



डेयरी विकास के लिए क्षेत्र विकास योजना - 2018-2023

AREA DEVELOPMENT SCHEME FOR  
DAIRY DEVELOPMENT - 2018-2023

विशाखापट्टणम  
Visakhapatnam

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT

आंध्र प्रदेश क्षेत्रीय कार्यालय, हैदराबाद

ANDHRA PRADESH REGIONAL OFFICE



## विज़न

ग्रामीण समृद्धि के लिए राष्ट्रीय विकास बैंक.

## VISION

Development Bank of the Nation for fostering rural prosperity.

## मिशन

सहभागिता, संधारणीयता और समानता पर आधारित वित्तीय और गैर-वित्तीय सहयोगों, नवोन्मेषों, प्रौद्योगिकी और संस्थागत विकास के माध्यम से समृद्धि लाने के लिए कृषि और ग्रामीण विकास का संवर्धन.

## MISSION

Promote sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for securing prosperity.

## प्राक्कथन

नाबार्ड राज्य के सभी जिलों के लिए संभाव्यता युक्त ऋण योजनाएं (पीएलपी) तैयार करता है जिनमें कृषि, संबंधित गतिविधियों, सूक्ष्म, लघु और मध्यम उद्यमों और अन्य प्राथमिकता प्राप्त क्षेत्रों की गतिविधियों में ऋण संभाव्यताओं के साथ-साथ, इन संभाव्यताओं को पूरा करने के लिए आवश्यक आधारभूत सुविधाओं व संयोजनों को भी विशेष रूप से दर्शाया जाता है। भारतीय रिज़र्व बैंक ने जिला विकास योजना तैयार करने के लिए अब नाबार्ड की पीएलपी को एक आवश्यक आधार दस्तावेज का दर्जा दिया है। वर्ष 2018-19 के लिए अब तक राज्य के सभी 13 जिलों से संबंधित पीएलपी जारी किए जा चुके हैं।

विभिन्न स्टेकहोल्डरों के बीच प्रभावी समन्वय के फलस्वरूप आंध्र प्रदेश में कृषि और संबंधित गतिविधियों के लिए आधारस्तरीय ऋण प्रवाह में पिछले कुछ वर्षों से लगातार वृद्धि देखी गई है। कृषि और संबंधित गतिविधियों के लिए वर्ष 2015-16 और वर्ष 2016-17 के दौरान कुल आधार स्तरीय ऋण प्रवाह क्रमशः ₹75,448 करोड़ और ₹78,114 करोड़ था जिससे स्पष्ट है कि राज्य की अर्थव्यवस्था के इस महत्वपूर्ण क्षेत्र के लिए बैंक ऋणों का प्रवाह अत्यंत संतोषजनक रहा है। तथापि, निवेश ऋण, जो कि कृषि क्षेत्र में पूंजी निर्माण के लिए अत्यंत महत्वपूर्ण है, का स्तर उत्पादन ऋण प्रवाह के समकक्ष नहीं है। गत दो वर्षों में निवेश ऋण, कृषि के लिए कुल ऋण प्रवाह का 24% रहा। निवेश ऋण में और अधिक वृद्धि आवश्यक है। उल्लेखनीय है कि 2016-17 के दौरान अखिल भारतीय स्तर पर कृषि संबंधी निवेश ऋण, कृषि संबंधी कुल आधारस्तरीय ऋण का 35% था।

नाबार्ड द्वारा दीर्घावधि प्रयोजनों के लिए ऋण प्रवाह को बढ़ाने के लिए प्रयास किए जा रहे हैं जिनमें विशिष्ट गतिविधियों के लिए क्षेत्र विकास योजनाएं तैयार करना, क्षेत्राबैंकों और सहकारी बैंकों को, इस प्रयोजन के लिए भारत सरकार द्वारा स्थापित दीर्घावधि ग्रामीण ऋण निधि (एलटीआरसीएफ) से रियायती दरों पर पुनर्वित्त उपलब्ध कराना, बैंकों के लिए प्रशिक्षण कार्यक्रम / कार्यशालाएं आयोजित करना आदि शामिल हैं। आंध्र प्रदेश में नाबार्ड द्वारा, सहभागी बैंकों और जिला विकास प्रबंधकों के गहन समन्वयन से 54 क्षेत्र विकास योजनाएं कार्यान्वित की जा रही हैं और इनके तहत चयनित निवेश गतिविधियों के लिए बैंकों द्वारा लगभग ₹418.02 करोड़ की राशि ऋण के रूप में प्रदान की गई है।

इस दृष्टिकोण की सफलता से प्रेरित होकर नाबार्ड ने निश्चय किया है कि इन योजनाओं की प्रक्रिया, तैयारी और कार्यान्वयन को और अधिक सुदृढ़ बनाया जाए। अब क्षेत्र विकास योजनाओं को नाबार्ड की आयोजना प्रक्रिया का एक अभिन्न अंग बनाया गया है तथा चयनित कृषि और संबंधित गतिविधियों से संबंधित दस्तावेज, जिनमें उनके तकनीकी-आर्थिक मानदंड, वित्तीय व्यवहार्यता और बैंकिंग योजनाएं इंगित होंगी, प्रत्येक जिले के लिए अलग-अलग प्रकाशित किए जाएंगे।

