

Government of Rajasthan
Department of Agriculture
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Date 17 /09/2016

Notice for EOI (Expression of interest) for
Establishing Custom Hiring Centers of Farm Equipments

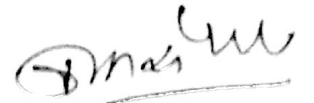
Proposals are sought from interested parties in following two categories:

Category 1 -- Manufacturers of farm equipment who wish to setup minimum specified number of Custom Hiring Centers of Farm Equipments either on ownership model or franchisee model in a cluster of districts falling under one agro-climatic zone.

Category 2 -- Manufacturers of farm equipment or their holding company or joint venture of manufacturer of farm equipments and IT service provider who'll provide Farm-Equipment-on-Booking basis throughout the state. Booking of farm-equipment can be done by farmer either by phone to a toll-free call centre number OR through a mobile app OR through a web-site. Such entity should also setup CHCs in at least one cluster of districts as in Category 1. Aggregation can be done for other areas of the state where such entity does not have CHCs under its own management.

All interested parties may submit their proposal till 6th October 2016 by 11.00 AM. Guidelines for submitting proposal for Custom Hiring Center can be perused at www.krishi.rajasthan.gov.in.

Interested parties may participate in the pre bid meeting at 11.00 AM on 28th September in Committee Room, Pant Krishi Bhawan, Jaipur.



(K. N.Khandelwal)
Dy. Director Agriculture

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MAJOR GUIDELINES FOR SUBMITTING PROPOSALS FOR CUSTOM HIRING CENTERS OF FARM MACHINERY

1. Purpose –

Rajasthan Agriculture is witnessing a significant movement from manual to mechanical power; the shift is mainly because of unavailability and high cost of labor at farms. Further, use of mechanical power has a direct influence on quality of farm operation which in turn increases the productivity of crops, apart from reducing the drudgery and facilitating timeliness of agricultural operations. Therefore farm mechanization is the need of the hour in current scenario. However, mechanical power is largely consumed in big land holdings and is still beyond the reach of small/marginal farm holders, which constitute around 75 to 80% of total land holdings. This is due to the fact that the small/marginal farmers, by virtue of their economic condition are unable to own farm machinery on their own or through institutional credit. Therefore in order to make farm machinery with modern technologies available to small and marginal farm holders, collective ownership or Custom Hiring Centers need to be promoted.

2. The CHC model

Custom Hiring Center is a body that works as a unit which comprises of a set of farm machinery, implements and equipment meant for pay per use by farmers. Though certain implements and equipment are crop specific, the traction units like tractors, power tillers and self-propelled machinery like combine harvesters are commonly used. Therefore, an ideal model envisaged in this project should comprises of farm machinery that are specific to crops, serving the entire crop value chain and based on the local needs and suitability to soil condition. Salient features of the Agro climatic zones of Rajasthan are available at annexure “A”. **An ideal model of CHC may have at least one implement each from listed 5 farm activity besides traction device.**

Sr. No	Farm Activity	Application/Uses	Suggestive types of implements/equipments
1	Implements for Land Preparation	Land preparation for uniform sowing besides conserving water and soil	Harrow, Cultivator, Rotavator, Plough etc.
2	Implements for Sowing / Planting	Savings on input requirement beside uniformity in depth of sowing	Seed cum Fertilizer Drill Precision Planter etc.
3	Implements for Inter	Weed control	Power Weeder, Power Trillers etc.

	culture operation		
4	Plant Protection equipments	Management of pest and diseases	Sprayer, Duster etc.
5	Harvesting, Threshing and Post Harvest Management	Harvesting crop with better quality and quantity produce	Reaper, Thresher etc

3. Objectives:

- i. To improve mechanization in places with low farm power availability
- ii. To offset the adverse economies of scale due to high cost of individual ownership.
- iii. To make available various farm machinery / equipments to small and marginal farmers
- iv. To provide hiring services for various agricultural machinery/implements/ high value crop specific machines applied for different operations
- v. To expand mechanized activities during cropping seasons in large areas especially in small and marginal holdings.

4. Financial Assistance:

- i. Department of Agriculture shall provide financial assistance as per existing policies in the form of Back Ended Subsidy for establishment of CHC.
- ii. Back ended subsidy @40% shall be admissible only to individual entrepreneurs who work on franchisee model with the manufacturer, towards the cost of machinery. Cost of machineries shall vary between Rs 10 to 100 lacs depending upon the choice of machinery as per local conditions.

5. Eligibility Criteria:

Under category 1- The applicant should be a manufacturer of farm equipments with average annual turnover of Rs.100.00 crores for the last 3 years.

