



# संभाव्यतायुक्त ऋण योजना 2022-23

## Potential Linked Credit Plan 2022-23

नामक्कल जिला

**NAMAKKAL DISTRICT**

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

**National Bank for Agriculture and Rural Development**

तमिलनाडु क्षेत्रीय कार्यालय, चेन्नई

**TAMILNADU REGIONAL OFFICE, CHENNAI**



## दृष्टि

ग्रामीण समृद्धि के लिए राष्ट्रीय विकास बैंक

## ध्येय

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

## Vision

Development Bank of the Nation for fostering rural prosperity

## Mission

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



**संभाव्यता युक्त ऋण योजना 2022-23**  
**POTENTIAL LINKED CREDIT PLAN 2022-23**

**नामक्कल जिला**  
**NAMAKKAL DISTRICT**

**राष्ट्रीय कृषि और ग्रामीण विकास बैंक**  
**NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT**

**तमिल नाडु क्षेत्रीय कार्यालय, चेन्नई**  
**TAMIL NADU REGIONAL OFFICE, CHENNAI**

# **POTENTIAL LINKED CREDIT PLAN 2022-23**

**संभाव्यता युक्त ऋण योजना 2022-23**

**DISTRICT : NAMAKKAL**

**जिला : नामक्कल**

**STATE : TAMIL NADU**

**राज्य : तमिल नाडु**



**NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT**

**राष्ट्रीय कृषि और ग्रामीण विकास बैंक**

**TAMIL NADU REGIONAL OFFICE, CHENNAI**

**तमिल नाडु क्षेत्रीय कार्यालय, चेन्नई**

**POTENTIAL LINKED CREDIT PLAN**

**2022-23**

**NAMAKKAL DISTRICT**

**TAMIL NADU**



**National Bank for Agriculture and Rural Development**

**Tamil Nadu Regional Office**

**Chennai- 600 034**



## Foreword

The pandemic has disrupted the world in unimaginable ways and we continue to live in unusual times for the second successive year. In such constrained circumstances while the world as also Indian economic growth was on a negative trajectory, it is noteworthy to mention that, GSDP of the State continued to traverse in a positive trend and registered a growth of 2.02 per cent during FY '21. The reasons could be many including; timely action in controlling the pandemic, sustained policy initiatives and also investments for projects especially in the infrastructure sector. To ensure sustained growth, now is the time to reimagine and realign efforts, to accelerate and then maintain the growth momentum.

Agriculture continued to be the primary source of livelihood for more than half of the rural population of Tamil Nadu. The key to increasing income of farmers and thereby enhancing the quality of life for the rural population lies in adopting a farmer-centered approach. With this in view and for ensuring concerted focus on the investments in the agriculture sector, Government of Tamil Nadu has for the first time announced a separate Agriculture Budget for the year 2021-22. The investments proposed in the budget range from those in the farmers fields at the micro level to tackling climate change at the macro level. Specific investments proposed include agriculture productivity at the field to increase agricultural productivity, protect farmers with emphasis on new technologies, new methods of cultivation and modernizing agriculture with the active participation of Farmers' Producers Groups, Farmers' Welfare Associations and experts.

Bank credit is an important component for economic transformation and forms the backbone of development planning in the State. In continuing with the mandate of credit planning at the district and block level, NABARD has been preparing the district level Potential Linked Credit Plans (PLPs) since 1989 on an annual basis. The Plan maps the credit potential under existing as well as new activities by taking into account the long-term physical potential, availability of infrastructure support, marketing facilities and Government policies/ programmes, assesses the critical gaps in physical and financial terms. The Potential Linked Plans have become a viable supporting document for preparation of District Credit Plan and Annual Credit Plan.

Ensuring that they are focused and implementable, the PLPs for the year 2022-23 have been prepared by NABARD in accordance with the priorities spelt out by the State and Central Governments. We expect the document will facilitate the Government in their planning process and the banks in preparing the Annual Credit Plans.

