



### Abstract

Agriculture – Agricultural Engineering – Central Assistance Scheme of Sub Mission on Agricultural Mechanization (SMAM) – Financial Sanction for an amount of Rs.7470.85 lakh as second installment share for the implementation of SMAM for the year 2020-21 – Accorded – Orders – Issued

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### **Agriculture (AE1) Department**

G.O.(Ms).No.6

Date: 08.01.2021

திருவள்ளூர் ஆண்டு 2051

சார்வரி மார்ச்சு 24-ஆம் நாள்

Read:

1. Government letter No.3777/AE.1/2020-1 Dated: 20.02.2020.
2. The Under Secretary, Mechanization and Technology Division, Department of Agriculture, Co-operation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Government of India, New Delhi, Letters No.3-1/2015- M&T(I&P), Dated:25.06.2020 for Gen and SCP.
3. G.O. (Ms) No.172, Agriculture (AE.1) Department, Dated: 04.08.2020.
4. The Under Secretary, Mechanization and Technology Division, Department of Agriculture, Co-operation and Farmers Welfare, Ministry of Agriculture and Farmers Welfare, Government of India, New Delhi Letters No.3-1/2015- M&T(I&P) Dated: 01.12.2020 for Gen(CSS) and SCP(CSS).
5. The Chief Engineer(Agricultural Engineering) letter No.AM.1/ 41097 /2019, Dated: 05.12.2020 & 08.12.2020.
6. Government letter No.23033 /AE1/2020-1 Dated: 07.12.2020.

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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.

P.T.O.

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 1<sup>st</sup> read above, the Annual Action Plan for Sub Mission on Agricultural Mechanization for the year 2020-2021 was forwarded to Government of India.

3) The Government of India in its letter dated 25.06.2020 has approved the component No.3, 4, 5 and 6 of SMAM guidelines for the Financial assistance for procurement of agricultural machinery and equipment, Establishment of Farm Machinery Banks for Custom Hiring, Hi-Tech, High Productive Equipment Hub for Custom Hiring and Promotion of Farm Mechanization in selected villages respectively besides administrative expenses approval, for an amount of Rs.6666.67 Lakh and sanctioned an amount of Rs.6666.67 Lakh to Tamil Nadu as per the sharing pattern of 60:40 between Centre and State and released an amount of Rs.3000.00 Lakh for General category and Rs.1000.00 Lakh for the Special Component Plan for Scheduled caste amounting to a total value of Rs.4000.00 Lakh (GOI share) as first installment towards the implementation of Sub Mission on Agricultural Mechanization (SMAM) during the year 2020-2021 for the Annual Action Plan (AAP). The corresponding state share is Rs.2000.00 Lakh for General category and Rs.666.67 Lakh for the Special Component Plan for scheduled caste amounting to a total value of Rs.2666.67 Lakh.

4) In G.O. 3<sup>rd</sup> read above, orders have been issued for the implementation of Sub Mission on Agricultural Mechanization for the year 2020-2021 for the total outlay of Rs.6666.67 Lakh as first installment amount, which includes the Government of India share amount of Rs.4000.00 Lakh and state share amount of Rs.2666.67 Lakh.

5) In the letter fourth read above, the Government of India has released the second installment for an amount of Rs.3560.42 Lakh for General category and Rs.922.09 Lakh for the Special Component Plan as per the sharing pattern of 60:40 between Centre and State, amounting to a total value of Rs.4482.51 Lakh towards the implementation of Sub Mission on Agricultural Mechanization (SMAM) during the year 2020-2021 for the Annual Action Plan (AAP). The corresponding State share is Rs.2373.61 Lakh for General category and Rs.614.73 Lakh for the Special Component Plan amounting to a total value of Rs. 2988.34 Lakh.

6) Hence, the Chief Engineer (Agricultural Engineering) has sent the proposal for second installment of the Annual Action Plan for the implementation of Sub Mission on Agricultural Mechanization for the year 2020-2021 for a total amount of Rs.7470.85 Lakh.