क्षेत्र विकास योजनाओं पर जिला स्तरीय दस्तावेज प्रस्तुत करते हुए मुझे अत्यंत प्रसन्नता हो रही है। इन योजनाओं को और इसे राज्य सरकार के लाइन विभागों, एसएलबीसी, एलडीएम और अन्य स्टेकहोल्डरों के साथ गहन समन्वयन से हमारे जिला विकास प्रबंधक और क्षेत्रीय कार्यालय द्वारा तैयार किया गया है। राज्य में कृषि क्षेत्र के विकास को गति प्रदान करने के लिए राज्य सरकार द्वारा चयनित योथ इंजनों को ध्यान में रख कर इन क्षेत्रों की पहचान की गई है। इस दस्तावेज में, 05 वर्षों (2018-19 से 2022-23 तक) की अवधि के दौरान क्षेत्र विकास योजनाओं के तहत जिले में ₹ 433.46 करोड़ से अधिक की कुल आधार स्तरीय ऋण संभाव्यता का आकलन किया गया है। राज्य सरकार द्वारा प्राथमिकता प्राप्त क्षेत्र को दी जा रही वरीयता को ध्यान में रखते हुए, इस दिशा में सभी स्टेकहोल्डरों के गहन प्रयासों से, इस संभाव्यता को निश्चित रूप से पूरा किया जा सकता है।

मैं जिला प्रशासन, लाइन विभागों, भारतीय रिज़र्व बैंक के अग्रणी जिला अधिकारी, अग्रणी जिला प्रबंधक, सहभागी बैंकों और जिला विकास प्रबंधक के प्रति आभार व्यक्त करता हूँ जिनके सहयोग से हम यह दस्तावेज तैयार कर सके हैं। मैं आशा करता हूँ कि इस सनराइज़ राज्य में कृषि क्षेत्र के अंतर्गत निवेश ऋण के प्रवाह में वृद्धि लाने के हमारे प्रयासों में सभी संबंधित सोत्साह भाग लेंगे।

के. सुरेश कुमार  
मुख्य महाप्रबंधक  
22 जनवरी 2018

## Foreword

NABARD prepares district wise Potential Linked Credit Plans (PLPs) for all the districts in the State, which reflect the credit potential for agriculture, allied activities, MSME and other priority sector activities and also highlights the infrastructure and linkages required for realization of the identified credit potential. The PLPs have now been mandated by RBI to be the precursor to the District Credit Plans. PLPs (for all the 13 districts of the State) for 2018-19 has since been launched in the district.

The ground level credit flow in Andhra Pradesh for agriculture and allied activities has been showing an increasing trend in last few years with effective coordination among various stakeholders. Total ground level credit flow for agriculture and allied activities was ₹ 75,448 crore and ₹ 78,114 crore in 2015-16 and 2016-17, respectively indicating substantial flow of bank loans for this critical sector of the State's economy. However, the share of Investment Credit, which is crucial for capital formation in agriculture has not kept pace with the production credit flow and formed 24% of the total flow of credit for agriculture, in the last two years needing higher growth. It may be added that at All India level the share of Investment credit formed 35% of the total ground level credit for agriculture in 2016-17.

NABARD has been making efforts to increase flow of credit for long term purposes by preparing Area Development Schemes for specific activities, extending concessional refinance to RRBs and Cooperatives from the Long Term Rural Credit Fund created for this purpose by the Government of India, organizing training programmes/workshops for bankers', etc. In Andhra Pradesh, NABARD is implementing fifty four Area Development Schemes (ADS) in close coordination with participating banks and District Development Managers and an estimated amount of ₹418.02crorehas been extended by banks as credit for the investment activities identified.

Encouraged by the success of this approach NABARD has decided to further consolidate the process, preparation and implementation of these Schemes. ADS will now be made an integral part of the planning process by NABARDand documents indicating Techno-economic parameters, financial viability and Banking Plans will be published, District wise, separately, for identified agriculture and allied activities.

I am very happy to present the District Level Document on Area Development Schemes which has been finalised by our DDM and Regional Office in close consultations with line departments of the State Government, SLBC, LDMs and other stakeholders. The growth engines identified by the State Government for spurring agriculture growth in the State have been taken into account while identifying the sectors. The document has estimated a total ground level credit potential of ₹ 433.46 crore, under the ADS in the District over a period of 5 years (2018-19 to 2022-23), which is definitely realisable if all the stakeholders make sincere efforts in this direction, in view of the priority accorded by the State Government to the Primary Sector.

I thank the district administration, line Departments, LDO RBI, LDM, participating banks, and DDM whose inputs made it possible for us to bring out this document. I hope our efforts to improve flow of investment credit in the agriculture sector of the Sunrise State will get enthusiastic participation from all concerned.

K. Suresh Kumar  
Chief General Manager  
22 January 2018



# **AREA DEVELOPMENT SCHEME ON DAIRY DEVELOPMENT**



**NATIONAL BANK FOR AGRICULTURE  
AND RURAL DEVELOPMENT**

**VISAKHAPATNAM DISTRICT**



## 1. Introduction

### Area Development Plan - Background

Poverty in rural India is the greatest challenge faced by the country today. As the agricultural size of land holdings are shrinking and agriculture becoming unviable for many, it is the landless, small and marginal farmers who are being pushed into poverty. The country is observing that several small farmers are abandoning agriculture and migrating in distress to the urban areas. The agriculture laborer is also finding it difficult to afford a square meal as the farmers are leaving their lands barren and moving on to other professions. This, in turn, is challenging both food security of our country and food inflation. The agricultural scenario of the area of financing is as under :

(Area in Ha.)

