

**PROCEEDINGS OF THE DIRECTOR OF AGRICULTURE,
DIRECTORATE OF AGRICULTURE DEVELOPMENT AND FARMERS WELFARE,
VIKAS BHAVAN, THIRUVANANTHAPURAM
(Present: Dr. K. Vasuki IAS)**

Sub:- Centrally Sponsored Scheme (CSS) - Sub Mission on Agricultural Mechanization (SMAM) – Continuous Administrative Sanction accorded -Working Instruction Issued (2020-21)– reg:

- Ref:-
- 1) G.O (Rt) 666/17/AD dated 21/06/2017
 - 2) No 3-1/2015-M&T (I &P) dated 25 /06/2020 of GoI
 - 3) No 3-1(Revalidation)/2015-M&T (I &P) dated 22/04/2020 of GoI
 - 4) GO(Rt) No 697/2020/AGRI Dated 10/08/2020
 - 5) GO(Rt) No 740/2020/AGRI Dated 25/08/2020
 - 6) ADFW/601/2020-TP(5) dated 29/05/2020 of Director Agriculture Development and Farmers Welfare Department.
 - 7) Scheme guidelines for Central Sector Scheme of financing facility under Agriculture Infrastructure fund.

Order No.TG II (1) 8145/2020 Dated : 14/ 09 /2020

As per reference cited 1st Government of Kerala (GoK) has conveyed approval and one time administrative sanction for the implementation of CSS scheme SMAM valid upto 2021-2022. The scheme mainly intends to promote the usage of farm mechanization and increase the ratio of farm power to cultivable unit area. SMAM scheme under National Mission on Agricultural Extension and Technology (NAMET) in the plan write up of 2020-21 comes under the scheme Krishi Unnathi Yojana. The revised operational guideline of SMAM 2020-21 is available in website <http://farmech.dac.gov.in> of GoI. The Annual Action Plan (AAP) for the year 2020-21 submitted to GoI is for ₹103.77 Crores. Vide reference 2nd cited above Government of India (GoI) has accorded administrative approval for the AAP and sanctioned first instalment for an amount of ₹3333.33 Lakhs for the implementation of the scheme during 2020-21 and released the GoI share of ₹ 2000.00 Lakhs. As per reference 3rd cited GoI have revalidated the unspent balance of ₹ 820.31 lakhs (GoI share) during 2019-20 for utilization in 2020-21. For current financial year, GoI approved the components 3, 4, 6, flexi fund and administrative expenses for implementation. The sharing pattern between GoI & GoK is 60:40 for these components. As per the 4th reference cited above GoK have released revalidation amount of the previous year unspent balance of ₹1367.19 lakhs.

As per the reference 5th cited above GoK have accorded sanction and released GoI share of ₹2000.00 along with its matching state share of ₹1333.33 lakhs (₹1013.33 lakhs under General category, ₹213.33 lakhs under SCP category and ₹ 106.67 lakhs under TSP Category).

1. Mission Objectives

The scheme envisages accomplishing the following objectives.

1. Increasing the reach of farm mechanization to small and marginal farmers and to the regions where availability of farm power is low;
2. Promoting "Custom Hiring Centres" (CHC) to offset the adverse economies of scale arising due to small landholding and high cost of individual ownership;

2. Components for the implementation during 2020-21

2.1 Financial Assistance for Procurement of Agriculture Machinery and Equipment (Component No.3):

In order to bring more area under mechanized agriculture, assistance and credit facilities is provided to farmers/ agricultural labourers for the purchase of machinery. It is also proposed to provide assistance to farmer groups, Self Help Groups (SHGs), user groups, co-operative societies, Farmer Producer Organizations (FPOs) and entrepreneurs etc. Assistance as per norms will be given as back-end subsidy. Usage of machinery both for wetland and garden land will be promoted under this component. It should always be ensured that the machineries are approved by the Ministry of Agriculture & Farmers Welfare Government of India for Testing and Certifying Agricultural Machineries and Equipments. The pattern of assistance is as per Annexure II (c) of GoI Revised Operational Guidelines of SMAM 2020-21.

