



## Abstract

Agriculture Department – Agricultural Engineering – Central Assistance Scheme of Sub Mission on Agricultural Mechanization (SMAM) – Financial Sanction for an amount of Rs.3880.07 lakh for the implementation of Sub Mission on Agricultural Mechanization (SMAM) during the year 2017-2018 – Orders – Issued.

### Agriculture (AE.1) Department

G.O.(Ms). No.154

Date: 22.06.2017

திருவள்ளூர்வராண்டு 2048

ஹேவிளம்பி, ஆனி திங்கள் 8-ஆம் நாள்

Read:

1. Government Letter No.5968/AE.1/2017-1, dated 16.03.2017.
2. From the Under Secretary, Department of Agriculture, Co-operation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Government of India, New Delhi, Letter No.3-1/2015 - M&T(I&P), Dated:01.05.2017.
3. From the Chief Engineer (Agricultural Engineering) Letter No.AM1/37272/2016, dated 11.05.2017.

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### ORDER:

Sub Mission on Agricultural Mechanization (SMAM), a Centrally Sponsored Scheme, is being implemented in the State since 2014-2015 as per the guidelines of Government of India in the sharing pattern of 75:25. The Government of India has modified the sharing pattern from 75:25 into 60:40 from the year 2015-2016.

2. In the Government letter first read above, the Annual Action Plan of the Sub Mission on Agricultural Mechanization (SMAM) for the year 2017-18 for an amount of Rs.7760.14 lakh was forwarded to Government of India.

(p.t.o)

3. In the letter second read above the Government of India, have approved the component No.3, 4 and 6 of Sub Mission on Agricultural Mechanization (SMAM) guidelines for the Financial assistance for procurement of agricultural machinery and equipment, Establishment of Farm Machinery Banks for Custom Hiring, and Promotion of Farm machinery banks at village level respectively besides administrative expenses approval for an amount of Rs.7759.83 Lakh and sanctioned an amount of Rs.2328.04 Lakh to this State as per the sharing pattern of 60:40 between centre and state and released an amount of Rs.1763.88 Lakh for General category and Rs.564.16 Lakh for the special component plan for scheduled caste amounting to a total value of Rs.2328.04 Lakh as first installment towards the implementation of Sub Mission on Agricultural Mechanization (SMAM) during the year 2017-18 for the Annual Action Plan (AAP). Components of Sub Mission on Agricultural Mechanization-2017-18 are as follows:-

(Rs. in Lakh)

Sl. No	Component	Total Project approved (Centre and State)	Concurred by IFD	Central share	State share
1	Component No.3 of SMAM guidelines-Financial assistance for procurement of agricultural machinery and equipment	2683.00	633.24	379.944	253.296
2	Component No.4 of SMAM guidelines-Establishment of Farm Machinery Banks for Custom Hiring	3400.00	2450.00	1470.0	980.00
3	Component No.6 of SMAM guidelines-Promotion of Farm machinery banks at village level	1600.00	720.00	432.00	288.00
4	Administrative expenses	76.83	76.83	46.10	30.73
	<b>Total</b>	<b>7759.83</b>	<b>3880.07</b>	<b>2328.044</b>	<b>1552.026</b>

(p.t.o)

4. In the letter third read above, the Chief Engineer (Agricultural Engineering) has sent proposal for sanction of Rs.3880.07 lakh for the implementation of Sub Mission on Agricultural Mechanization for the year 2017-18 as first installment is as detailed below:-

**(i) Financial Assistance for procurement of Agricultural Machinery and Equipment**

It is proposed to distribute 909 Nos. of Agricultural Machinery and Implements namely Paddy Transplanter (4 rows), Paddy Transplanter (above 4 rows), Tractor (15-20 PTO HP), Tractor (20-40 PTO HP), Tractor (40-70 PTO HP), Tractor / Power tiller driven implements, Power tiller (8 BHP and above), Rotavator, Power weeder, Chaff cutter, Brush cutter and Multi Crop Thresher to farmers with the subsidy assistance during the year 2017-18 as per the Sub Mission on Agricultural Mechanization guidelines for an amount of Rs.633.24 Lakh, out of which Rs.443.40 Lakhs is for General category farmers and Rs.189.84 Lakh is for Special Component Plan farmers.