Sl. No	Mandal	Geographical area	Forest area	Land put to non-agr uses	Other fallow lands	Current fallow lands	Net sown area	Area sown more than once
1	ACHUTAPURAM	15101	1788	3277	729	1065	3713	1189
2	ANAKAPALLE	18360	227	3560	1050	1153	7113	2081
3	BHEEMUNIPATNAM	12074	56	2897	3091	886	2316	658
4	BUCHAYYAPETA	19278	2138	1731	186	0	9880	2180
5	CHODAVARAM	15699	1315	1493	616	1093	7952	6116
6	ELLAMANCHILI	11707	2499	1313	404	335	4886	2103
7	KASIMKOTA	19695	4027	1733	1435	569	6246	1379
8	KOTAURATLA	20941	7304	1404	914	531	6486	1199
9	MAKAVARAPALEM	15471	559	1719	171	4022	6405	1751
10	MUNAGAPAKA	9292	486	961	177	359	4338	2390
11	NAKKAPALLE	25468	4646	2042	228	1773	9551	867
12	NARSIPATNAM	12881	2292	1110	0	1485	5787	736
13	PARAWADA	15090	358	6847	0	0	2932	391
14	PAYAKARAOPETA	12984	1652	2265	45	164	7181	1412
15	PENDURTHI	12019	1019	4030	0	0	3415	1634
16	RAMBILLI	14711	1419	4671	120	502	5755	1749
17	S.RAYAVARAM	16584	918	2371	0	1445	9320	2953
18	SABBAVARAM	19347	2709	3985	975	223	4704	624
	<b>TOTAL</b>	<b>286702</b>	<b>35412</b>	<b>47409</b>	<b>10141</b>	<b>15605</b>	<b>107980</b>	<b>31412</b>



The category of farmers and the area under their possession in the Mandals are as under:

Name of the Mandal	Marginal Farmers		Small Farmers		Other Farmers		Total Farmers		Av. Size
	No.	Area	No.	Area	No.	Area	No.	Area	
ACHUTAPURAM	9911	8572	1179	3756	466	3663	11556	15992	1.38
ANAKAPALLE	20094	14719	1312	4358	493	4608	21899	23686	1.08
BHEEMUNIPATNAM	8719	6301	736	2537	500	5404	9955	14242	1.43
BUCHAYYAPETA	16008	15007	2137	7176	586	4227	18731	26410	1.41
CHODAVARAM	17495	14635	1450	4781	400	3389	19345	22805	1.18
ELLAMANCHILI	9603	7383	1122	3541	405	3073	11130	13997	1.26
KASIMKOTA	12273	9927	1436	4865	638	5174	14347	19967	1.39
KOTAURATLA	8203	8858	2129	6464	1132	8983	11464	24306	2.12
MAKAVARAPALEM	9507	10404	2490	8249	689	4983	12686	23637	1.86
MUNAGAPAKA	12812	9500	706	2272	139	961	13657	12733	0.93
NAKKAPALLE	15422	13826	2391	7557	962	7518	18775	28902	1.54
NARSIPATNAM	8430	8705	1631	5515	531	3876	10592	18097	1.71
PARAWADA	6371	5265	654	2244	240	2189	7265	9698	1.33
PAYAKARAOPETA	8409	7794	1184	3770	577	5288	10170	16852	1.66
PENDURTHI	6909	5226	538	1766	253	1959	7700	8951	1.16
RAMBILLI	9865	8768	1258	4098	359	2670	11482	15536	1.35
S.RAYAVARAM	10842	10566	1733	6014	1097	10412	13672	26992	1.97
SABBAVARAM	11637	9714	1069	3887	293	2050	12999	15651	1.20
<b>TOTAL</b>	<b>202510</b>	<b>175173</b>	<b>25155</b>	<b>82850</b>	<b>9760</b>	<b>80429</b>	<b>237425</b>	<b>338452</b>	

1.2. In this context, the diversification of rural livelihoods from conventional cultivation to other farm and non-farm enterprises is strongly advocated by the policy makers and practitioners of rural development. In the farm-based livelihoods, dairy and other animal husbandry activities have been very promising and lucrative, especially for the small and marginal farmers. After success of AMUL followed by operation flood, the Indian dairy sector grew at a rapid pace transforming our country from milk-deficient nation to a global leader in milk production. However, the success of operation flood did not reach evenly to all parts of the country. There are still several regions which are very low in terms of milk production base. The barriers on technology and support services are still high in the dairy sector in certain areas and are not readily available to the poor. Lack of integrated approach to the problems in dairy is also one important reasons why some regions with high poverty are still left out in the development process.