2.2 Establish Farm Machinery Banks for Custom Hiring (Component No.4):

The vision is to promote custom hiring of agriculture machines/ implements and skilled labour force for various agricultural operations. CHCs would be the service delivery systems with rural entrepreneurs, progressive farmers and SHG's etc. managed collectively and designed to cater various needs of the farmers. The following parameters may be chosen for selection of village/ town for setting-up of CHCs:

- i. low ratio of farm power availability,
- ii. low number of tractor population,
- iii. small & marginal operational holdings and
- iv. less productivity of food grains but potential to enhance productivity.

District level agencies will identify/ invite application of entrepreneurs including manufacturers to set up CHCs. Any business model can be adopted for expanding the reach of mechanization through CHCs. It will be necessary to maintain and upgrade the CHCs from time to time. Financial assistance for setting up of CHCs will be available to rural entrepreneurs (rural youth and farmer as an entrepreneur), Co-operative societies, Registered farmer societies, Farmer Producer Organizations (FPO), and Panchayaths as per pattern of assistance as indicated in Annexure II (d) of GoI Revised Operational Guidelines of SMAM 2020-21.

The CHC having the project cost more than ₹ 25.00 Lakh will be established under the model of credit linked back ended financial assistance. The bank will lock the financial assistance released to them for a period of 4 years. The beneficiary will repay the complete bank loan within the period of not less than 4 years. The beneficiary will not be allowed to transfer/ sell/ mortgage the CHC to any one before the completion of 6 years.

The established CHCs will be provided technical assistance from the Assistant Executive Engineer (Agri) (AEE(A)) / Research Testing and Training Centre (RTTC)/ KVKs/ enlisted manufacturers/ approved testing centres, Farm Machinery Testing and Training Institutes (FMTTIs) and ICAR centres to maintain and train CHC entrepreneurs. The CHC established under the mission will be supervised by the District Agriculture Engineering offices on its operation to ensure that custom hiring charges are reasonable and affordable to small and marginal farmers. They have to register the machinery in the CHC mobile App of GoI after procurement of machines.

2.3 Promotion of Farm Mechanization in Selected Villages (Component No.6):

The component envisages establishing farm machinery banks by the Cooperative Societies of farmers, Registered Farmers Societies, FPOs, Panchayaths in the selected villages of low mechanized areas so as to encourage members to take up appropriate mechanized operations

Each village is eligible for setting up of farm machinery banks (with minimum 8 farmers per bank) upto a maximum project cost of ₹ 10.00 lakhs. Financial assistance @ 80% of the project cost to a maximum of ₹ 8.00 Lakhs as per norms will be provided for such machinery banks. The pattern of assistance is as per Annexure II (f) of GoI Revised Operational Guidelines of SMAM 2020-21.

As per the 6th reference cited above, circular has been issued for the implementation of the scheme 'SUBHIKSHA KERALAM'. The component Strengthening of Agro Service Centre (ASC)/ Karshika Karma Sena (KKS) under the Subhiksha Keralam is clubbed with the component No 4 and 6. For the formation and strengthening of ASC and KKS in Panchayaths/ Villages financial assistance can avail from the component No. 4 and 6. The subsidy norms for the ASC/ KKS is as per the norms of Component No. 4 and 6.

Online registration and subsidy approval

Eligible applicants can register their name and apply online in the site <http://www.agrimachinery.nic.in> for all the above components for availing financial assistance. All applications will be processed through online. Approval will be done on first cum first serve basis depending on the target allotted to the district.

2.4 Flexi fund:

Flexi fund is earmarked to meet the following objectives

- a) To provide flexibility to states to meet local needs and requirement within the overall objective of SMAM;
- b) To pilot innovations and improved efficiency within the overall objective of the scheme and its expected outcomes;
- c) To undertake mitigation/restoration activities in case of natural calamities in the farm mechanization sector.

As the qualified manpower available in the department (Agricultural Engineering Wing) is very feeble for the successful implementation of the scheme, it is decided to appoint twenty Technical Assistant (Farm Mechanization) on contract basis for a period of 11 months. The postings of the Technical Assistant will be, one at Directorate, one each in the office of the Executive Engineer (Agri) Alappuzha, Kozhikode, two each in the office of the Assistant Executive Engineer (Agri) Pathanamthitta, Idukki and Wayanad. These three districts are low mechanized and having only one sanctioned post of Assistant Engineer (Agri) in the office of the Assistant Executive Engineer (Agri). One each in the remaining eleven district Assistant Executive Engineer (Agri) Offices.