I am thankful to the District Collector, Reserve Bank of India, Lead District Manager, Line Department Officials, Bankers, Non-Governmental Organizations and other Stake holders for providing valuable inputs, data and suggestions to our technical officers and District Development Managers in preparing this document.

T Venkatakrishna  
Chief General Manager

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## Executive Summary

### 1. District characteristics:

1.1 Namakkal district falls under the North Western Agro Climatic Zone. Kolli Hills and a few isolated hills and ridges fall under Hilly Zone. The Northern portion of Namakkal is mountain and the Southern are flat and plain regions. The river Cauvery and its tributaries namely Aiyaru, Karaipottan and Thirumanimutharu flow through the district. The average annual rainfall of the district is 791 mm. Cauvery is the major river in the district. The major sources of irrigation are by way of wells/tube-wells. The river Cauvery flows along the south and south-west plains of the district wherein Paddy, Sugarcane and Banana crops are raised under irrigated conditions. Most of the land available in the district is dryland. Dry crops like Cumbu, Cholan, Varagu and Samai are cultivated extensively. Cash crops like Groundnut, Gingelly, Castor and Cotton are raised to a considerable extent. Tapioca and other Cereals are the other major crops. Coffee, Pepper as also certain medicinal plants and Pineapple are cultivated in Kolli Hills area on a limited scale.

1.2 Namakkal is also known as “Egg Town” and “Transport City” due to the predominance of the poultry sector and transport related businesses. Poultry Farming and Transport sectors, which were earlier the sources of supplementary income to the small farmers/others, have now transformed itself into well-developed industries. The district has a well spread network of bank branches and cooperative societies numbering 463 and almost all Public and Private sector banks are having its branches in the district. The district is fully electrified and has an excellent transport and communication network.

**2. Sectoral trends in credit flow:** The ground level credit has registered a growth of -4%, 37% and 0.41% during 2017-18, 2018-19 and 2019-20 respectively.

(₹lakh)

Sector	2018-19		2019-20		2020-21		2021-22
	Target	Ach.	Target	Ach.	Target	Ach.	Target
Crop Loan	223442.35	244690.12	228319.84	251767.48	236825.56	261907.82	254500.00
Agri Term Loans	110921.51	113072.09	111675.06	81068.96	120358.51	76226.27	124910.00
MSME	96917.45	91644.78	103613.43	72270.31	93468.31	89087.64	99290.00
OPS	146305.37	132666.35	164107.04	179355.59	195478.58	167306.81	205300.00
<b>TOTAL</b>	<b>577586.68</b>	<b>582073.34</b>	<b>607715.37</b>	<b>584462.34</b>	<b>646130.96</b>	<b>594528.54</b>	<b>684000.00</b>

However GLC registered growth of 1.72% during 2020-21 and has achieved 92% of the ACP target. Sector-wise also, Short-term Crop Loans target has been achieved. In respect of term loans, MSME and OPS, achievement was 63%, 95% and 86% respectively. However, disbursements under the Agri term loan Sector had been decreased by 6% over the previous year.

### 3. Sector/sub-sector wise PLP projections for 2022-23:

3.1 The Potential Linked Credit Plan for 2022-23 at ₹7820.25 crores is based on the recent changes in government policies like priority sector lending norms, various GoI schemes, potential available in the district and level of achievements under ACP. Moreover, a general increase in the scale of finance and unit cost has also contributed to the overall increase in the PLP for the year 2022-23. The Crop Loan achievement during 2020-21 stood at ₹2619.08 crore. Accordingly, the Crop Loan has been pegged at ₹2773.77 crore in the PLP 2022-23

which is a 9% growth over the 2021-22 ACP target of ₹2545.00 crore.

