

Minutes of the meeting held on 25th March, 2015 with States to review and discuss proposals for Annual Action Plan under MIDH, On Farm Water Management (OFWM) & Vegetable Initiative for Urban Clusters (VIUC) for 2015-16

A meeting was held under the Chairmanship of Shri Sanjeev Chopra, Joint Secretary (MIDH & OFWM) on 25.03.2015 to finalize the Annual Action Plan (AAP) 2015-16 under NHM sub-scheme of Mission for Integrated Development of Horticulture (MIDH), Micro Irrigation component of Pradhan Mantri Krishi Sinchai Yojna (PMKSY) and Vegetable Initiative for Urban Clusters (VIUC) under Rashtriya Krishi Vikas Yojana (RKVY). The progress and Action plans for States of Jharkhand, (NHM), Jammu & Kashmir, Himachal Pradesh, Assam, Manipur, Meghalaya, Tripura, Mizoram, Nagaland and Sikkim under HMNEH scheme were discussed in two sessions. AAP in respect of National Level Agencies (NLAs) of NCCD, NIFTEM, and NBB were also discussed. List of participants is at **Annexure**.

At the outset, the Chairman conveyed his appreciation for the achievements under MIDH, during 2014-15, which is reflected in the budget estimates for 2015-16 under the Mission, as compared to other schemes of DAC. The salient points highlighted by the Chairman regarding changed parameters for the Action Plan for 2015-16 are summarized as under:

- With effect from 2015-16 the funding pattern under MIDH and OFWM schemes is under revision to 75:25(GOI:State) as against 85:15 during 2014-15 and the revised pattern of assistance would be intimated, on receipt of approval from the competent authority. Hence, the State Finance Departments should be taken on board for allocating the state share, to be communicated in due course. Action Plans would be revised subsequently, as per the policy guidelines issued by GOI.
- The current procedure for release of funds through the State governments (treasury route) would be continued.
- Direct Beneficiary Transfer scheme to be operationalized for ensuring financial inclusion, through electronic transfer of cash component/funds to beneficiary accounts under CSS/CS schemes, including through Hortnet. Special drive to be organized by the State Horticulture Missions, in NHM clusters, with the involvement of District Magistrates, Lead Banks for facilitating opening of bank

accounts and issue of Kisan Credit Cards to potential beneficiaries, with Aadhar linkages. This exercise need to be completed by the end of April, 2015.

- SHMs need to take proactive steps for organizing seminars/workshops with the participation of local KVKs, State Agricultural Universities SAUs, etc in Sansad Adarsh Gram by allocating of Rs. 2.00 lakh each for such villages.
- SFAC may be requested to forward weekly updates on important horticulture commodities, viz.onion, potato etc to State Horticulture Missions. Further, SHMs were requested to identify horticulture commodities to be included in the central repository (MIS) on the lines of onion and potato reports, undertaken through Agriwatch. A weekly update on top horticulture commodities could be generated and shared on MIDH web site.
- Funds earmarked for PHM and market components in the Action Plan need to be utilized fully. Efforts need to be made to formulate realistic Action Plans for strengthening end to end value chain for horticulture produce, through projectisation of interventions under the schemes.
- Outlay on area expansion should not exceed 20% of total outlay of AAP.
- Time lag in forwarding project based proposals to DAC need to be minimized, after due appraisal of projects. SHMs need to strengthen their project appraisal teams for technical appraisal of projects. A workshop would be organized by NCCD for the purpose.
- Implementation of projects under Indo- Dutch collaboration to be stepped up.
- SHMs need to ensure posting of monthly physical and financial progress on NHM web site. Moreover, the web postings need to be reconciled in accordance with audited statement of expenditure. Status of project based proposals also needs to be reviewed and updated on the web site.
- SHMs need to furnish replies expeditiously, to the audit paras communicated by the Chief Controller of Accounts, DAC.
- Henceforth, VIUC would not be funded as a sub scheme of RKVY. SHMs may explore options as appropriate, to include VIUC component, within the allocated outlay for NHM or seek funding as per RKVY norms.
 - Micro irrigation component will henceforth be covered under Pradhan Mantri Krishi Sinchai Yojna (PMKSY). Interventions under PMKSY would include

components of Accelerated Irrigation Benefit Programme of Ministry of Water Resources and Watershed Development Programme of D/o Land Resource under Ministry of Rural Development. All agriculture & horticulture crops will be covered.