The duties of the Technical Assistant include maintaining help desk for registration of farmers, inspection of dealers/ manufactures, to ensure timely supply of machines, field verification of the equipments/ machinery supplied, documentation of the scheme, to give technical guidance to farmers for effective utilization of the equipments/ machinery supplied, DBT data entry of application, implementation of the scheme, arranging wide publicity of the program, geo tagging, technical guidance to users, compilation of beneficiary list, preparation of monthly progress report, updates of CHC mobile app, formulation of AAP of the district, conduct assessment of agricultural mechanization in agriculture production and productivity and effect on farmers income, and any other activities for the successful implementation of the scheme. The remuneration of the Technical Assistant should be drawn and disbursed by the Assistant Executive Engineer (Agri)/ appointing authority of each district. The basic qualification for the Technical Assistant is B-Tech in Agricultural Engineering. The consolidated pay fixed is ₹39,500/- per month. The consolidated pay can be met from the flexi fund.

The selection process of the Technical Assistant should be done in transparent manner abiding Government rules. The selection of Technical Assistant is the duty of the Assistant Executive Engineer (Agri) of the concerned district.

Since the scheme is a continuous scheme implementing in the state from 2014-15 and there are committed claims in the Principal Agricultural Offices and Assistant Executive Engineer (Agri) offices in various Districts for the financial years 2018-19 and 2019-20. These committed claims can be met from the current year's allocation.

Additional facilities to the Assistant Executive Engineer (Agri) offices, department owned Custom Hiring Centres and RTT Centre like infrastructure, purchase of agricultural machinery, purchase of handy cam, android mobile phone, lap top, printer, stationery, publicity of the scheme at State/ District/ Block/ Panchayath level and through print and visual media etc can also be met from the flexi fund proposed. It is proposed to automate the department owned CHC at RTTC. The development of hardware, software and procurement of necessary GPS, sensors and consultation charges for experts and research programme can also be met from the flexi fund.

2.5 Administrative expenses

For getting wide publicity of the programme it is decided to conduct exhibitions of agricultural machineries/ equipments at district level. The exhibitions may be conducted in association with the local festivals/ programs of other schemes. The district agricultural farm or any other suitable locations may be selected for the exhibition. The dealers/ manufactures/ suppliers of equipments/ implements used in homestead farming may be given due importance in the exhibition. The Assistant Executive Engineer (Agri) of the district and RTTC are entrusted with the conduct of the exhibition.

The Assistant Executive Engineer (Agri) of the district will be the investigating officer for procurement of machinery for the scheme. The Office of the Assistant Executive Engineers (Agri) functioning in the district will provide technical support in the formulation of the district AAP, its implementation and monitoring.

The expenses required for the implementation of DBT portal, training, additional infrastructure for conducting training programme, documentation of the scheme, preparation of success stories, photographs, video graphs of success stories of the scheme, preparing training materials for farm mechanization, auditing of the scheme etc. can be met from the Administrative Expenses.

3 Financial Outlay:

The total cost for the implementation of above five components namely (1) Financial Assistance for Procurement of Agriculture Machinery and Equipment, (2) Establish Farm Machinery Banks for Custom Hiring, (3) Promotion of Farm Mechanization in selected villages, (4) Flexi fund and (5) Administrative Expenses is as detailed below.

I. 2020-21 1st Release

Sl. No.	Component	Amount (Lakhs)	GoI share (₹Lakhs)	GoK share (₹Lakhs)
1	3. Financial Assistance for Procurement of Agriculture Machinery and Equipment	1835.50	1101.30	734.20
2	4. Establish Farm Machinery Banks for Custom Hiring	10.00	6.00	4.00
3	6. Promotion of Farm Mechanization in selected villages	800.00	480.00	320.00
4	Flexi fund	661.38	396.83	264.55
5	Administrative Expenses	26.45	15.87	10.58
Total		3333.33	2000.00	1333.33

The target set apart for the current financial year is ₹3333.33 Lakhs in which GoI share is ₹2000.00 Lakhs (₹1520.00 lakhs under General category and ₹320.00 lakhs under SCP category and ₹160.00 lakhs under TSP category) and GoK Share is ₹1333.33 Lakhs (₹1013.33 lakhs under General category, ₹213.33 lakhs under SCP category and ₹106.67 lakhs under TSP category).

