

Directorate of Agriculture Development and Farmers' Welfare

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CIRCULAR

Sub:- Centrally Sponsored Scheme (CSS) - RKVY 2023-24 - Sub Mission on Agriculture Mechanization (SMAM) – Administrative Sanction accorded - Working Instruction Issued - Reg.

Ref:- 1) Letter No.1-13/2023-RKVY/1 dated 29.12.2023 of the Ministry of Agriculture, Department of Agriculture and Farmers' Welfare, Government of India.

2) Letter No.1-13/2023-RKVY/2 dated 29.12.2023 of the Ministry of Agriculture, Department of Agriculture and Farmers' Welfare, Government of India.

3) Letter No.1-13/2023-RKVY/3 dated 29.12.2023 of the Ministry of Agriculture, Department of Agriculture and Farmers' Welfare, Government of India.

4) G.O.(Rt) No.64/2024/AGRI dated 20.01.2024

As per reference 1st 2nd and 3rd cited above Government of India has accorded administrative approval for the Annual Action Plan 2023-2024 and accorded sanction for the release of first installment for an amount of ₹1000.00 Lakh (₹895.00 Lakh for General category, ₹91.00 lakh for SCP category and ₹14.00 Lakh for TSP category). As per the Government order read 4th above, Government of Kerala have accorded administrative sanction to the Director of Agriculture for an amount ₹1666.67 lakh (Rupees Sixteen Crore Sixty Six Lakhs and Sixty Seven Thousand only) for implementing the Centrally Sponsored Scheme (60:40) Sub Mission on Agricultural Mechanization component under RKVY in the State during the financial year 2023-24.

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 land holding and high cost of individual ownership.

2. Components for the implementation during 2023-24.

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 machinery 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 and updated in the portal agrimachinery.nic.in. An agreement in Government of Kerala Stamp paper worth ₹200/- should be executed between the beneficiaries and Assistant Executive Engineer (Agri) before releasing the subsidy for Tractors, Combine harvesters and other machines with subsidy more than ₹2.00 lakh (Rupees Two lakhs Only) stating that the machinery will not transfer/ sell/ mortgage within a period of six years.

2.2 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. Custom Hiring Centre (CHC) 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 custom hiring centers:

- i. Low ratio of farm power availability,
- ii. Low number of tractor population,
- iii. Small and marginal operational holdings,
- iv. Less productivity of food grains but potential to enhance productivity.

The Department of Agricultural Development & Farmer's Welfare, Kerala will identify / invite application of entrepreneurs including manufacturers to set up CHCs through online. Any business model can be adopted for expanding the reach of mechanization through CHCs. It will be necessary to maintain, upgrade the CHCs from time to time. Financial assistance for setting up of CHC will be available to rural entrepreneurs (rural youth and farmer as an entrepreneur), Cooperative societies of farmers, Registered farmer societies, Farmer producer organizations (FPO), and Panchayats as per pattern of assistance as indicated in Annexure II (d) of GoI Revised Operational Guidelines of SMAM and updated in the portal agrimachinery.nic.in. 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. An agreement in Government of Kerala Stamp paper worth ₹200/- should be executed between the CHC and the implementing officer in this effect. The established CHCs will be provided with 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 the CHC entrepreneurs. The CHC established under the mission will be supervised by the District Agriculture Engineering offices (Office of the Assistant Executive Engineer (Agri)) on its operation to ensure that CHCs are reasonable and affordable to small and marginal farmers. They have to register the machinery in the **KrishiMapper** 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 and post harvest technology equipment 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) up to a maximum project cost of ₹10.00 lakh. Financial assistance @ 80% of the project cost to a maximum of ₹8.00 lakh 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 and updated in the portal agrimachinery.nic.in.

3. Online registration and subsidy approval

Eligible applicants can register their name and apply online in the site <https://agrimachinery.nic.in/index/Level> for all the above components for availing financial assistance. Applications for component No.3 will be processed fully through online. Applications under Component No. 4 and 6 received through online will be evaluated at District Level before issuing permits. The applicants in Component No. 4 and 6 should submit a certificate from the Agricultural Officer regarding the experience of the group in farm machinery activities at their jurisdiction. Approval will be done on first cum first serve basis depending on the eligibility and target allotted to the districts.

