

No. 13-4/2010-M&T(I&P)
MINISTRY OF AGRICULTURE
Department of Agriculture and Cooperation
(Mechanization & Technology Division)

Krishi Bhawan, New Delhi.
Dated: the 2nd December, 2014

To

- Principal Secretaries (Agriculture),
- Director of Agriculture/Director of Agriculture Engineering of all State Governments
- AMMA.
- TMA

Subject: Records of the discussion of the meeting with the office bearer of AMMA & TMA Associations held on 05.11.2014 in the office of Additional Commissioner (M&T), Room No.298 at 12 Noon to discuss the issues related to implementation of SMAM, taxation and manufacturing of agriculture machinery.

I am directed to forward herewith minutes of above meeting for information and necessary action please.

This issues with the approval of competent authority.

(P.K. Chopra)
Assistant Commissioner (M&T)

Encl: As above

Subject: Records of the discussion of the meeting with the office bearer of AMMA-India & TMA Associations held on 05.11.2014 in the office of Additional Commissioner (M&T), Room No.298 at 12 Noon to discuss the issues related to implementation of SMAM, taxation and manufacturing of agriculture machinery.

1. At outset, Shri V.N. Kale, ADC (M&T) welcomed the participants and requested to proceed the agenda.
2. The list of the participants is at annexure.
3. In the beginning of the meeting, Mr. D.S. Balchandra Babu submitted a representation wherein the different issues/problems are as below. The issues as presented by the associations were discussed at length and are summarized as under :
 - a. **E-tendering process and approving the tender with low price and sacrifice the quality of the machines by ignoring the manufactures of product of good quality in States. States do not follow any time frame for utilization of funds allotted under SMAM:** It has been clarified that the SMAM guidelines clearly speak about the complete freedom to beneficiary for selection of agricultural machinery and equipments as per his choice. The AMMA may take up the issue with concerned State Govts. **(Action: AMMA-India, All State Govts.)**
 - b) **Many States are still taking very heavy amount as security which is not desirable:** SSI registered units are exempted from payment of EMD in tenders in Govt. of India. Likewise AMMA-India may take the matter with **concerned** State Govts. **(Action: AMMA, All State Govts.)**
 - c) **Excise Duty on Parts and components of Agriculture implements are Still charged;** It is advised to take up the issue Directly with the Ministry of Industry being the nodal Ministry for Farm Machinery items and also with Finance Ministry and if any clarification is sought by both the Ministries in the above context from this Division, the same will be furnished to them. **(Action: AMMA)**
 - d) **To encourage technology transfer, a priority list of imported machines shall be prepared which should be given import subsidies in time bound fashion and for machines where technology is existing in the country, a negative list be prepared and should subject to high import duty regime;** The issue is out of the jurisdiction of this Ministry. If they have such a list, they may furnish it for information of DAC. **(Action: AMMA)**
 - e) **All the designated testing Centers at SAUs/ICAR institutes to be strengthened in terms of infrastructure and man power and transfer of testing fee to testing centers for meeting the recurring expenses. Self certification may be considered for subsidy purpose as emphasized by Hon'ble Prime Minister.** As regard the issue of testing fee utilization for recurring expenses, engaging man power and further strengthening of testing infrastructure etc., have already been discussed at length during the workshop held under the chairmanship of JS(M&T) on 9.9.2014 where the heads of the designated testing centers have participated and the views of the Ministry have already been communicated to concerns. However, in future the office bearers of the AMMA, TMA, PTMA, AICMA etc will be also invited for such workshop in order to have latest updates of different Testing Centers with them. As regard the self

certification of the products at manufactures level, there is no guideline or instruction with the Ministry.

- f) **Due Advantage to the members of AMMA in implementation of subsidy and other Govt schemes** : The association representatives are always invited to DAC for discussion whenever they would like to be included in the discussion on policy matters.
- g) **Uniform Tax Structure viz., VAT/CST may be levied on Agriculture machinery and equipments except tractors across the country**: It has been advised to take up the issue Directly with the Ministry of Industry being the nodal Ministry for Farm Machinery items and also with Finance Ministry and if any clarification is sought by both the Ministries in the above context from this Division, the same will be furnished to them. **(Action: AMMA)**
- h) **Some States are applying only to specific crops such as sugarcane and not taking any steps for overall in farm productivity envisaged through SMAM and really not considering inclusive development of small and marginal farmers through the establishment of CHCs and concentrating on high tech- hub**: The states are submitting their AAP based on their requirements. There is no such case of any state reported during the finalization of AAP of SMAM.

The meeting ended with the vote of thanks to the Chair.

ANNEXURE

List of Participants

1. Shri V.N. Kale, ADC (M&T)	-	in Chair
2. Shri A. N. Meshram, DC (M&T)		
3. Shri P. K. Chopra, AC (M&T)		
4. Dr. Surender Singh, Tech Advisor, AMMA	7387081819	
5. D.S. Balachandra Babu, President, AMMA	9840062049	
6. S. Balasubramaniam, TMA Representative	9677204551	
7. Raju S.V, secretary, AMMA	9448396260	
8. Satish M.R.	9845045746	
9. R Anthony JohnBosco	8527391189	

V N KALE

Additional Commissioner

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