II. 2019-20 revalidation amount for 2020-21

Sl. No.	Component	Amount (Lakhs)	GoI share (Lakhs)	GoK share (Lakhs)
1	3. Financial Assistance for Procurement of Agriculture Machinery and Equipment	1367.19	820.31	546.88
Total		1367.19	820.31	546.88

GoK have released revalidation amount of the previous year unspent balance of ₹1367.19 lakhs (GoI share ₹820.31 Lakhs, GoK share ₹546.88 lakhs). Out of which General component is ₹399.88 lakhs, SCP component is ₹800.64 lakhs and TSP component is ₹166.67 lakhs including GoK share and GoI share for utilization during 2020-21.

An amount of ₹570.51745 lakhs (General ₹395.31594 lakhs, SCP ₹175.20151 lakhs) has been utilized for clearing treasury Queue bills and WAMS clearance bills of 2019-2020 as per circulars from finance section of Government in this regard. The balance of ₹796.67255 lakhs (₹478.00353 lakhs GoI, ₹318.66902 lakhs GoK) is remaining for utilization from the revalidation amount of 2019-20. Out of which ₹4.56406 lakhs is in General, ₹625.43849 lakhs is in SCP, ₹166.67 lakhs is in TSP category.

4 Scheme Implementation

As per GO (MS) No. 198/14/AD dated 20/09/2014, Government have constituted State Level Executive Committee (SLEC) under the chairmanship of Agricultural Production Commissioner. SLEC will monitor the scheme in State level. The management and monitoring mechanism of the scheme at district level will be done by the District Level Executive Committee (DLEC), comprising of District Collector (Chairman), Principal Agricultural Officer (Convener), Executive Engineer (Agri), Project Director ATMA, Deputy Director (C) and Assistant Executive Engineer (Agri) as members. Representatives of line Departments, SAUs/ ICAR, nominated progressive farmers, representatives from SHG, and representatives from lead banks / NABARD may also be included in the committee. DLEC will be responsible for carrying forward the objectives of the Mission for project formulation, implementation and monitoring with following functions.

- 1) Identify the areas of low ratio of farm power availability/ areas with large number of small and marginal holdings for implementation of farm mechanization components.
- 2) Identify beneficiaries (Cooperative Societies of farmers, Registered Farmers Societies, FPOs, Panchayaths)-to avail the benefits in transparent and time bound manner.
- 3) Tie up with the Banks for credit requirements of the beneficiaries.
- 4) Ensure that the benefits under various schemes of DAC&FW such as RKVY, MIDH, NMOOP, SMAM etc. are not extended repeatedly to the same beneficiary.
- 5) Make efforts for direct benefit transfer of financial assistance to the farmers/ beneficiary on the basis of AADHAR number through PFMS – DBT portal.
- 6) Monitor & display details of approved program, all activities undertaken and name of beneficiaries, expenditure incurred etc. at the Panchayath/ prominent public place in the cluster/ village level and get it placed before the concerned Grama Sabha annually from the point of social audit.
- 7) Study the impact on production and productivity after the implementation of the programmes and forward the reports to the State Nodal Department.

8) The Dangerous Machines (Regulation) Act, 1983, Act No. 35, year 1983 has been repealed by Government of India vide Gazette of India Notification no. 4 of 2018 dated 5.1.2018. Hence, to look into the safety aspects of the farmers/ operators while operating various agricultural machinery, it is advised that at the time of distribution of various agricultural machinery through subsidy and also otherwise the farmers may be suitably encouraged to obtain "Pradhan Mantri Suraksha BimaYojna" for himself/ herself and also for the actual operator who operates his/ her agricultural machinery. "Pradhan Mantri Suraksha BimaYojna" which covers the various benefits to the person insured like death, total irrecoverable loss of eyes, hand or feet etc. during operation of any agricultural machinery.

9) Report the progress to State Agricultural Engineer in Annexure IX(A) of the GOI guidelines.

Ensure the quality of the agricultural implements and tool before they are supplied under Government assistance programs as below.