(Central share is Rs.4482.51 Lakh and State share is Rs.2988.34 Lakh). It is as follows:-

**i. Financial Assistance for procurement of Agricultural Machinery and Equipment**

As per the revised SMAM guidelines, it is proposed to distribute 2,108 Nos. of Agricultural Machinery and Implements namely Tractor, Power tiller, Tractor/Power tiller driven implements such as Rotavator, Cultivator, Seed cum fertilizer drill and Baler etc., Power weeder, Chaff cutter, Brush cutter, Combine Harvester, Sugarcane thrash cutter and Coconut frond chopper to farmers with the subsidy assistance during the year 2020-2021 as per the Sub Mission on Agricultural Mechanization guidelines (Revised in 2020-2021) for an amount of Rs.5981.59 Lakh, out of which Rs.4444.53 Lakh is for General category farmers and Rs.1537.06 Lakh is for Special Component Plan farmers as detailed in the following Table:-

Sl. No	Name of the component	Physical Target for General Category farmers (in Nos)	Financial Target for General Category farmers (Rs.in Lakh)	Physical target for SC category farmers (in Nos)	Financial target for SC category farmers (Rs.in Lakh)	Grand Total	
						Physical (in Nos)	Financial (Rs.in Lakh)
1	<b>Financial Assistance for Procurement of Agricultural Machinery and Equipment</b>						
	Tractor 2WD(8-20 PTO HP)	66	132.00	12	24.00	78	156.00
	Tractor 4WD(8-20 PTO HP)	30	67.50	9	20.25	39	87.75
	Tractor 2WD(Above 20-40 PTO HP)	360	900.00	105	262.50	465	1162.50
	Tractor 4WD(Above 20-40 PTO HP)	25	75.00	6	18.00	31	93.00
	Tractor 2WD(Above 40-70 PTO HP)	450	1912.50	230	977.50	680	2890.00
	Tractor 4WD(Above 40-70 PTO HP)	50	250.00	7	35.00	57	285.00
	<b>Tractor Total</b>	<b>981</b>	<b>3337.00</b>	<b>369</b>	<b>1337.25</b>	<b>1350</b>	<b>4674.25</b>
	Power Tiller (8 BHP & above)	200	170.00	100	85.00	300	255.00
	Self Propelled Rice Transplanter (4 rows)	25	37.50	10	15.00	35	52.50
	Self Propelled Rice Transplanter (Above 4-8 rows)	15	75.00	5	25.00	20	100.00
	Power Weeder (engine operated above 2 BHP)	20	7.00	0	0.00	20	7.00
	Power Weeder (Engine operated above 5 BHP)	7	4.41	0	0.00	7	4.41
	Brush Cutter	10	3.00	0	0.00	10	3.00

Chaff Cutter (Operated by engine / electric motor below 3 hp and by power tiller and tractor of below 20 BHP tractor)	8	1.60	0	0.00	8	1.60
Rotavator 5 feet	60	25.20	20	8.40	80	33.60
Rotavator 6 feet	100	44.80	21	9.41	121	54.21
Reversible Hydraulic plough (2 bottom)	5	3.50	0	0.00	5	3.50
Seed cum fertilizer drill/ Zero till Seed cum fertilizer drill 11 tines	3	0.72	0	0.00	3	0.72
Cultivator	17	8.50	5	2.50	22	11.00
Combine Harvester ( self propelled, upto 14 feet cutter bar)	0	0.00	0	0.00	0	0.00
Combine Harvester ( track, 6-8 feet cutter bar)	40	440.00	2	22.00	42	462.00
Thresher/Multi Crop threshers above 4 tonne/hr capacity	20	50.00	2	5.00	22	55.00
Sugarcane thrash Cutter	8	10.00	0	0.00	8	10.00
Coconut Frond chopper	10	6.30	0	0.00	10	6.30
Balers (Round) ( above 10-25 kg per bale)	40	220.00	5	27.50	45	247.50
<b>Individual machinery Total</b>	<b>1569</b>	<b>4444.53</b>	<b>539</b>	<b>1537.06</b>	<b>2108</b>	<b>5981.59</b>