After the initial remarks by the Chairman, Director (OFWM) made a presentation about the modalities of implementation of micro irrigation component under the newly launched PMKSY. He highlighted the need for higher contribution by beneficiaries through bank financing for achieving the targets projected by Task Force on Micro Irrigation within a reasonable period of 20 years, which otherwise may take 100 years if the current pace of assistance is continued. PMKSY aims to encourage the states to enhance their spending on irrigation projects, particularly through improved irrigation systems. States will have to prepare District Irrigation Plan (DIP) on the basis of District Agriculture Plans and State Agriculture Plans prepared under RKVY. Moreover, focus will be on those states having large chunks of unirrigated lands.

During the discussions it emerged that there was need to have a Special Purpose Vehicle (SPV) for appraising the projects under PMKSY. Moreover, State Governments need to be given freedom to nominate the Nodal Department which will be responsible for implementing PMKSY.

Highlights of the presentations made by the representative of the State Governments and decisions taken during the course of the meeting are summarized below:

1. Jharkhand

National Horticulture Mission (NHM):

Dr. Prabhakar Singh, Director of Horticulture, Jharkhand in his presentation mentioned that State has incurred an expenditure of Rs.19.64 crore till February, 2015 (GOI, share) against released of Rs. 44.49 crore. Looking into the allocation of Rs. 68.00 crore for 2014-15, State will be requiring more funds for meeting committed expenditure. Moreover, they needed more funds under Tribal sub plan. On this, it was informed that

Rs. 5.00 crore is being released to the State. Mission Director informed that more focus has been given to promotion of protected cultivation in the state.

State has proposed an amount of Rs. 80.00 for AAP 2015-16.

On Farm Water Management and PMSKY:

Tentative allocation was proposed for Rs 15.00 Cr.

VIUC (RKVY): Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

2. Uttarakhand

Dr. B.S. Negi, Mission Director, Uttarakhand informed that against the allocation of Rs. 46.00 crore for 2014-15, SHM has incurred an expenditure of Rs. 16.33 crore till February, 2015. SHM has identified 3936 villages in 461 clusters in the State where developmental programs are being implemented. He suggested that Uttarakhand needs to be kept at par with NE States and sharing of assistance should be in the ratio of 90:10. He, further, added that provision has been kept for R&D projects and committed liabilities of MM III and MM IV projects in the AAP.

State has proposed an outlay of Rs. 66.00 Cr for AAP 2015-16.

OFWM

Tentative allocation was proposed for Rs 7.00 Cr.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

3. Himachal Pradesh:

Mission Director, Himachal Pradesh informed that against the allocation of Rs. 48.00 crore, an amount of Rs. 42.42 crore including Rs. 20.39 crore towards liabilities for MM-III & IV was released during 2014-15. State has proposed an outlay of Rs. 143.84 Cr for Annual Action Plan 2015-16.

OFWM

Tentative allocation was proposed for Rs 1.50 Cr.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

4. Jammu and Kashmir:

Assistant Director, Jammu and Kashmir informed that against the allocation of Rs. 60.00 crore, an amount of Rs. 45.00 crore including Rs. 16.00 crore towards liabilities for MM-III & IV was released during 2014-15. State has proposed an outlay of Rs. 92.05 Cr for Annual Action Plan 2015-16.

OFWM

Tentative allocation was proposed for Rs 1.00 Cr.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

5. Assam:

Shri Khogendra Sormey, Deputy Director, SHM, Assam informed that due to the new system of routing funds from the state treasury, they SHM could not get release of funds in time. The system has been streamlined and implementation of the program will be undertaken as per schedule. Out of the allocated fund of Rs. 48 crore, an amount of Rs. 18.62 crore was released during 2014-15. The state was informed that an amount of Rs. 10.50 crore more would be released during the current financial year. State has proposed an outlay of Rs. 62.22 Cr for Annual Action Plan 2015-16

OFWM

Tentative allocation was proposed for Rs 1.00 Cr.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

5. Manipur:

Shri K. Kipgen, Mission Director, SHM, Manipur made presentation of the AAP for the Year 2015-16 with proposed outlay of Rs. 50.00 crore. While discussing the proposal for R&D projects for Rs. 1.10 crore, it was suggested that only such projects need to be included, which are of direct benefit for development of horticulture in the state. Out of the allocated fund of Rs. 50 crore, an amount of Rs. 44.17 crore was released during 2014-15. State has proposed an outlay of Rs. 50.00 Cr for Annual Action Plan 2015-16 crore.