- i. Test certificates from RTTC, Vellayani, Thiruvananthapuram, State Agriculture Universities (SAU) and designated testing centres to ensure the quality of the agricultural implements and tool costing less than ₹ 35,000/- (Rupees Thirty Five Thousand) should be ensured before they are supplied under Government assistance program.
- ii. Test report of any FMTTI or designated testing of DAC&FW from manufacturer/ supplier of the agricultural implements and tools costing less than ₹ 35,000/- (Rupees Thirty Five Thousand only) or a system of self-certification for the desired specification/ quality/ performance of agricultural implements and tools may be accepted from manufacturers or supplier.
- iii. The agricultural implements and tools costing less than ₹ 35,000/- (Rupees Thirty Five Thousands only) as at Sl. No. (i) above covers only hand tools, garden tools, animal drawn/ manually / tractor drawn implements required for land preparation/ sowing and planting/ inter cultivation/ harvesting and threshing/ transportation operations.
- iv. All types of self-propelled agricultural implements/ equipment/ machinery and all types of plant protection equipment are not covered in clause No. (i) and (iii) above.
- v. The testing of agricultural implements, tools and machinery costing more than ₹35000/- (Rupees Thirty five thousands only) from the FMTTIs or designated testing centres of DAC&FW as specified is mandatory, before they are supplied under Government assisted programs.

GoI issued guidelines for ensuring quality of agriculture machineries and equipment supplied under Government program and same shall also be followed for the selection of machineries.

The assistance will be distributed through PFMS with AADHAR/ PAN details of beneficiary by the Principal Agricultural Officer and Assistant Executive Engineer (Agri) for the current financial year.

5 Implementation Schedule:

As per the reference 1st cited above the one time Administrative Sanction is valid upto the end of 13th Five Year Plan 2021-2022. Publicizing the scheme through various media, receiving applications, approval and distribution of assistance through online is a continuous process.

The schedule of implementation of above said activities will be in a phased manner in the current financial year as given below.

Sl. No.	Activity	On or Before
1	Target allocation	September 2020 on wards
2	Online receipt of application	September 2020 on wards
3	Physical verification	October 2020
4	Subsidy approval	October 2020
5	Bill generation and e-payment	October 2020
6	UC Submission	November 2020
7	AAP submission	March 2021

6 Role of Panchayath Raj Institutions (PRIs)

The DLEC, to the extent possible, must ensure active participation of the PRIs in the implementation of this Mission. PRIs may also be involved in publicizing, demonstrations and training of farm equipment and in ensuring participation of farmers from nearby areas for widespread dissemination of technology.

7 Monitoring and evaluation

The Assistant Executive Engineer (Agri)/ Deputy Director of Agriculture (Credit) of the district will be the District level implementing officer of the scheme. The utilization certificate of fund released and the physical and financial progress report should be submitted in the respective formats. DBT may be effected with AADHAR/PAN details as early as possible on receipt of bill.

The Executive Engineer (Agri) will monitor the scheme at regional level. The State Agricultural Engineer will monitor the scheme at State Level.

The financial and physical achievement of the programme and utilization certificate must be reported to State Agricultural Engineer before 5th of every month through e mail to saekerala@gmail.com. The Principal Agricultural Officers should update the progress in PLAN SPACE at the district level. The Assistant Executive Engineer (Agri) should report the expenditure to the Principal Agricultural Officer for PLANSPACE updation. The final utilization certificate in Annexure VIII(A), physical and financial performance report in Annexure IX(A) as given in GoI guidelines should be submitted on or before 31st March 2021.

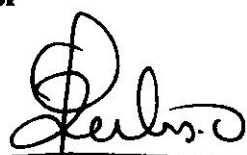
The expenditure shall be met under the head of account 2401-00-109-61-02 (General Category), 2401-00-789-84-02 (SCP Category), 2401-00-796-85-02 (TSP Category).

Sd/-

Director

To

All Executive Engineers (Agri)
All Principal Agricultural Officers
All Assistant Executive Engineers (Agri)
Technical Assistant, RTTC Vellayani, Thiruvananthapuram.


State Agricultural Engineer
STATE AGRICULTURAL ENGINEER
Director of Agriculture

Copy to:

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