#### a) Establishment of all types of solar drier

Polycarbonate sheet covered green house type solar drying units are being promoted to the farmers and farmers' groups for drying various agricultural produce like Coconut, Chillies, Tomato, Moringa leaves, Maize, Garlic, Ginger, Cloves, Curry leaves, Fruits like Banana, Pine apple and Amla to promote the utilization of solar energy and to fetch more income by the farmers. In the Annual Action Plan (AAP) of the Sub Mission on Agricultural Mechanization (SMAM) for the year 2020-2021, sent to Government of India, the component of establishment of all types of solar drier for the subsidy amount of Rs.200.00 Lakh was proposed under Financial Assistance for procurement of Agricultural Machinery and Equipment and the approval was obtained.

The maximum subsidy assistance for the establishment of all types of Solar Driers with floor area of about 400 to 1000 sq.feet as per the Sub Mission on Agricultural Mechanization guidelines is Rs.3.50 Lakh. Considering the demand from the farmers for higher floor area, it has been proposed to provide polycarbonate sheet covered solar driers with floor area ranging from 400 Sq.ft. to 1000 Sq.ft in the 2<sup>nd</sup> installment of SMAM - AAP 2020-2021 for 18 Nos with the subsidy assistance of Rs. 61.39 Lakh.

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

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.

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 36 Custom Hiring Centres in the needy blocks of Tamil Nadu with a project cost of Rs.25.00 Lakh per 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 towards 60 % Rural Entrepreneurs (Rural youth and farmer as an entrepreneur) / Cooperative Societies of farmers / Registered Farmers Societies / Farmer Producer Organizations (FPOs) contribution. Total cost for the establishment of 36 Custom Hiring Centres is Rs.900.00 Lakh, out of which the Government contribution is Rs.360.00 Lakh (40% Government subsidy assistance) and the balance amount is Rs.540.00 Lakh (60%), which is Rural Entrepreneurs (Rural youth and farmer as an entrepreneur) / Cooperative Societies of farmers / Registered Farmers Societies / Farmer Producer Organizations (FPOs) contribution.

Sl No	Category	No.of Custom Hiring Centres (CHCs)	Unit Cost (Rs.in Lakh)	Subsidy amount per CHC (Rs.in Lakh)	Total Project Cost (Rs.in Lakh)	Total subsidy amount (Rs.in Lakh)
1	General Category	36 CHCs	Upto Rs.25.00 Lakh	10.00	900.00	360.00

The proposed Agricultural machinery and implements Custom Hiring Centres will be run by farmers or any one of the following farmers group viz., Rural Entrepreneurs (Rural youth and farmer as an entrepreneur), Cooperative Societies of farmers, Registered Farmers Societies, and Farmer Producer Organizations (FPOs) etc. These Custom Hiring Centers will be supported and monitored by the Agricultural Engineering Department (AED). The list of Agricultural Machinery and Implement required for each block will be based on cropping pattern and availability of existing Agricultural Machinery in the individual blocks.

### **iii) Hi-Tech, High Productive Equipment Hub for Custom Hiring**

The main objectives are, 1) to promote utilization of hi-tech, high value machines for higher productivity, 2) to provide hiring services for various high value crop specific machines, 3) to expand mechanized activities during cropping seasons to cover large areas. Hi-Tech, High Productive Equipment Hubs for Custom Hiring are established by Rural Entrepreneurs (Rural youth and farmer as an entrepreneur), Cooperative Societies of farmers, Registered Farmers Societies, and Farmer Producer Organizations (FPOs) etc.,