1.3. Agriculture is the predominant economic activity in the district and majority of the population depend on production and marketing of crops. The GVA of the agriculture sector showed an impressive increase from 8.13% in 2015-16 to 14.03% in 2016-17. It contributes 27.59% of GSDP and major allocation of the bank finance is made for production of crops in District Credit Plan. The total geographical area of the district is 11.16 lakh hectares of which Net Sown Area is 2.77 lakh ha which forms 24.82% of total reporting area. Gross Cropped Area is around 3.51 lakh ha which forms 31.45% of total geographical area. There are 4.74 lakh farmers in the district, out of which 3.61 lakh are marginal farmers (<1 Ha.), 0.68 lakh are small farmers (<2 Ha) and 0.45 lakh are other farmers (more than 2 Ha). Out of the total land holdings of 4.00 lakh Ha. Marginal farmers are holding area of 1.37 lakh Ha., Small Farmers are holding area of 0.95 lakh Ha. and other farmers holding 1.68 lakh Ha. The average size of holding is 0.84 ha. The district is dependent on rainfall for agriculture activities. Visakhapatnam district is a resource rich district with 39.8% forest cover and rainfall of 1202 mm. Majority households are interested in dairy as 69% of total rural households of Visakhapatnam district own cattle in comparison with 66% for Andhra Pradesh. However, the Livestock per rural household is only 1.38 which is low in comparison with that of 1.9 for Andhra Pradesh. As agriculture is mostly seasonal, dairy development as allied activity assumes greater importance in rural areas as it supplements income and provides gainful employment. The district is having 4.08 lakh cattle and 2.18 lakh buffaloes as per Livestock Census, 2012.

The milk production in the district during 2016-17 stood at 6.55 lakh MTs, an increase of 14.5% over the previous year and the target for 2017-18 estimated at 7.60 lakh MTs. The milk production in the district is estimated at 5.72 lakh MTs for the year 2015-16 and accounts for 5.8% of total milk production of the state.

The agro-climatic conditions of Visakhapatnam district are favourable for dairy development. The justification for preparing area development scheme on dairy, viz. milk production is still at nascent stage, small and marginal farmers are mostly interested in dairy. Primary sector mission of the State is to increase the milk production to 300 lakh MTs. Presence of players like Heritage dairy and Visakha Dairy leads to increased demand for milk in the district.



## 2 Scheme Area

The scheme would be implemented in the all the villages of Payakaraopeta, S Rayavaram and Anakapalle Mandals of Visakhapatnam. The criteria have been adopted after due consultations with departments in respect of fodder and other veterinary facilities and procurement/milk routes. The beneficiaries will be Small Farmers and Marginal Farmers. The availability of shed will be ensured by the farmer as the unit is small.

## 3. Selection of Beneficiaries

All the beneficiaries selected will have previous experience in dairy. The minimum size of the unit will be 2 cows and only Small Farmers and Marginal Farmer will be covered under the scheme in consultation with Animal Husbandry Department

## 4. Forward and Backward Linkages.

S. No.	Name of Mandal	No.of habited villages	Veterinary centres	Concentrate feed	Milk Marketing
1	ACHUTAPURAM	33	30	AH, Visakha Dairy and Heritage dairy	AH, Visakha Dairy and Heritage dairy and other local market
2	ANAKAPALLE	32	26		
3	BHEEMUNIPATNAM	19	17		
4	BUCHAYYAPETA	38	32		
5	CHODAVARAM	31	29		
6	ELLAMANCHILI	14	10		
7	KASIMKOTA	26	14		
8	KOTAURATLA	20	16		
9	MAKAVARAPALEM	25	14		
10	MUNAGAPAKA	26	15		
11	NAKKAPALLE	31	27		
12	NARSIPATNAM	12	9		
13	PARAWADA	22	20		
14	PAYAKARAOPETA	18	7		
15	PENDURTHI	22	21		
16	RAMBILLI	30	20		
17	S.RAYAVARAM	22	14		
18	SABBAVARAM	33	26		



a) There are around 21 shandies in the district which are supplying good quality animals in the proposed scheme area. There are around 11 shandies in near by Vizianagaram and 12 shandies in Srikakulam districts which supply good quality cattle population. But as per the instructions of District Administration, animals must be necessarily purchased from nearby district for which Animal Husbandry Department with subsidy is making all arrangements and provides subsidy. The animals are to be purchased from nearby district to arrest duplication of the same animals.

### **(b) Veterinary infrastructure for cattle and cross breeding:**

The following shows the infrastructure available.

No. of Area Veterinary Hospitals	-	20
No. of Veterinary dispensaries	-	106
No. of Rural Live Stock units	-	40
No. of Gopool Mitra Centres	-	169

### **Calf rearing/management**

- One Animal Hostel is being established at Nallgonda village of Koyyuru Mandal with an outlay of ₹1.00 crore. Currently civil construction work is going on with NREGS funds of ₹50.00 lakhs and ₹50.00 lakhs under Special Development Funds
- Two Mobile Veterinary Hospitals are running in the districts under PPP mode with Sri Padmavathi Venkateswara Foundation.
- 58 Gopal Kendras are running in Agency Area for Artificial Insemination works with the Help of JK Trust.
- NABARD has sanctioned assistance of ₹1413.52 lakh under Rural Infrastructure Development Fund (RIDF) 18 and 19 for providing infrastructure support to 75 Veterinary Institutions (ISVI) with a total outlay of ₹1487.91 lakh.
- Average procurement price for cow milk is ₹29.50 per litre and sale price is ₹40.00 per litre.