Sl. No	Name of the component	Physical Target for General Category farmers (in Nos)	Financial Target for General Category farmers (Rs. in Lakhs)	Physical target for SC category farmers (in Nos)	Financial target for SC category farmers (Rs. in Lakhs)	Grand Total	
						Physical (in Nos)	Financial (Rs. in Lakhs)
1	<b>Financial Assistance for Procurement of Agriculture Machinery and Equipment</b>						
	Paddy Transplanter (4 rows)	43	40.42	2	1.88	45	42.30
	Paddy Transplanter (above 4 rows)	15	30.00	-	-	15	30.00
	Tractor (15-20 PTO HP)	16	16.00	4	4.00	20	20.00
	Tractor (20-40 PTO HP)	25	31.25	5	6.25	30	37.50
	Tractor (40-70 PTO HP)	66	82.50	50	62.50	116	145.00
	Tractor / Power tiller driven implements	60	37.80	40	25.20	100	63.00
	Power tiller (8 BHP and above)	130	97.50	70	52.50	200	150.00
	Rotavator	65	40.95	53	33.39	118	74.34
	Power weeder	84	15.97	6	1.12	90	17.09
	Chaff cutter	96	24.00	4	1.00	100	25.00
	Brush cutter	40	10.00	8	2.00	48	12.00
	Multi Crop Thresher	27	17.01	-	-	27	17.01
	<b>Total</b>	<b>667</b>	<b>443.40</b>	<b>242</b>	<b>189.84</b>	<b>909</b>	<b>633.24</b>

(p.t.o)

**(ii) Establishment of Custom Hiring Centre (Farm Machinery Banks for Custom Hiring)**

(a) The main objectives of establishing Custom Hiring Centres are, 1) to provide hiring services for various agricultural machinery / implements applied for different farming operations, 2) to expand mechanized activities during cropping seasons in large areas especially in small and marginal holdings, 3) to introduce improved / newly developed agricultural implements and machinery in crop production.

(b) Custom Hiring Centres (CHC) are basically a unit comprising a set of farm machinery, implements and equipment meant for custom hiring for the needy farmers. It is proposed to form 245 Custom Hiring Centres in the needy blocks of Tamil Nadu with a project cost of Rs.25.00 Lakh per Custom Hiring Centre (CHC). Out of Rs.25.00 Lakh, an amount of Rs.10.00 Lakh is Government assistance in the form of 40% subsidy and the remaining amount of Rs.15.00 Lakh is towards 60 % Entrepreneurs / Farmers / Group contribution. Total cost for the establishment of 245 Custom Hiring Centres is Rs.6125.00 Lakh, out of which the Government contribution is Rs.2450.00 Lakh (40% Government subsidy assistance) and the balance amount is Rs.3675.00 Lakh (60%), which is entrepreneurs'/ Farmers / Group contribution.

(Rs. in Lakh)

SI No	Category	No. of Custom Hiring Centres (CHCs)	Unit Cost	Subsidy amount per CHC	Total Project Cost	Total subsidy amount
1	General Category	187 CHCs	Upto Rs.25.00 Lakhs	10.00	4675.00	1870.00
2	Special component plan for scheduled caste category	58 CHCs		10.00	1450.00	580.00
	<b>Grand Total</b>	<b>245 CHCs</b>		<b>10.00</b>	<b>6125.00</b>	<b>2450.00</b>

(p.t.o)

(c) The proposed Agricultural machinery and implements Custom Hiring Centres will be run by farmers or any one of the following farmers group viz., (1) Farm woman Empowerment group, (2) NABARD Farmers club, (3) Progressive farmers group, (4) Self Help Groups of farmers, (5) Entrepreneurs etc., These Custom Hiring Centers will be supported and monitored by the Agricultural Engineering Department (AED). The list of Agricultural Machinery and Implements required for each block will be based on cropping pattern and availability of existing Agricultural Machinery in the individual blocks.