3.2 The share of Agriculture Term Loans showed a negative growth of 6% over the previous year. Keeping in view of revised PSL norms, the credit potential under Agricultural Term Loans is divided into Farm Credit-Term Loan, Agricultural Infrastructure, Ancillary activities and the credit potential for 2022-23 in respect of these activities are estimated at ₹1284.17 crore, ₹92.54 crore and ₹179.26 crore respectively. However, from the year 2016-17 the priority sector has been revised to include the Medium industries while shifting the Food and Agro-Processing Sector from MSME to Agriculture Ancillary Activities. Accordingly, for the MSME Sector, the credit projections for the year 2022-23 has been pegged at ₹1122.96 crore. Similarly, the Other Priority Sector has been revamped to categories such as Export Credit, Education, Housing, Renewable Energy, Social Infrastructure and Others (Loans to SHGs/JLGs, ODs on PMJDY accounts, etc.). Accordingly, aggregate projections for the above sectors have been estimated in the PLP for the year 2022-23 to the tune of ₹crore.

#### **4. Developmental initiatives:**

NABARD has taken various initiatives for the development of the district. Under Rural Infrastructure Development Fund, 1189 projects have been completed in the district with loan amount of ₹ 40666.86 lakhs. NABARD has provided grant assistance for development of 3 watershed projects in the district and they have been provided with grant assistance for climate proofing interventions also. NABARD has also been providing grant assistance for development of Wadi projects under TDF in Kolli Hills area wherein 1000 farmers were covered in first phase and another 500 farmers are being covered in second phase. Grant assistance has been provided to eleven Farmer Producer Companies, micro entrepreneurship, sponsoring financial literacy campaigns, support to NGOs/RSETIs for conducting training for rural youth, co-operating with institutions like ICAR-KVK & TANUVAS for technology dissemination.

#### **5. Thrust Areas for 2022-23:**

Namakkal district has been experiencing less rainfall and hence, the farmers had to shift to cultivation of crops requiring less water. The farmers have to take steps to conserve the water resources and also adopt drip irrigation, sprinkler irrigation etc. to irrigate their crops. As the district has been experiencing drought, the farmers have to be educated to adopt drought tolerant crops.

There is a sharp decline in the capital formation in agriculture and the resultant fall in the agriculture term loans. Banks need to make efforts to enhance the credit flow for capital formation in Agriculture. The social security schemes of PMJJY, PMSBY and APY have to be marketed, so that the unorganized sector population get benefitted out of this Programme. Bankers can provide credit to marginalized especially oral lessees and tenant farmers through formation of Joint Liability Groups. Bankers should make use of Farmers Producer Company to provide term loan to FPC and its members.

Critical Infrastructure having a bearing on credit potentials of the district are as follows.

- a. Solar Dehydrator for Pepper at Kolli Hills
- b. E-Auction System for Cooperative Marketing Societies
- c. Bio-Gasifiers for Power Generation
- d. Cold storage for storing poultry products and horticulture products.
- e. Establishment of food park in the district
- f. Construction of check dam at Mohanur across cauvery river
- g. To promote more farm ponds as the district is rainfed.
- h. Strengthening of Karuvattar river runs for 33 Kms from Kolli Hills through Erumaipatti
- i. Egg testing lab at Namakkal to promote egg export to other countries
- j. Encourage establishment of Buffalo farms .

- k. Bridge required over the stream at Asakkadu connecting to Vendlapadi road in kollihills. It reduces 18km travel distance.

## **6. Major constraints and suggested action points**

6.1 Under Crop Loans, interventions that are needed to be taken up are : Promotion of SRI Cultivation for paddy, SSI system for Sugarcane, increasing the participation of farmers under PMFBY, financing tenant farmers/sharecroppers through JLG mode, popularising Bio-fertilisers and Bio-pesticides, organic farming and promoting Integrated Farming system.

6.2 The farmer's problems of water not reaching the tail-end fields was resolved after various renovation works in the 3 Canals viz., Raja Canal, Mohanur Canal and Komarapalayam Canal that were undertaken during 2020-21. Further, the Mettur east bank canal renovation was undertaken through the NABARD RIDF fund.