Under category 2- The applicant should be either a manufacturer of farm equipments or a holding company of manufacturer. Joint venture of manufacturer of farm equipments and IT service provider will also be considered, provided that either partner of the entity has experience of at least 5 years related to farm equipments. The average

annual turnover of both companies put together in each case shall be Rs. 100.00 crore for the last 3 years.

6. (a) General Conditions for Set up of Custom Hiring Centers under Category 1:

- i. For the purpose of selection of Applicants, each agro climatic zone shall be treated as a unit and the number of custom hiring centers in a unit should ideally be equal to the number of blocks/ tehsils in that unit.
- ii. The custom hiring centers set up under present proposal are expected to be remaining functional for a period of six years. Short listed entity shall have to enter into an agreement with the department for satisfactory performance of the centers for specified duration. This agreement shall be valid for a period of six years from the date of signing of the agreement and may be extended further on mutually agreed terms subject to the satisfactory performance of the CHCs.
- iii. The operational area of each custom hiring center shall be intimated with initial set up report of the CHC and cannot be changed without prior permission of the department.
- iv. Adequate publicity shall be made for promotion of service in the area
- v. The short listed entity shall provide tractors & agriculture implements on rental basis to farmers, as per their:
 - a. Preferred time
 - b. Choice (of implements)
 - c. Location
- vi. The short listed entity shall be allowed to store / use their own product or may collaborate with the nearby owners of the implements, however, financial assistance shall only be admissible towards purchase of new equipment/tools
- vii. The short listed entity shall employ trained manpower (drivers, hub managers, technicians) to run hub operations
- viii. Under franchisee model, the applicant(s) are expected to provide detailed terms and conditions for appointing the franchisee, which may not be altered without prior permission of Department of Agriculture
- ix. Annual performance report of the custom hiring center covering information pertaining to implement usage shall have to be submitted to Department of Agriculture

- x. A separate bank account shall be maintained for each CHC and statement of accounts of financial transactions of the CHCs should be submitted annually to Department of Agriculture.
- xi. Agriculture Department has right for inspection, physical verification or conduct of an enquiry for any grievances received from the consumer

6(b) General Conditions for Set up of Custom Hiring Centers under Category 2:

- i. For the purpose of selection of Applicants, each agro climatic zone shall be treated as a unit and the applicant have to set up custom hiring centers in at least one identified/ selected unit. The number of custom hiring centers in the unit should ideally be equal to the number of blocks/ tehsils in that unit. Aggregation can be done for other areas of the state where applicant does not have CHCs under its own management.
- ii. Financial assistance in the form of Back ended subsidy shall be admissible for procurement of new machinery for custom hiring center set up under this category subjected to functionality of Farm-Equipment-on-Booking basis throughout the state under which Booking of farm-equipment can be done by farmer either by phone to a toll-free call centre number OR through a mobile app OR through a web-site.
- iii. The custom hiring centers set up under this category are expected to be remaining functional for a period of six years along with functionality of Farm-Equipment-on-Booking basis system described under point # ii. Short listed entity shall have to enter into an agreement with the department for satisfactory performance of the centers and the system for specified duration. This agreement shall be valid for a period of six years from the date of signing of the agreement and may be extended further on mutually agreed terms subject to the satisfactory performance of the CHCs.
- iv. The short listed entity will ensure that the virtual hub created should provide services of trained manpower (drivers, operators & technicians) for carrying out different mechanized operations in the farmers field as per their:
 - a. Preferred time
 - b. Choice (of implements)
 - c. Location
- v. The short listed entity is expected to create appropriate facility for Manual and Automatic Order Booking, Real time Order Status Tracking Real time Tractor Location tracking Breakdown and Delay Management, Driver Management,

Implement Management either by phone to a toll-free call centre number OR through a mobile app OR through a web-site.

- vi. Annual performance report of the virtual hub/custom hiring centers covering information on Hub wise, village wise usage of Tractors and implements, Hourly usage of implements and Customer wise history tracking the usage of implements shall be digitally generated and provided to department along with farmer database on crops and current practices, analytics on current practices and scope to increase usage of new technologies.
- vii. A separate bank account shall be maintained for each CHC and the virtual hub and statement of accounts of financial transactions of the CHCs and Hub should be submitted annually to Department of Agriculture.
- viii. Agriculture Department has right for inspection, physical verification or conduct of an enquiry for any grievances received from the consumer

7. PENALTIES FOR VIOLATIONS AND NON PERFORMANCE

If the Custom Hiring Center do not run properly (failure or closing of the center), the concerned applicant should refund/ remit full Government share along with interest amount as per prevailing bank rate. However force majeure will be considered. Penalties also include forfeiting of bank guarantee, black listing and legal action.