Hi-Tech, High Productive Equipment Hubs for Custom Hiring has to be established in sugarcane growing areas. A set of sugarcane cultivation machinery namely Sugarcane Harvester, Tractor 60-70 HP, Tractor Drawn Implements like Disc plough, Rotavator, Cultivator, Raised bed former, Ridger and Trencher, Sub surface lateral laying machine for the installation of Drip Irrigation system in SSI Technique, Sugarcane bud chipper, Mini Tractor, Power weeder walk behind type less than 8 HP, Two no. of Infielders, Two no. of Tractor suitable for infielders and other sugarcane cultivation machinery like Baler, Tractor drawn sugarcane trash shredder cum pulveriser and Sugarcane stubbie shaver will be distributed to the Rural Entrepreneurs (Rural youth and farmer as an entrepreneur), Cooperative Societies of farmers, Registered Farmers Societies, and Farmer Producer Organizations (FPOs) etc with 40 per cent subsidy assistance amounting to a total maximum subsidy amount of Rs.60.00 Lakh for the project cost of Rs.150.00 Lakh. Out of the above said sugarcane cultivation machinery, one Sugarcane Harvester alone is permitted for distribution under this scheme and the Rural Entrepreneurs (Rural youth and farmer as an entrepreneur), Cooperative Societies of farmers, Registered Farmers Societies, and Farmer Producer Organizations (FPOs) etc is permitted to purchase any other Sugarcane cultivation machinery up to a project cost of Rs.150.00 Lakh. The subsidy assistance for forming the high tech high productive equipment hub is 40% of the total unit cost (or) a maximum amount of Rs.60.00 Lakh per Centre and the 60% balance amount of Rs.90.00 Lakh per centre will be the beneficiary contribution

It is proposed to establish 1 No of Hi-Tech, High Productive Equipment Hubs for Custom Hiring of sugarcane cultivation machinery. Total cost required for establishing 1 No. of Hi-Tech, High Productive Equipment Hubs for Custom Hiring of sugarcane cultivation machinery is Rs.150.00 Lakh. Out of which the Government contribution is Rs.60.00 Lakh (40% Government subsidy assistance) and the balance amount is Rs.90.00 Lakh (60%), which is the beneficiary contribution.

Sl No	Category	No. of Sugarcane based Custom Hiring Centres (CHCs)	Unit Cost (Rs.in Lakh)	Subsidy amount per CHC (Rs.in Lakh)	Total Project Cost (Rs.in Lakh)	Total subsidy amount (Rs.in Lakh)
1	General Category	1 CHC	Upto Rs.150.00 Lakh	60.00	150.00	60.00

#### iv) Promotion of Farm Mechanization in selected villages

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 where the farm power availability is less than 2.5 kW/Ha.

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, Registered Farmers Societies, and Farmer Producer 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.

It is proposed to establish farm machinery banks (Custom Hiring Centres) upto a project cost of Rs.10.00 Lakh each in 126 villages through Co-operative Societies of farmers/Registered Farmers Societies/ Farmer Producer Organizations (FPOs) etc., or 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.1008.00 Lakh under General Category is required for establishing 126 village based farm machinery banks during the year 2020-2021 under SMAM. Preference will be given to the villages comes under clusters formed in Tamil Nadu Mission for Sustainable Dry land Development scheme (TNMSDD) for the establishment of farm machinery banks at village level.

SI No	Category	No. of Farm machinery banks at village level	Unit Cost (Rs.in Lakh)	Subsidy amount per Farm Machinery Bank (Rs.in Lakh)	Total Project Cost (Rs.in Lakh)	Total subsidy amount (Rs.in Lakh)
1	General Category	126 Nos	Upto Rs.10.00 Lakh	8.00	1260.00	1008.00

7) The component wise budget requirement for General category and Special component plan category requirement for the 2<sup>nd</sup> installment of Annual Action Plan of Sub Mission on Agricultural Mechanization for the year 2020-2021 are as detailed below:-

SI No	Description	Budget Requirement (Rs.in Lakh)		
		for General Category	for Special Component Plan Category	Total
1	a) Financial Assistance for procurement of Agricultural Machinery and Equipment	4444.53	1537.06	5981.59
	b) Establishment of all types of solar drier	61.39	0	61.39
2	Establishment of Custom Hiring Centre (Farm Machinery Banks for Custom Hiring)	360.00	0	360.00
3	Hi-Tech High Productive Equipment Hub for Custom Hiring	60.00	0	60.00
4	Farm mechanization in selected villages	1008.00	0	1008.00
	<b>Total</b>	<b>5933.92 Rounded off to 5934.03</b>	<b>1537.06 Limited to 1536.82</b>	<b>7470.98 Limited to 7470.85</b>

8) The Government after careful examination, of the proposal of the Chief Engineer (Agricultural Engineering), hereby sanction a sum of Rs.7470.85 lakh, (Rupees Seventy four crore seventy lakh and eighty five thousand only) (60% of Government of India share is Rs.4482.51 lakh and 40% of State Share is Rs.2988.34 lakh) as second installment towards implementation of Project under Sub Mission on Agricultural Mechanization as detailed at paragraphs 6 and 7 above during 2020-2021.



