To provide soil testing facilities to farmers at their door step.
- v. To facilitate State Governments to quickly provide soil health cards to farmers.

3. Expected Outcome:

- i. It will promote balanced and judicious use of plant nutrients.
- ii. The demand for organic sources of plant nutrient like bio-fertilizers, organic manure, vermi-compost, slow release nitrogenous fertilizer like neem/sulphur coated urea will increase, which in turn improve the soil fertility as well nutrient use efficiency.

4. Eligible Beneficiaries:

Fertilizer companies, private industries, private entrepreneurs/individuals, PACS, Farmers clubs and any other entity approved by the Government of India.

5. Types of Units eligible under the scheme:

- i. Soil Testing Lab (Static/Mobile and Village level) for catering upto 10,000 samples/year with command area of cluster of villages with facility to analyse 12 parameters viz pH, EC, OC, N, P, K, S, Zn, Fe, Mn, B & Cu.
- ii. Mini-soil testing labs with ICAR technology for catering to 3,000 samples/year with facility to analyse 12 parameters viz pH, EC, OC, N, P, K, S, Zn, Fe, Mn, Cu & B.

6. Unit Cost and Rate of Subsidy:

Sr. No.	Type of Unit	Unit Cost (including working capital for one operating cycle) *	Rate of Subsidy
1	Soil Testing Laboratories (Static / Mobile)	75,00,000	33.33% of cost or `25,00,000 whichever is lower
2.	Soil Testing Project at Village Level	10,00,000	40% of cost or `4,00,000 whichever is lower.
3.	Mini-soil Testing Lab with ICAR Technology	86,000 + applicable tax	44% of cost or `44000 whichever is lower.

*Banks can provide loan to the units with higher cost than indicated here. But the subsidy will be provided up to the ceilings indicated above.

7. Margin:

The margin may be stipulated by the financing bank as per RBI Guidelines.

8. Rate of Interest on loan:

The rate of interest on the loan will be charged as per the norms of financing bank.

9. Eligible Financial Institutions:

NABARD, Scheduled Commercial Banks, RRBs, StCBs, SCARDBs and such other institutions which are eligible for refinance from NABARD can participate in the scheme.

10. Security for the loan:

As regards obtaining security for the loans, banks may follow RBI Guidelines.

11. Repayment period and Lock-in period:

Sr. No.	Type of Unit	Repayment Period	Lock-in Period
1	Soil Testing Laboratories (Static /Mobile)	8 years	3 years
2.	Soil Testing Project at Village Level	8 years	3 years
3.	Mini-soil Testing Labs with ICAR Technology	4 years	1 year

12. Refinance from NABARD:

The refinance from NABARD will be available to banks as per the applicable NABARD Refinance Policy.

13. Parking of advance funds with NABARD:

The Government of India will park funds in advance with NABARD to facilitate quick release of subsidy.

14. Scheme Period:

All the loans financed by banks under the scheme from 1st February 2017 are eligible for subsidy.

15. If the loan becomes NPA, the beneficiary will not get the benefit of subsidy and the amount of subsidy released will have to be refunded.

16. Role of State Government:

- i. Under National Mission for Sustainable Agriculture (NMSA), the District Level Executive Committees (DLEC) are formed, which identify the beneficiaries. The DLEC comprises of Collector/ADM, Dy. Director (Agriculture), District Agriculture/Horticulture Officer, Representatives of line Departments, SAUs/ICAR, nominated progressive farmers, representatives from SHG, Project Director ATMA and representatives from lead banks/NABARD.

- ii. Agriculture/concerned Department of the state governments will (after recommendation by the DLEC) refer the cases to the banks under the scheme and the banks will sanction the loan subject to their norms/procedures. Banks also can refer the cases to DLEC for consideration.
- iii. The financing banks and Agriculture/concerned department of State Government will monitor the project closely.
- iv. The State Government will use these units as facilitators for issuance of soil health cards and, if possible, route the payments towards soil health testing charges to be made to them through the concerned banks where the loan for the project has been obtained in order to facilitate smooth recovery of loans.
- v. The State Government will provide technical guidance and training to the promoters of such projects on the aspects of selecting suitable equipments for setting up soil testing labs, conduct of soil tests, guiding farmers on soil health based on the data obtained through soil tests etc.