### **(iii). Promotion of Farm machinery banks at village level**

(a) The profitability of paddy cultivation and crops cultivation in dry land areas are very meager to the farming community and for which farmers prefer cash crops like Turmeric, Sugarcane, Plantation crops etc., One way of increasing the net income of the farmer is reducing the cost of cultivation. Agricultural Mechanization is an effective method to reduce the cost of cultivation considerably besides eliminating the drudgery of farm operations. Promotion of suitable machinery for dry land and wet land cultivation by establishing farm machinery banks is imperative in low farm power availability districts i.e., Ramanadhapuram, Thoothukudi, Sivaganga, Virudhunagar, Tiruvarur, Perambalur, Ariyalur, Karur, Krishnagiri, Thanjavur, Cuddalore, Erode, Tiruppur, Coimbatore, Pudukottai, Tirunelveli, Madurai, Namakkal, Vellore, Dharmapuri, Villupuram, Salem, Tiruvannamalai and Dindigul where the farm power availability varies from 0.28 to 3.24 kW/Ha against the requirement of 4 kW/Ha.

(b) The crop specific machinery available in farm machinery banks is of immense use to the farming community and is established by the Co-operative societies of farmers, Self Help Groups of farmer, Farmers Producers Organizations (FPOs) etc., The farmers groups should have a minimum of 8 members. The farm machinery bank possessed by the farmers groups use its machinery for hiring activity to the needy farmers in addition to their own use.

(c) It is proposed to establish farm machinery banks (custom hiring centres) upto a project cost of Rs.10.00 Lakh each in 90 villages through farmers Groups / FPOs / any such entities on village basis, in low farm power availability districts as per Sub Mission on Agricultural Mechanization (SMAM) guidelines. Financial assistance of 80% of the project cost of Rs.8.00 Lakh will be provided to such farm machinery banks and for which the farmers groups should have minimum of 8 members. An amount of Rs.568.00 Lakh under General Category and Rs.152.00 Lakh under Special component plan for scheduled caste category amounting to a total amount of Rs.720.00 Lakh is required for establishing 90 village based farm machinery banks during the year 2017-18 under Sub-Mission on Agricultural Mechanization (SMAM).

(p.t.o)

(Rs.in Lakh)

SI No	Category	No.of Farm machinery banks at village level	Unit Cost	Subsidy amount per Farm Machinery Bank	Total Project Cost	Total subsidy amount
1	General Category	71 Nos	Upto Rs.10.00 Lakh	8.00	710.00	568.00
2	Special component plan for Scheduled Caste category	19 Nos		8.00	190.00	152.00
	<b>Grand Total</b>	<b>90 Nos</b>		<b>8.00</b>	<b>900.00</b>	<b>720.00</b>

**(iv). Administrative expenses**

It is proposed to purchase Computers, Hand held Tablets, internet connectivity and other computer software and hard wares for developing State Agricultural Machinery Information Data Centre for an amount of Rs.76.83 Lakh, out of which the General Category allocation is Rs.58.40 Lakh and Special component plan category allocation is Rs.18.43 Lakh. The component wise budget requirement for General category and Special component plan category requirement for the first installment of Annual Action Plan of Sub Mission on Agricultural Mechanization for the year 2017-18 are as detailed below:-

SI No	Description	Budget Requirement (Rs. in Lakh)		
		for General Category	for Special Component Plan Category	Total
1	Financial Assistance for procurement of Agricultural Machinery and Equipment	443.40	189.84	633.24
2	Establishment of Custom Hiring Centre (Farm Machinery Banks for Custom Hiring)	1870.00	580.00	2450.00
3	Promotion of Farm machinery banks at village level	568.00	152.00	720.00
4	Administrative expenses	58.40	18.43	76.83
	<b>Total</b>	<b>2939.80</b>	<b>940.27</b>	<b>3880.07</b>

(p.t.o)

5. The Government after careful examination, have decided to accept the proposal of the Chief Engineer (Agricultural Engineering) and permit him to implement Sub Mission on Agricultural Mechanization (SMAM) as per the approved Annual Action Plan of 2017-18 at a total outlay of Rs.7759.83 lakh and accord financial sanction for sum of Rs.3880.07 lakh (Rupees thirty eight crore eighty lakh and seven thousand only) (Government of India share is Rs.2328.04 lakh and State Share is Rs.1552.03 lakh) (Rs.2939.80 lakh for General Category farmers and Rs.940.27 lakh for Scheduled Caste Farmers) as first installment. The Chief Engineer (Agricultural Engineering) is also permitted to utilize the savings amount if any towards the distribution of any of agricultural machinery mentioned under the component "Financial Assistance for procurement of Agricultural Machinery and Equipment", under "Sub Mission on Agricultural Mechanization" during 2017-18 within the respective head of accounts.

