

# AMMA-India organized its 9<sup>th</sup> annual Agricultural Machinery Manufacturers Meet (AMMM-2019)



**“AMMA-India is committed to growth of Indian Agricultural Machinery Industry in such a way that it is able to assist the farmers in achieving sustainability and profitability through appropriate farm mechanization.”**

**The mission statement of AMMA-India**

The Agricultural Machinery Manufacturers' Association (AMMA-India) was formed on January 17, 2010 at the behest of Secretary, Agriculture and Cooperation, Ministry of Agriculture, Govt of India and Secretary, Department of Agricultural Research and Education (DARE), Ministry of Agriculture, Govt of India and Director General, Indian Council of Agricultural Research (ICAR) as earlier there was no National body of agricultural machinery manufacturers which could interact with Govt for the policy framework, promotion of agricultural mechanization and discuss problems faced by this industry.

AMMA-India is devoted to bringing together within the conference program a substantial amount of different academic activities for presentation. The association has

organized its 9<sup>th</sup> Annual General Meeting at Hotel the Residency at Coimbatore city. The association has made accommodation arrangements in the same hotel. The hotel is located very close to Coimbatore International Airport, and the railway station. During the AMMM-2019 on 14<sup>th</sup> July 2019, events run over a period of whole day contained on the amount and duration of the panel discussions, suggestions and presentations. This AGM aims to bring together leading academic scientists, National & International Agricultural Machinery Manufacturers, Traders, Associations, Buying Houses, Governments officials, NGOs and Farmers to exchange and share their experiences on all aspects of Agriculture and Agricultural Machinery. It also provides a premier interdisciplinary platform for researchers, practitioners and educators to





present and discuss the most recent innovations, trends, and concerns as well as practical challenges encountered and solutions adopted in the fields of Agriculture and Agricultural Machinery.

The main objectives of the **9th Agricultural Machinery Manufacturers' Meet (AMMM-2019)** and Agricultural Machinery Exhibition (**AGRI INTEX-2019**) are to assess Farm Machinery Industries: Status and Future Prospects; Problems faced by the Farm Machinery Industries: Issues and Policies; Testing of farm machinery and standards; Financing, Credit policy and Subsidy on farm equipment; Export of farm machinery; arranging B2B meetings among interested manufacturing units; and other issues.

#### **About INDO CHINESE B2B meeting**

With the Global Agriculture Machinery markets pegged at around US\$ 160bn, India's export share is a miniscule today...only with the domestic market of around US\$ 8bn. If it can be properly supported on infrastructure, modernizing, Innovation and marketing support, our Industry can take a share of the growing global Agriculture machinery market. Hence, the association needs to work more closely with the various ministries and their industry support programs to strengthen the capacity and capabilities.

Two consecutive business delegation from **AMMA-India** to China in 2018 & 2019 upon request from **Chinese Agricultural Machinery distributors Association (CAMDA)** China, agricultural machinery manufacturers association

and Shandong province, to promote Chinese agricultural machinery in India was successful handled and to the request from host, **AMMA-India** now reciprocate by organizing a B2B meeting in Coimbatore along with **AGRI INTEX** fair to show cause the Indian agricultural machinery to Chinese and to exchange business interests between manufactures from two countries.

One of the biggest achievements of AMMA-India is the getting approval and establishment of 33 Testing Centres of agricultural machinery throughout India in addition to 4 Testing Centres by Govt. of India. These 33 new testing centres have been approved by Ministry of Agriculture, Govt of India at State Agricultural Universities, Central Agricultural university, IIT Kharagpur, ICAR Institutes and State Govt Agencies. Another four centres of FMTTIs have







already been approved and would become functional soon. Now, there is at least one testing centre in every state. With the continuous efforts of AMMA-India, farm mechanization now is a key area in policy framework of Central as well as state Governments. Accordingly, Sub Mission on Agricultural Mechanization (SMAM) has been envisaged for implementation from XII plan onwards with the aim at catalyzing an accelerated but inclusive growth of agricultural mechanization in India. This sub-mission has been further revised in 2018-19 for the benefit of farmers and users. However, there are still many problems faced by this industry which needs immediate attention from the concerned authorities, some of them are:

**Simplified and Online Subsidy Distribution:** The Govt. is making continuous efforts to stream line the subsidy system in the country. DBT system is one step forward in this direction. Govt has already initiated regional training for state level officers & manufacturers in this direction. Now DBT is available to farmers as well as to

manufactures/dealers as per requirement/demand. Sincere effort is appreciated to make it fully functional in all the states. Even now, there are hurdles like state level approvals, insisting on higher EMD & Security Deposits which are being enforced by various states. This is causing a lot of pressures on Agricultural Machinery Manufacturers, majority of them come under MSME Sector. This type of process has to come under single window system without any EMD or Security Deposit, since this does not fall under “Tender Scheme”.