OFWM

Tentative allocation was proposed for Rs 2.72 Cr.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

6. Meghalaya:

Ms. M.D.M. Mishil, Mission Director, SHM, Meghalaya made presentation of the AAP for the Year 2015-16. Out of the allocated fund of Rs. 40 crore during 2014-15, an amount of Rs. 27.60 crore was released. State has proposed an outlay of Rs. 40.00 Cr for Annual Action Plan 2015-16.

OFWM

Tentative allocation was proposed for Rs 0.50 Cr.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

6. Mizoram:

Dr. Elizabeth Saipari, Joint Director, SHM, Mizoram made presentation on the progress and proposed AAP for the Year 2015-16. Members of the JIT to Mizoram pointed out dissemination of technical knowledge to farmers/beneficiaries is required for management of vermi compost units , orchid plantations etc. Dr. Saipuri assured that in future, he same will not happened. Out of the allocated fund of Rs. 52.00 crore during 2014-15, an amount of Rs. 41 crore was released. State has proposed an outlay of Rs. 52.66 Cr for Annual Action Plan 2015-16.

OFWM

Tentative allocation was proposed for Rs 4.50 Cr.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

7. Nagaland:

Shri Pawan Kumar, Joint Director, SHM, Nagaland made presentation on the progress and proposed AAP for the Year 2015-16. While discussing the proposed AAP for 2015-16, it was pointed out the State needs to take up interventions related to target horticulture crops for the state, instead of spreading resources thinly over numerous activities. Out of the allocated fund of Rs. 52.00 crore during 2014-15, an amount of Rs.

34.76 crore was released. State has proposed an outlay of Rs. 52.66 Cr for Annual Action Plan 2015-16.

OFWM

The state does not intend to take up OFWM.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

8. Tripura:

Shri Saradindu Das, Director, SHM, Tripura made presentation on the progress and proposed AAP for the Year 2015-16. Shri Das informed the difficulties faced in getting fund by the SHM due to the newly introduced system of routing of funds through state treasury. Out of the allocated fund of Rs. 54.00 crore during 2014-15, an amount of Rs. 37.00 crore was released. State has proposed an outlay of Rs. 54.87 Cr for Annual Action Plan.

OFWM

Tentative allocation was proposed for Rs 2.00 Cr.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

9. Sikkim:

Shri Y.K. Pradhan, Director, SHM, Sikkim explained the progress made by the state and proposed AAP for the Year 2015-16. Shri Pradhan stressed their immediate requirement of funds due committed liabilities as all the allocated funds could not be released till then. Out of the allocated fund of Rs. 49.00 crore during 2014-15, an amount of Rs. 20.00 crore was released. The state was informed that an amount of Rs. 20.00 crore more would be released during the current financial year. State has proposed an outlay of Rs. 49.62 Cr for Annual Action Plan 2015-16.

OFWM

Action Plan for 2015-16 will be prepared with an outlay of Rs. 4.26 crore as Government of India Share.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.

10. Arunachal Pradesh:

Shri Narang Tani, Deputy Director, SHM, presented the progress made by the state and proposed AAP for the Year 2015-16. Shri Narang informed the difficulties faced in getting fund by the SHM from the state treasury making them difficult to utilize the funds released to the state. Out of the allocated fund of Rs. 50.00 crore during 2014-15, an amount of Rs. 2376.50 crore was released. State has proposed an outlay of Rs. 50.81 Cr for Annual Action Plan 2015-16.

OFWM

Action Plan for 2015-16 will be prepared with an outlay of Rs. 0.50 crore as Government of India Share.

VIUC (RKVY)

Funds for VIUC would be availed within the allocation of MIDH for 2015-16, if funds are not available under RKVY.