6.3 The need for introducing Tissue Culture Banana, particularly in other local varieties such as Red Banana and Karpooravalli is urgently required to be taken up so as to improve production and productivity. There is good demand for these local varieties of banana.

6.4 Total food grain and oil seed production in the district is to the tune of 2,20,000 MT. However total storage capacity available for public utilisation is 1,30,000 MT. Further there is huge demand to store raw materials required for manufacturing of poultry feed. There is vast scope for increasing the godown capacity of storage in the district which is required to be met both from the Government as well as Private Sector. Cold storages need more attention than ever before with rising potential in horticulture.

6.5 MUDRA, standup India and other DIC schemes should be promoted among entrepreneur and bankers to create more MSME unit in the district. Joint Liability Groups of weavers outside co-operative fold may be formed and financed by banks.

6.6 Collective farming like FPOs to be encouraged and it has to be ensured that every farmer is a member of a FPO so that they can reap the benefits of the FPOs.

## **7. Way Forward**

Co-ordinated approach among all the stake holders is crucial to enhance capital formation in agriculture through term lending. Fora such as DCC/DLRC/BLBC can be very effective not only in monitoring the credit flow but also to pinpoint the focus areas for the benefit of the bankers and the borrowers. With incidence of drought impact becoming more frequent, emphasis on water management and conservation, promotion of integrated farming and realising the potential of JLG financing as a credible collateral substitute can spur the growth of the district's economy. There is also a need for comprehensive climate adaptation / mitigation measures to be adopted in district. Some of the action points are as under:

1. Steps should be taken to save the Tirumanimutharu river from being polluted by the dyeing industry.
2. Though Maize is one of the major inputs in poultry feed making, our district is a major importer of this commodity. Cultivation of Maize may therefore, be encouraged in the district with special intervention / emphasis by Department of Agriculture.
3. Banks need to make efforts to enhance the credit flow for capital formation in Agriculture.
4. Renovation of pond / Lake and channels interlinking them. Excess water from cauvery should be diverted to fill the tanks in the Namakkal district.
5. Namakkal, being a dry / rainfed district, it is difficult for farmers to get green fodder throughout the year. The Animal Husbandry Department may plan for promotion of Silages in large numbers so as to make available green fodder at times of shortage.

**Broad Sector wise PLP projections – 2022-23**

**District :** Namakkal

(₹lakh)