**GST on Agricultural machinery:** Agricultural Machineries are taxed at 12% GST, whereas most of the inputs are in 18% and 28% bracket. Hence, the accumulation of GST credit due to the inverted tax structure is very high, leading to the blockage of the working capital of the industry. The process of refund is also not so simple and is not completely online, needing manual government official interventions leading to corruption and unnecessary hassle. Hence, the Government should immediately make the Inverted Tax structure refund process simpler, online and quicker so that the working capital of the Industries is not affected.

**High percentage of subsidy for Hi-tech machines:** The hi-tech machines should be provided to the farmers at a higher percentage of subsidies may be up to 75%, to encourage adoption of these kinds of machines.

**Strengthening of approved testing centers:** There are 33 new approved testing centers, out of 33, many of them are not functional and need strengthening particularly in terms of man power. There should be provision of contractual

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man power hiring and expenditure may be met from testing fee charged. The Ministry of Agriculture, Cooperation and Farmers Welfare, GOI as well State Governments should ensure that these centres are strengthened so that they are able to work efficiently.

**Validity period of test reports of the agricultural equipment:** Meeting was held under the Chairmanship of Dr. K. Alagusundaram, DDG (Engg), ICAR on 10th August 2018 on the above captioned subject, for examination and to fix the category-wise validity period of test reports of the various agricultural machines tested at FMTTIs and Identified Institutes. Details are available on [www.ammaindia.org](http://www.ammaindia.org). After the issue of the Office Order on validity of test report period, the test report which have expired their validity on the date of issue of office order and the test reports whose validity will be expired within one year from the date of issue of office order may be



given a grace period of at least two years for their revalidation. This will help the manufacturers to submit their machine and get it tested to continue their business.

**Easy Financing to Farmers & Industry:** Farmers are not able to get financial support for the implements except tractors, power tillers and combine harvesters. Loan for agricultural machinery below Rs. 2 lakhs should be immediately financed by all the banks to the needy farmers. Banks should not insist on Collateral security for loan less than 2 Lakh rupees. Agricultural industry is engaged in serving purely agriculture, so they should be provided all financial assistance at the interest rate at par to that of Agricultural loans.

**Formation of Marketing Board for Export of Agricultural Machinery:** There should be some agency to identify the Demand for agricultural machines – in the country & abroad, where the machines can be easily adopted. Enquiries from Abroad are not able to be finalized due to absence of authenticity by any Govt. agencies, especially African countries. Specialized Marketing Board /Agencies be formed to promote sale of Agricultural Implements & Machinery manufactured in India by MSMEs.

**Specifications of farm equipment:** M&T Division of Ministry of Agriculture and Farmers Welfare has circulated specifications of 51 farm equipment. There are many discrepancies in specification provided for equipment. AMMA-India requests Govt to re-consider them and rectify.



Also there are more farm equipment are being manufactured and sold in the market, they should also be included in the list.

**Re look at the basics of Standardization of Agri Machineries**

The recent standardization of Agricultural Machineries initiative, AMMA-India feel has been wrongly conceptualized. Normally, the standardization has to be on Safety, End Performance and environment (like NVH) etc. But, presently the Standardization has been initiated on Construction of the machinery rather than the above. This will totally stop the innovation of new technologies, upgradation of technologies and R&D. Hence, the standardization of Agricultural machinery initiative to be redrawn with the above in mind. The standardization has to be only on linkage (attachment) between the implement & the prime mover (Tractor) like Power Take off shaft (PTO Shaft), three point linkage etc.

**Strengthening Manufacturing & R&D**

Agri Machinery manufacturers also should come forward to take up the advancement in the new technologies in Agri

machineries globally like Automation, innovation, robotics, GPS, more electronic controls etc. Above all, the Agri Machinery industry also should take up the Industry 4.0 directions and move along with it. Not moving forward in establishing the new industry requirements will isolate us very quickly. On the same line, Government should come up and work with our manufacturers / AMMA-India in strengthening the Infrastructure for the Agri Machinery Industries in terms of “Technology Upgradation Fund” (TUF), More customized “Common facility Centre” (CFC) etc.

AMMA-India invited companies, both manufacturers and importers to make presentations of the AMMM-2019 and to advertise on the souvenir, to represent technologies, machines, devices, materials and services, which they are offering on the market. Association also invited to the agrarian businessmen to acquaint with the latest scientific achievements in the field of the agricultural mechanization.

We at **AGRI MECH** hope that way the **IX AMMM-2019** on **AGRICULTURAL MACHINERY 2019** will play the role of innovational mediator between the scientists and researchers on the one hand and the industry on the other hand and suggest its readers to take advantage of this possibility. ■■■