### **(c) Feed and Fodder Development:**

Milk improvement plan of Animal Husbandry Department is as under :

Fodder seed is being supplied on 75% subsidy regularly in time.

- In 2017-18 annual fodder seed varieties like Sorghum, African tall maize and Sugargraze are made available for cultivating annual fodder in 10523 Ac. and the expected yield of around 5.25 lakh MT.
- Concentrate feed @ 2Kg per animal per day is being supplied to milch animals before and after 3 months of pregnancy (Total 360 Kgs) apart from insurance and regular health support through Ksheera Sagara Padakam and Sunandini Calf Rearing scheme.
- Orura pashugrasa kshetralu – Leasing of land for cultivation of grass at ₹15000-18000/acre – Around 2000 units are planned per year.
- Azolla Cultivation (2000 Units per year). It is a New scheme, unit cost – ₹3250/- subsidy – 90%.

### **(d) Milk Marketing Infrastructure**

- The milk production in the district during 2016-17 stood at 6.55 lakh MTs, an increase of 14.5% over the previous year and the target for 2017-18 is estimated at 7.60 lakh MTs. The milk produced per day works out to 0.02 lakh Mts.
- Visakha Dairy in cooperative sector is the major dairy unit in Visakhapatnam whose milk routes almost cover entire district and it has milk collection points in almost all villages. It has sufficient bulk milk coolers at all the strategic places.
- Heritage dairy is also collecting milk in some pockets of the district.
- There are two private dairies covering the entire district and there is no government dairy in the district.

## **5. Capacity Building of the Beneficiaries**

State Bank Rural Self Employment Training Institute (SBIRSETI) is providing free of cost training in dairy whose services will be utilized. NABARD also will provide required training through MEDP programmes.





## 6. Convergence with State Government Programmes

Successful implementation of the Area Development Schemes would envisage convergence with all the Line Departments concerned with the activity, especially in the context of various schemes of the Government of Andhra Pradesh under implementation. It is expected that specific allocations would be made in the district by the Department concerned to cover the beneficiaries under the Area Development Scheme

### Banking Network in the District

Agency	No.of Banks/Soc	No.of Branches			
		Total	Rural	Semi-urban	Urban
Commercial Banks	44	637	115	90	432
RRB	1	97	58	4	35
DCCB	1	28	14	--	14
PACS	98	--	--	--	--
<b>TOTAL</b>	<b>144</b>	<b>762</b>	<b>187</b>	<b>94</b>	<b>481</b>

### The credit flow during the last three years

Particulars	2014-15	2015-16	2016-17
Dairy Development	1758	2230	789

### Security

Security norms will be as per RBI guidelines.

### Insurance

The animals will be insured. The Scheme of the Animal Husbandry Department will be linked for the purpose subject to availability of funds and guidelines.

### Rate of Interest

The interest varies depending on the quantum of loan, bank's policy and RBI guidelines from time to time.

### Refinance

Refinance for investment credit under Area Development Schemes are available from NABARD at concessional rate.



## Security

Security norms will be as per RBI guidelines.

## Insurance

The animals will be insured. The Scheme of the Animal Husbandry Department will be linked for the purpose subject to availability of funds and guidelines.

## Rate of Interest

The interest varies depending on the quantum of loan, bank's policy and RBI guidelines from time to time.

LACTATION CHART:						
	Lactation Days-285			Dry Days- 105		
	YEARS					
	I	II	III	IV	V	VI
First Lot:						
Lactation Days	260	280	285	285	285	265
Dry Days	105	85	80	80	80	100
Second Lot:						
Lactation Days	180	260	260	260	260	260
Dry Days		105	105	105	105	100
Total						
Lactation Days	440	540	545	545	545	525
Dry Days	105	190	185	185	185	200

## FEEDING SCHEDULE :

Feeding Chart	Lactation		Dry	
(A) Concentrate Feed	Qty(Kg)	Price(₹/Kg)	Qty(Kg)	Price(₹/Kg)
(1) Maintenance Ration	1	18	1	18
(2) Production Ration	5	18	0	18
(3) Pregnancy Ration			2	18
(B) Green Fodder	20	1.5	20	1.5
(C) Dry Fodder	6	2.5	6	2.5

50% of the fodder requirement is met free of cost by the beneficiaries from field bunds.



## 7. Project cost for dairy unit:

S No.	Particulars	Cost proposed in ₹
<b>1</b>	<b>Capital expenditure</b>	
a	Cost of buffaloes @ ₹ 60000 per buffalo including transportation	120000
<b>B</b>	<b>Equipment</b>	2000
	<b>Sub Total</b>	<b>122000</b>
<b>2</b>	<b>Recurring Expences</b>	
A	Feed cost considered for one month (1 animal)	2577
B	Insurance (@4.5%)	5400
C	Veterinary aid	2400
D	Others	2000
	<b>Sub Total</b>	<b>12377</b>
<b>3</b>	<b>Working capital margin to be capitalised</b>	<b>12377</b>
	<b>Total Outlay</b>	<b>134377</b>
	<b>Say</b>	<b>134000</b>
	<b>Promoter margin</b>	<b>34000</b>
	<b>Bank Loan</b>	<b>100000</b>

Various banks are will be financing through JLG Mode as well as individual loan. ₹1.00 lakh is taken as bank loan and beneficiary contribution worked out to ₹34,000/-.