4. Flexi fund:

Flexi fund is earmarked to meet the following objectives

- a. To provide flexibility 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.

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/ administrative expenses. Flexi funds can also be utilized for the demonstration of Drones in farmer's field.

In addition to this the following payments also is to be met from Flexi funds during the financial year 2023-24.

1. Payment for KAMCO as per Order G.O.(Rt)No.754/2023/AGRI dated 02.08.2023 / Circular No.ADFW/8685/2022-TG3 dated 28.11.2023 for providing agricultural machines manufactured by "KAMCO" to the krishikkootams (farmer group) in service sector.
2. Subsidy to Farmer groups, FPOs etc. as per the Annual Plan schemes 2023-24 of Agriculture Department in which convergence with SMAM scheme is included. The payment of subsidy will be as per guidelines of SMAM scheme and the implements empaneled for the state are only eligible for getting the subsidy. For projects costing less than 10.00 lakh, the subsidy norms as per Component No.6 shall be followed and for Projects costing more than 10.00 Lakh the subsidy pattern of Component No.4 is to be followed. This payment can be made directly to beneficiary/ dealer / manufacturer as per the scheme working instruction.
3. Any other projects particularly ordered from Government for utilizing Flexi funds.

5. Project Management Team (PMT)

A Project Management Team as per the existing guidelines of SMAM scheme will be constituted at Directorate under the leadership of Director of Agriculture. The team will be constituted with the following members to ensure collaboration among various line departments in the Centre / State /District to achieve the targets. The PMT will provide the technical services/advice to the districts.

- A. Project Manager : State Agricultural Engineer
- B. Nodal Officer for the web portal : Assistant Executive Engineer (Agri) HQ
- C. Officer for empaneling of manufacturers for FY 2024-25, documentation of activities: Technical Assistant, RTT Centre, Vellayani, Thiruvananthapuram.
- D. Technical Assistant (Farm Mechanization) : On Contract basis

The Project Management Team will have the following responsibilities:

- Guide the Districts in organizational and technical matters.
- Empaneling of Manufacturers
- Help in the implementation and monitoring of the various interventions of the SMAM.
- Assist the districts in capacity building programmes
- Assist the district and state agencies in concurrent evaluation based on case

studies in identified districts and document and disseminate the success stories.

- Undertake publicity/ information campaign to promote the Mission objectives

In order to manage the scheme professionally at District and Regional levels, it is decided to appoint twenty Technical Assistant (Farm Mechanization) on contract basis for a period of 11 months as a part of the PMT in District and regional levels. 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 districts 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 equipment / machinery supplied, documentation of the program, to give technical guidance to farmers for effective utilization of the equipment/ 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 updated 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 ₹30,995/- per month. The selection process of the Technical Assistants should be done in transparent manner abiding Government rules. The selection of Technical Assistant for the District is the duty of the Assistant Executive Engineer (Agri) of the concerned district. Assistant Executive Engineer (Agri), Thiruvananthapuram will do the selection process for the Technical Assistant at the Directorate. The expenditure for the Project Management Team can be met from the administrative expenses.

For getting wide publicity of the programme, it is decided to conduct exhibitions of agricultural machinery/ equipment at district level. The exhibitions

may be conducted in association with the local festivals/ programs other schemes like Njangalum Krishiyilekku, Krishi darshan etc. The district agricultural farm or any other suitable locations may be selected for the exhibition. The dealers/ manufactures/ suppliers of equipment/ implements used in homestead farming may be given due importance in the exhibition. The Executive Engineer (Agri) of the region and RTTC are entrusted with the conduct of the exhibitions.

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, fuel charges for field visits, purchase of computer / laptop, camera, printer etc can be met from the Administrative Expenses.

6. Financial Outlay:

The total cost for the implementation of above five components as namely (1) Financial Assistance for Procurement of Agriculture Machinery and Equipment, (2) Farm Machinery Banks for Custom Hiring, (3) Promotion of Farm Mechanization in selected villages, (4) Flexi fund and (5) Administrative Expenses will be met from the fund released from Government as per approved Annual Action Plan for 2023-2024.