**State :** Tamil Nadu

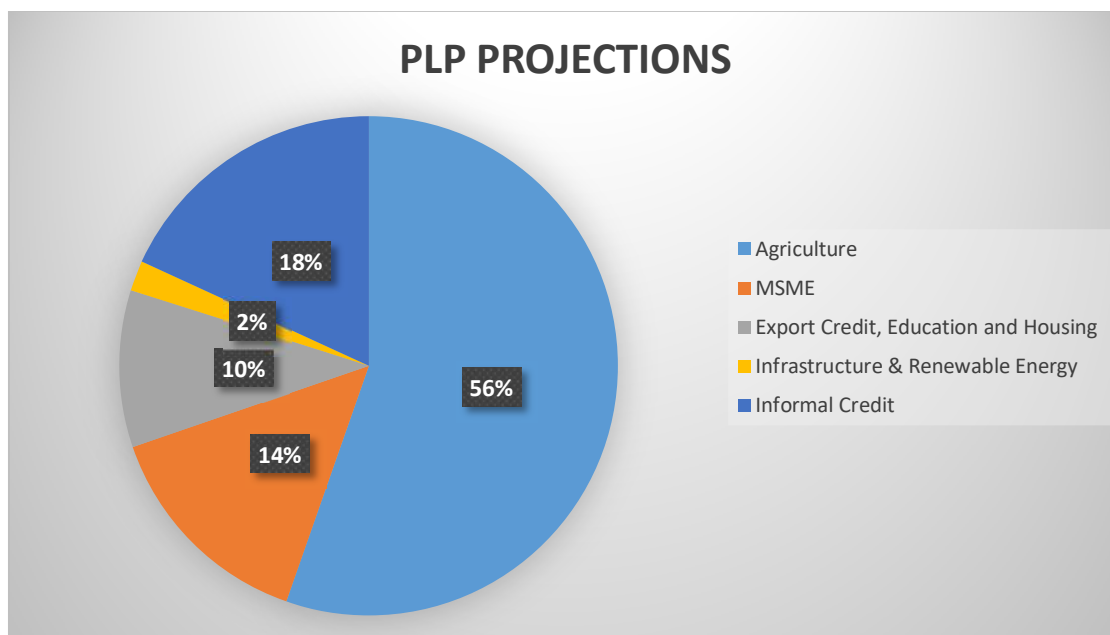
<b>Sr.No.</b>	<b>Particulars</b>	<b>PLP Projections 2021-22</b>
	<b>Credit Potential for Agriculture</b>	
<b>A</b>	<b>Farm Credit</b>	
	Crop Production, Maintenance and Marketing	2,77,376.91
	Term Loan for agriculture and allied activities	1,28,416.76
	<b>Sub-total</b>	<b>4,05,793.67</b>
<b>B</b>	<b>Agriculture Infrastructure</b>	9,253.80
<b>C</b>	<b>Ancillary activities</b>	17,926.17
<b>I</b>	<b>Credit Potential for Agriculture (A+B+C)</b>	<b>4,32,973.64</b>
<b>II</b>	<b>Micro, Small and Medium Enterprises</b>	1,12,295.92
<b>III</b>	<b>Credit Potential for Export Credit, Education and Housing</b>	79,562.65
<b>IV</b>	<b>Credit Potential for Infrastructure</b>	15,304.00
<b>V</b>	<b>Informal Credit Delivery System - Including SHG, JLG etc.</b>	1,41,888.50
	<b>Total Priority Sector (I to V)</b>	<b>7,82,024.71</b>

Summary of Sector / Sub-sector wise PLP projections – 2022-23

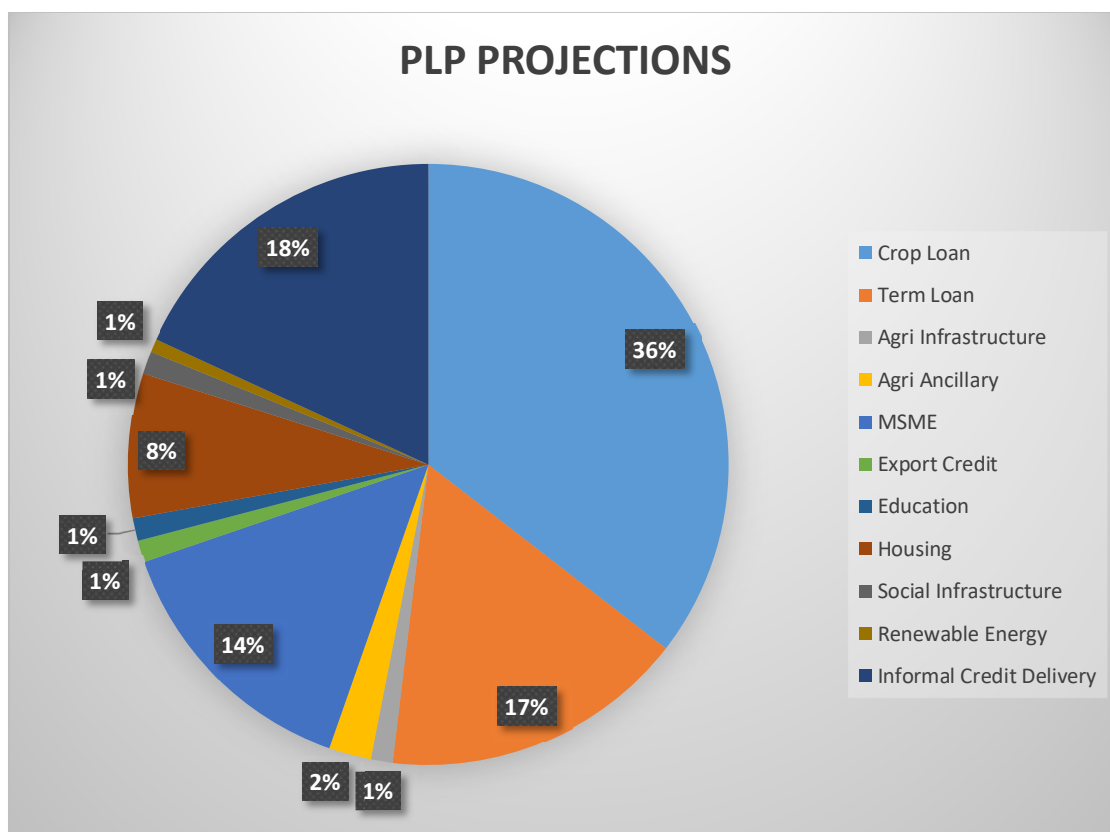
(₹lakh)