Other Assumptions: This ADS document has been prepared based on the broad discussions held with various stake holders in the district. The profitability parameters have taken into account the latest unit cost, current status of forward and backward linkages, existing marketing tie up etc. Further, the successful implementation of A DS and achievement of the stated objectives would depend on the field level techno-economic parameters and addressing the infrastructure needs. It would also largely depend on various interventions and initiatives by the concerned line departments and other stake holders.

## 8. Physical and Financial Programme

The details of physical and financial programme under the scheme is presented in the following table. The units will be financed over a period of five years, starting from the financial year 2018-19 to 2022-23. The mandal wise mini-dairy units proposed to be financed during 2018-19 is as follows.



S.No.	Name of Mandal	No.of Units	Unit cost	TFO	Margin	Bank Loan
1	ACHUTAPURAM	450	1.34	603.00	153.00	450.00
2	ANAKAPALLE	950	1.34	1273.00	323.00	950.00
3	BHEEMUNIPATNAM	400	1.34	536.00	136.00	400.00
4	BUCHAYYAPETA	250	1.34	335.00	85.00	250.00
5	CHODAVARAM	800	1.34	1072.00	272.00	800.00
6	ELLAMANCHILI	450	1.34	603.00	153.00	450.00
7	KASIMKOTA	150	1.34	201.00	51.00	150.00
8	KOTATURATLA	400	1.34	536.00	136.00	400.00
9	MAKAVARAPALEM	300	1.34	402.00	102.00	300.00
10	MUNAGAPAKA	100	1.34	134.00	34.00	100.00
11	NAKKAPALLE	300	1.34	402.00	102.00	300.00
12	NARSIPATNAM	850	1.34	1139.00	289.00	850.00
13	PARAWADA	100	1.34	134.00	34.00	100.00
14	PAYAKARAOPETA	600	1.34	804.00	204.00	600.00
15	PENDURTHI	300	1.34	402.00	102.00	300.00
16	RAMBILLI	200	1.34	268.00	68.00	200.00
17	S.RAYAVARAM	100	1.34	134.00	34.00	100.00
18	SABBAVARAM	400	1.34	536.00	136.00	400.00
		<b>7100</b>		<b>9514.00</b>	<b>2414.00</b>	<b>7100.00</b>

## 9. Phasing of the Project :

Year-wise phasing of financing mini dairy units over a period of five years is given below.

(₹ in Lakh)

Year	2018-19		2019-20		2020-21		2021-22		2022-23	
Name of the Bank/ Mandal	No. of units	Bank Loan	No. of units	Bank Loan	No. of units	Bank Loan	No. of units	Bank Loan	No. of units	Bank Loan
<b>SBI</b>										
ACHUTAPURAM	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
ANAKAPALLE	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
BHEEMUNIPATNAM	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
BUCHAYYAPETA	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
CHODAVARAM	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
ELLAMANCHILI	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
KASIMKOTA	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
KOTATURATLA	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
MAKAVARAPALEM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
MUNAGAPAKA	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
NAKKAPALLE	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
NARSIPATNAM	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
PARAWADA	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
PAYAKARAOPETA	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
PENDURTHI	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
RAMBILLI	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
S.RAYAVARAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
SABBAVARAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00



(₹ in Lakh)

Year	2018-19		2019-20		2020-21		2021-22		2022-23	
Name of the Bank/ Mandal	No. of units	Bank Loan	No. of units	Bank Loan	No. of units	Bank Loan	No. of units	Bank Loan	No. of units	Bank Loan
<b>ANDHRA BANK</b>										
ACHUTAPURAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
ANAKAPALLE	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
BHEEMUNIPATNAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
CHODAVARAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
ELLAMANCHILI	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
KOTATURATLA	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
MAKAVARAPALEM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
NAKKAPALLE	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
NARSIPATNAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
PAYAKARAOPETA	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
PENDURTHI	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
SABBAVARAM	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
<b>APGVB</b>										
ACHUTAPURAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
ANAKAPALLE	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
BHEEMUNIPATNAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
CHODAVARAM	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
ELLAMANCHILI	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
KOTATURATLA	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
MAKAVARAPALEM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
NAKKAPALLE	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
NARSIPATNAM	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
PAYAKARAOPETA	200	200.00	220	220.00	242	242.0	266	266.00	293	293.00
SABBAVARAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
<b>CANARA BANK</b>										
ANAKAPALLE	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
CHODAVARAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
NARSIPATNAM	100	100.00	110	110.00	121	121.0	133	133.00	146	146.00
<b>VISAKHAPATNAM DCCB</b>										
ANAKAPALLE	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
CHODAVARAM	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
ELLAMANCHILI	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
KASIMKOTA	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
NARSIPATNAM	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
PAYAKARAOPETA	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
<b>INDIAN OVERSEAS BANK</b>										
ANAKAPALLE	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
BUCHAYYPETA	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
CHODAVARAM	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
NARSIPATNAM	100	100.00	110	110.00	121	121.00	133	133.00	146	146.00
PAYAKARAOPETA	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
<b>INDIAN BANK</b>										
ANAKAPALLE	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
NARSIPATNAM	100	100.00	110	110.00	121	121.00	133	133.00	146	146.00
PENDURTHI	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
<b>UNION BANK OF INDIA</b>										
ACHUTAPURAM	100	100.00	110	110.00	121	121.00	133	133.00	146	146.00
ANAKAPALLE	100	100.00	110	110.00	121	121.00	133	133.00	146	146.00
CHODAVARAM	50	50.00	55	55.00	61	61.00	67	67.00	74	74.00
PENDURTHI	300	300.00	330	330.00	363	363.00	399	399.00	439	439.00