6. The expenditure sanctioned at para-5 above shall be debited under the following head of accounts as detailed below:

**For General Category Farmers**

**Rs.2939.80 lakh**

"2401-00 - Crop Husbandry - 113 - Agricultural Engineering - Schemes shared between State and Centre. UB - Sub Mission on Agricultural Mechanization - 11 - Subsidies - 01 - Individual based subsidy" (DPC:2401-00-113-UB-1116)"

**For the Special Component Plan for Scheduled Caste Farmers**

**Rs.940.27 lakh**

"2401-00 - Crop Husbandry - 789 - Special Component Plan for Scheduled Castes - Schemes shared between State and Centre. UJ -Sub Mission on Agricultural Mechanization- 11 - Subsidies - 01 - Individual based subsidy" (DPC:2401-00-789-UJ-1119)"

7. The Chief Engineer (Agricultural Engineering) is authorized to draw and disburse the amount sanctioned in para-5 above.

8. The Chief Engineer (Agricultural Engineering) is authorized to utilize the savings amount if any under the components "Establishment of Custom Hiring Centre (Farm Machinery Banks for Custom Hiring)", "Promotion of Farm machinery banks at village level" and "Administrative expenses' towards the distribution of any of the Agricultural Machinery

(p.t.o)

namely Paddy Transplanter (4 rows), Paddy Transplanter (above 4 rows), Tractor (15-20 PTO HP), Tractor (20-40 PTO HP), Tractor (40-70 PTO HP), Tractor / Power tiller driven implements, Power tiller (8 BHP and above), Rotavator, Power weeder, Chaff cutter, Brush cutter and Multi Crop Thresher to farmers within the respective Head of Accounts.

9. The Chief Engineer (Agricultural Engineering), Agricultural Engineering Department is authorized to draw and disburse the amount under Administrative expenses component in advance towards the purchase of Computers, Hand held Tablets, internet connectivity and other computer software and hard wares for developing State Agricultural Machinery Information Data Centre for an amount of Rs.76.83 Lakh.

10. The Chief Engineer (Agricultural Engineering) is directed to send the monthly, quarterly and annual progress reports on the Physical and Financial achievement of the scheme regularly to Government.

11. This order issues with the concurrence of Finance Department vide its U.O.No.28960/Agriculture/2017, dated 22.06.2017.

**//BY ORDER OF THE GOVERNOR//**

**GAGANDEEP SINGH BEDI  
AGRICULTURAL PRODUCTION COMMISSIONER  
AND PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Chief Engineer (Agricultural Engineering), Nandanam, Chennai-35.

The Director of Agriculture, Chennai-5.

The Director of Horticulture and Plantation Crops, Chennai-5.

The Secretary to Government of India, Ministry of Agriculture and Farmers Welfare, Department of Agriculture, Co-operation and Farmers Welfare, New Delhi 110 001.

The Commissioner of Treasuries and Accounts, Chennai-15.

The Pay and Accounts Officer (South), Chennai-35.

The Treasury Officers /Sub Treasury Officers concerned.

The Principal Accountant General (G&SSA), Chennai-18.

The Principal Accountant General (E&RSA), Chennai-18.

The Deputy Accountant General/ ES-I,

O/o. Accountant General (E&RSA), Chennai - 18.

(p.t.o)



**Copy to:**

The Finance(Agri/BGI/BGII) Department, Chennai – 9.

The Agriculture (B&P)/(AP1) Department, Chennai-9.


The Private Secretary to Agricultural Production Commissioner  
and Principal Secretary to Government,  
Agriculture Department, Chennai-9.

The Agriculture (OP3) Department, Chennai – 9. (for indexing purpose)

The Data Entry Operator, Agriculture Department, Chennai – 9.

Stock file / Spare copies.

/Forwarded by Order/

 22/6/2017

SECTION OFFICER

  
22/6/17