9) The expenditure sanctioned in para-7 above shall be debited under the following heads of account:

(i) 2401 - 00 Crop Husbandry - 113 Agricultural Engineering - Schemes shared between State and Centre - UB Sub Mission on Agricultural Mechanization - 311 Subsidies - 01 Individual Based Subsidy  
(Old DPC 2401-00-113-UB-1116)  
(IFHRMS DPC: 2401-00-113-UB-31101) - Rs. 5934.03 lakh.

(ii) 2401 - 00 Crop Husbandry - 793 Special Central Assistance for Scheduled Caste Component Plan - Schemes shared between State and Centre - US Sub Mission on Agricultural Mechanization

311 Subsidies - 01 Individual Based Subsidy  
(OLD DPC : 2401-00-793-US-1112)

(IFHRMS DPC : 2401 - 00 - 793 - US - 31101) - Rs.1536.82 lakh.

10) The Chief Engineer (Agricultural Engineering), is responsible for the technical and the quality control of the implementation of the project.

11) The Chief Engineer (Agricultural Engineering), is permitted to utilize the savings amount if any towards the distribution of any of the agricultural machinery mentioned under the component "Financial Assistance for procurement of Agricultural Machinery and Equipment" within the respective Head of Accounts.

12) The Chief Engineer (Agricultural Engineering), is permitted to utilize the savings amount available if any under the components "Establishment of Custom Hiring Centre (Farm Machinery Banks for Custom Hiring)", "Hi-tech, High Productive Equipment Hub for Custom Hiring" and "Promotion of Farm Mechanization in selected villages" towards the establishment of additional Custom Hiring Centre (Farm Machinery Banks for Custom Hiring)", "Hi-tech, High Productive Equipment Hub for Custom Hiring" and "Promotion of Farm Mechanization in selected villages" respectively within the respective Head of Account.

13) The Chief Engineer (Agricultural Engineering), is permitted to utilize the savings amount available if any under the components "Establishment of Custom Hiring Centre (Farm Machinery Banks for Custom Hiring)", "Hi-tech, High Productive Equipment Hub for Custom Hiring", "Promotion of Farm Mechanization in selected villages" towards the distribution of any of the agricultural machinery namely Tractor, Power tiller, Rice Transplanter, Tractor/power tiller driven implements such as Rotavator, Cultivator, Reversible Hydraulic Plough, seed cum fertilizer drill, and baler etc., Power weeder, Chaff cutter, Brush cutter, Combine Harvester, Multicrop

Thresher, Sugarcane Thrash Cutter and Coconut frond chopper to farmers within the respective Head of Accounts.

14) The Chief Engineer (Agricultural Engineering), is permitted to give preference for the promotion of Farm machinery banks at villages under the Tamil Nadu Mission for Sustainable Dryland Development (TNMSDD) clusters during the year 2020-2021.

15) 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.

16) This orders issues with the concurrence of Finance Department vide its U.O. No.48429/Fin(Agri)/2020, dated: 07.01.2021.

/ 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, Office of Accountant General (E&RSA), Chennai - 18.

**Copy to:**

The Finance(Agri/BGI/BGII/W&M-I) Department, Chennai - 9.

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

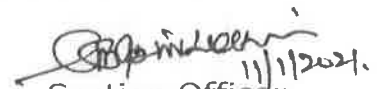
The Senior Private Secretary to Agricultural Production Commissioner and Principal Secretary to Government, Agriculture Department, Chennai-9.

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

The Assistant Programmer, Agriculture Department, Chennai - 9.

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Section Officer  
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