## Phasing of Units (mini dairy 1+1)

Bank/Year	2018-19		2019-20		2020-21		2021-22		2022-23	
	Phy	Bank loan	Phy	Bank	Phy loan	Bank	Phy loan	Bank	Phy loan	Bank loan
State Bank of India	2800	2800.00	3080	3080.00	3388	3388.00	3727	3727.00	4100	4100.00
Andhra Bank	1400	1400.00	1540	1540.00	1694	1694.00	1863	1863.00	2049	2049.00
APGVB	1500	1500.00	1650	1650.00	1815	1815.00	1997	1997.00	2197	2197.00
Canara Bank	300	300.00	330	330.00	363	363.00	399	399.00	439	439.00
Visakhapatnam DCCB	300	300.00	330	330.00	363	363.00	399	399.00	439	439.00
Indian Overseas Bank	300	300.00	330	330.00	363	363.00	399	399.00	439	439.00
Indian Bank	200	200.00	220	220.00	242	242.00	266	266.00	293	293.00
Union Bank of India	300	300.00	330	330.00	363	363.00	399	399.00	439	439.00
<b>Total</b>	<b>7100</b>	<b>7100.00</b>	<b>7810</b>	<b>7810.00</b>	<b>8591</b>	<b>8591.00</b>	<b>9450</b>	<b>9450.00</b>	<b>10395</b>	<b>10395.00</b>

### 9.1 Phasing of Units (mini dairy 1+1) @

(₹ in Lakh)

Year	Phy.Uints	TFO	Bank Loan
2018-19	7100	9514.00	7100.00
2019-20	7810	10465.40	7810.00
2020-21	8591	11511.94	8591.00
2021-22	9450	12663.00	9450.00
2022-23	10395	13929.30	10395.00
<b>TOTAL</b>	<b>43346</b>	<b>58083.64</b>	<b>43346.00</b>

@This is an indicative projection, which may undergo a change depending upon the change in the unit cost in future.

(Amount in ₹)

Sr. No.	Particulars / Years	I	II	III	IV	V	VI
I.	Income						
i	From sale of milk (₹24.00/ litre) @ 13 litres/day/animal	137280	168480	170040	170040	170040	163800
ii	From sale of manure	1500	1500	2000	2000	2000	2000
iii	Income from gunny bags	750	750	1000	1000	1000	1000
	<b>Total Income</b>	<b>139530</b>	<b>170730</b>	<b>173040</b>	<b>173040</b>	<b>173040</b>	<b>166800</b>
II	Expenditure (₹)						
i	Concentrate Feed	49410	61740	62190	62190	62190	62190
ii	Green Fodder	15563	20475	20513	20513	20513	20513
iii	Dry Fodder	8175	10950	10950	10950	10950	10950
iv	Veterinary Aid	4800	4800	4800	4800	4800	4800
v	Electricity & Water	3000	6000	6000	6000	6000	6000
vi	Insurance	4950	4950	4950	4950	4900	4900
vii	Less Capitalised expenditure	12398					
	<b>Total Expenditure</b>	<b>73500</b>	<b>108915</b>	<b>109403</b>	<b>109403</b>	<b>109403</b>	<b>109403</b>
	Gross Surplus (Rs.)	66030	64125	60637	60637	60637	57397



Note: The above profitability calculations assume income/ expenditure at a particular rate and therefore will therefore undergo a change in tune with changes if any.

## 10. Financial Analysis

(Amount in ₹)

Sr.No.	Particulars / Years	I	II	III	IV	V	VI
I.	Cost (Rs.)						
i	Capital Cost	120000					
ii	Recurring Cost	73500	108915	109403	109403	109403	109403
iii	Total Cost	193500	108915	109403	109403	109403	109403
II	Benefits (Rs.)						
i	Income	139530	170730	173040	173040	173040	166800
ii	Closing Stock Value	0	0	0	0	0	0
	Total Benefits	139530	170730	173040	173040	173040	166800
	Net Benefits	-53970	64125	60637	60637	60637	57397
	Discount Factor	0.870	0.756	0.658	0.572	0.497	0.432
	Net Present Value	₹1,36,660/-					
	Benefit Cost Ratio (BCR) 1.32:1						
	Internal Rate of Return (IRR) of the Scheme >50%						

## 11. SWOT Analysis:

<p><b>STRENGTH</b></p> <ul style="list-style-type: none"> <li>* Dry fodder available in Plenty</li> <li>* Good supplementary activity in the scheme area for doubling the farmers income</li> <li>* Ready market available for sale.</li> </ul>	<p><b>WEAKNESS</b></p> <ul style="list-style-type: none"> <li>* Inadequate awareness among the farmers on scientific dairy farming.</li> </ul>
<p><b>OPPORTUNITY</b></p> <ul style="list-style-type: none"> <li>* Growing demand for milk from consumers in the area due to increasing income levels</li> <li>* Proximity of Demand centres / Markets</li> </ul>	<p><b>THREAT</b></p> <ul style="list-style-type: none"> <li>* Changes in government policy leading to adverse procurement price</li> <li>* Climate change is a big threat which affects the milk production and there by milk procurement.</li> </ul>

## 12. Repayment period

The loan is repayable in 5 to 6 years and banks may follow monthly or quarterly repayment schedules.