Salient Features of the Agro climatic Zones of Rajasthan

No.	Agroclimatic Zone	Districts (Blocks)	Area, Million ha.		Rainfall Range, mm	Temperature, °C		Major Crops (2 - 4 No.)		Soils
			Total	Net Sown		Max.	Min	Kharif	Rabi	
Ia	Arid Western	Part of Barmer (Barmer, Balotra, Baytoo, Chohtan, Dhorimanna, Sindhari, Sheo) and Jodhpur (Balesar, Bap, Part of Bhopalgarh, Luni, Mandore, Osian, Phalodi, Shergarh)	4.56	2.34	216-496	40.0	8.0	Pearlmillet, Mothbean, Sesamum	Wheat, Mustard, Cumin	Desert soils and sand dunes aeolian soil, coarse sand in texture some places calcareous
Ib	Irrigated North Western Plain	Ganganagar and Hanumangarh	2.06	1.60	183-344	42.0	4.7	Cotton, Clusterbean	Wheat, Mustard, Gram	Alluvial deposits calcareous, high soluble salts and exchangeable sodium
Ic	Hyper Arid Irrigated Western Plain Partially	Bikaner, Jaisalmer and Part of Churu (Ratangarh, Sardarshahar, Sujangarh)	7.70	2.44	192-420	48.0	3.0	Pearlmillet, Mothbean, Clusterbean	Wheat, Mustard, Gram	Desert soils and sand dunes aeolian soil, Loamy coarse in texture and calcareous
Ila	Transitional Plain of inland drainage	Nagaur, Sikar, Jhunjhunu and Part of Churu (Churu, Rajgarh, Taranagar)	3.71	2.68	266-627	39.7	5.3	Pearlmillet, Clusterbean, Pulses	Wheat, Mustard, Gram	Sandy loam, shallow depth red soils in depressions
Ilb	Transitional Plain of Luni Basin	Jalore, Pali, Part of Sirohi (Reodhar, Sheoganj, Sirohi), Barmer (Siwana) and Jodhpur (Bilara, Part of Bhopalgarh)	3.17	1.93	139-1273	38.0	4.9	Pearlmillet, Clusterbean, Sesamum	Wheat, Mustard	Red desert soils in Jodhpur, Jalore and Pali sierozems in Pali and Sirohi
Illa	Semi arid Eastern Plain	Ajmer, Jaipur, Tonk, Part of Dausa (Bandikui, Dausa, Lalsot, Sikrai)	2.95	1.77	313-694	40.6	8.3	Pearlmillet, Clusterbean, Sorghum	Wheat, Mustard, Gram	Sierozems, eastern part alluvial, west north west lithosols, foot hills, brown soils
IIlb	Flood Prone Eastern Plain	Alwar, Bharatpur, Dhaulpur, Karauli, Part of Dausa (Mahuwa) and Sawai Madhopur (Bamanwas, Bonli, Gangapur)	2.44	1.41	140-736	40.0	8.2	Pearlmillet, Clusterbean, Groundnut	Wheat, Barley, Mustard, Gram	Alluvial prone to water logging, nature of recently alluvial calcareous has been observed

IVa	Sub humid Southern Plain	Bhilwara, Chittaurgarh, Rajsamand, Part of Sirohi (Abu Road, Pindwara), Udaipur (Badgaon, Bhinder, Girwa, Gogunda, Kherwara, Kotra, Jhadol, Mavli, Sarada) and Pratapgarh (Choti Sadri, Pratapgarh)	3.76	0.92	311-1470	38.6	8.1	Maize, Pulses, Sorghum	Wheat, Mustard, Gram	Soil are lithosol at foot hills and alluvial in plains
IVb	Humid Southern Plain	Dungarpur, Banswara, Part of Udaipur (Salumber) and Pratapgarh (Dhariyawad, Peepalkhunt, Arnod)	1.20	0.57	511-1043	39.0	7.2	Maize, Paddy, Sorghum, Black Gram	Wheat, Mustard, Gram	Predominantly reddish medium texture, well drained calcareous, shallow on hills, deep soil in valleys
V	Humid South-Eastern Plain	Baran, Bundi, Jhalawar, Kota, Part of Sawai Madhopur (Khandar, Sawai Madhopur)	2.69	1.27	452-985	42.6	10.6	Sorghum, Soyabean	Wheat, Mustard	black, of alluvial origin, clay loam,

Source: Rajasthan Agriculture Statistics at a glance 2009-10 and present TAHAL STUDY (Report #4.9-IN 24740-R13-080) - Integrated State Water Resources Plan