7. 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. 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. Tie up with the Banks for credit requirements of the beneficiaries.
3. 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.
4. Direct transfer of financial assistance to the farmers/ beneficiary through PFMS – DBT portal on the basis of AADHAR Number and e payment wherever infrastructure is functional in the district to be strictly followed.
5. Monitor & display details of approved program, all activities undertaken and name of beneficiaries, expenditure incurred etc. at the Panchayat/ prominent public place in the cluster/ village level and get it placed before the concerned Grama Sabha annually from the point of social audit.
6. Study the impact on production and productivity after the implementation of the programmes and forward the reports to the State Nodal Department.
7. 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 Research Testing and Training Centre (RTTC), Vellayani, Thiruvananthapuram, State Agriculture Universities (SAU) and designated testing centres to ensure the quality of the agricultural implements and tool costing less than ₹50,000/- (Rupees Fifty Thousand Only) 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 ₹50,000/- (Rupees Fifty 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 ₹50,000/- (Rupees Fifty 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 ₹50000/- (Rupees Fifty 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.

8. Standard Operating Procedure

The scheme is implemented through the government of India portal agrimachinery.nic.in. Farmers and groups can register in the portal and apply for different components of the Scheme during the financial year 2023-2024. Applications are approved based on seniority and physical and financial targets allocated by Government of India. Once the applicants are getting confirmation for purchase of machinery, they have to select the dealer and further processing of applications will be done from dealer and manufacturer. The district level Assistant Executive Engineers (Agri) are authorized to appoint suitable officers for the physical verification of implements after receiving the application of farmers online. The approval of subsidy should be done from the Assistant Executive Engineers (Agri) of the District. Once the subsidy is approved, it should be properly recorded and kept for release of subsidy. The assistance will be distributed through PFMS with AADHAR/ PAN details of beneficiary by Assistant Executive Engineer (Agri) for the current financial year. The payment to the beneficiary shall be done on the basis of seniority of subsidy approval. The beneficiary list with details should be properly recorded and kept in the office for further verification purposes.

Applications under Component No. 4 and 6 received through online will be evaluated at District Level before issuing permits. The applicants in Component No. 4 and 6 should submit a certificate from the Agricultural Officer regarding the experience of the group in farm machinery activities at their jurisdiction. Approval will be done on first cum first serve basis depending on the eligibility

and target allotted to the districts. An agreement in Kerala Government Stamp paper for ₹200/- should be executed between the CHC and Assistant Executive Engineer (Agri) of the district before effecting the payment. A stock register of machinery shall be kept with the CHC and should be verified by the payment authority before releasing subsidy.

An agreement in Government of Kerala Stamp paper worth ₹200/- should be executed between the beneficiaries and Assistant Executive Engineer (Agri) before releasing the subsidy for Tractors, Combine harvesters and other machines with subsidy more than ₹2.00 lakhs (Rupees Two lakh Only) stating that the machinery will not transfer/ sell/ mortgage within a period of six years.

The subsidy portion should not be released to the Dealers or Manufacturers except for the schemes implemented with Flexi Fund Component for which it's specifically mentioned in the scheme.

9. Monitoring and evaluation

The Assistant Executive Engineer (Agri)/ 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 email to saekerala@gmail.com. The final utilization certificate, physical and financial performance report in Annexure IX(A) as given in GoI guidelines should be submitted on or before 31st March 2023.

The expenditure shall be met from the SNA Bank Account in Bank of Baroda with Account No. 74840100009046: IFSC - BARB0VJTHIR of Director of Agriculture.

**SEERAM SAMBASIVA RAO IAS
DIRECTOR**

To:

(1) Executive Engineer (Agri) Alappuzha & Kozhikode

I/190206/2024

- (2) All Principal Agricultural Officers
- (3) All Project Director ATMA
- (4) Technical Assistant RTT Centre Vellayani
- (5) PA to Director of Agriculture
- (6) CA to All Additional Directors
- (7) Principal Information Officer FIB
- (8) IT Cell for hosting in the Department web site
- (9) Planning Section
- (10) SW Section