(Amount in ₹)

Year	Income	Expenses	Gross Surplus	Equal Yearly Instalments	Net Surplus
I	139530	73500	66030	27300	38730
II	170730	108915	64125	27300	36825
III	173040	109403	60637	27300	33337
IV	173040	109403	60637	27300	33337
V	173040	109403	60637	27300	33337

### 13. Implementation and Monitoring

- i) Initial approval at the DCC level
- ii) Block-wise allocation at BLBC meetings
- iii) Review of the implementation in DCC and BLBC meetings
- iv) Involvement of stakeholders' agencies in review meetings for ensuring the extension / support services committed by them.

### 14. Conclusion

The following are the short term and long term gains from the project:

- Ensure improved skills to the beneficiaries through exposure visits and capacity building programs
- Ensure proper animal-health care, breeding services and dairy support services at farmer's door step
- Enhance productivity of animals through proper breeding, feeding and management practices
- Ensure good returns through proper market linkages
- Ensure efficient use of by-products like dung for producing biogas, vermi-compost, compost etc.,
- Mitigate risks in animal husbandry by providing animal insurance.





### **NABARD INITIATIVES**

NABARD has sanctioned assistance of ₹1413.52 lakh under Rural Infrastructure Development Fund (RIDF) 18 & 19 for providing infrastructure support to 75 Veterinary Institutions (ISVI) with a total outlay of ₹ 1487.91 lakh.

NABARD has also sanctioned various Umbrella Programme for Natural Resources Management (UPNRM) projects through NGOs for Dairy development, Azolla Cultivation, Bio Gas plants, chop cutters etc. through which more than 500 members were benefitted.



## This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



# NABARD Consultancy Services (NABCONS)

- Wholly owned subsidiary of NABARD
- Offers Consultancy & Advisory Services
- Pan-India presence
- 13+ Years of Experience
- 2000+ Assignments
- 100+ Full time experts
- Assignments in African & Asian Countries

## Areas of Operation

Agriculture & Allied Activities  
Off-farm Sector  
Horticulture  
Forestry  
Corporate Social Responsibility  
Watershed Development  
Irrigation & Water Resources  
Socio-economic Development

Natural Resource Management  
Food Processing  
Banking & Finance  
Skills for Livelihood  
International Business  
Value Chain Management  
Infrastructure Monitoring  
Climate Change



## Services Offered

Climate Resilient Planning  
Preparation of Concept Notes  
Environment & Social Management Plans

Preparation of IT Policies,  
Security Policies, etc.

Preparation of Detailed  
project report  
Feasibility/Techno-financial  
Study

Diagnostic &  
Sectoral  
Studies

Capacity Building of  
Bankers,  
Community Based Org,  
Govt. Officials, Etc.

Potential Surveys  
Need Assessment  
Baseline Survey  
Market Survey  
Socio-economic  
Assessment

Project  
Management  
Consultancy

PMA  
for  
Setting Up  
of Mega  
Food  
Park

GIS Based  
Mapping/  
Monitoring

Gender & Social  
Inclusion Plans

Third Party Monitoring  
Impact Evaluation

Technical Support  
Agency to MoRD,  
State Govts &  
DDU-GKY



## E Shakti

Digitization of SHGs

Pilot  
launched  
in 2015

- 86 lakh SHGs, 10 crore SHG members
- Rs.16,114 crores savings with banks & Rs.61,581 crores outstanding loans

**Goal :** To enhance credit outreach of banks and enable online monitoring of SHGs

**USP :** One-click availability of social and financial information of all the SHG members

**Progress :** Extended to 25 districts in Phase II and now launched in 75 more districts in Phase III.

**Way Forward :** Additional 5.30 lakh SHGs covering around 64 lakh SHG members to be brought on digital platform over a period of 3 years, in Phase III.

- Digitisation of all the SHG accounts for financial inclusion of the members
- Access to wider range of financial Services

19,068 Villages covered

1,31,261 Groups Covered

15,11,165 Members covered

11,29,081 Aadhaar users

16,79,361 Women covered

(Progress as on 14/09/2017)

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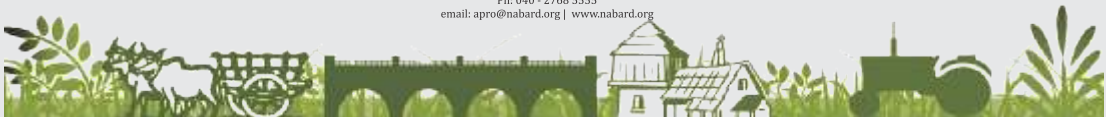
National Bank for Agriculture and Rural Development

Andhra Pradesh Regional Office

1-1-61, RTC X Road, Musheerabad, P.B. No. 1863, Hyderabad - 500 020

Ph: 040 - 2768 5555

email: [apro@nabard.org](mailto:apro@nabard.org) | [www.nabard.org](http://www.nabard.org)



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