Sr. No.	Particulars	PLP Projections 2021-22
<b>I</b>	<b>Credit Potential for Agriculture</b>	
<b>A</b>	<b>Farm Credit</b>	
i	Crop Production, Maintenance and Marketing	2,77,376.91
ii	Water Resources	14,027.67
iii	Farm Mechanisation	18,104.69
iv	Plantation and Horticulture (including sericulture)	16,454.14
v	Forestry and Waste Land Development	2,050.30
vi	Animal Husbandry – Dairy	26,332.93
vii	Animal Husbandry – Poultry	42,781.60
viii	Animal Husbandry – Sheep, Goat, Piggery, etc.	8,268.48
ix	Fisheries (Marine, Inland, Brackish water)	22.68
x	Others – Bullock, Bullock cart, etc.	205.52
xi	Integrated Farming system	168.75
	<b>Sub Total</b>	<b>405,793.67</b>
<b>B</b>	<b>Agriculture Infrastructure</b>	
i	Construction of storage facilities	2,084.40
ii	Land Development, Soil Conservation, Watershed Development	1,449.00
iii	Others (Tissue culture, Agri bio-technology, Seed production, Bio pesticides/ fertilizers, Vermin composting)	5,720.40
	<b>Sub Total</b>	<b>9253.80</b>
<b>C</b>	<b>Ancillary activities</b>	
i	Food and Agro processing	4011.67
ii	Others (Loans to Cooperative Societies of farmers for disposing of their produce, Agri Clinics/ Agri Business Centres, Loans to PACS / FSS/ LAMPS, Loans to MFIs for on lending)	13914.50
	<b>Sub Total</b>	<b>17926.17</b>
	<b>Total Agriculture</b>	<b>4,32,973.64</b>
<b>II</b>	<b>Micro, Small and Medium Enterprises</b>	
i	MSME – Working capital	45063.00
ii	MSME – Investment credit	67232.92
	<b>Sub Total</b>	<b>1,12,295.92</b>
<b>III</b>	<b>Credit Potential for Export Credit, Education and Housing</b>	
i	Export Credit	9,100.00
ii	Education	9,511.50
iii	Housing	60,951.15
	<b>Sub Total</b>	<b>79,562.65</b>
<b>IV</b>	<b>Credit Potential for Infrastructure</b>	
i	Social Infrastructure involving bank credit	9,750.00
ii	Renewable Energy	5,554.00
	<b>Sub Total</b>	<b>15,304.00</b>
<b>V</b>	<b>Informal Credit Delivery System</b> (Loans to SHGs/ JLGs, loans to distressed persons to prepay non-institutional lenders, PMJDY, loans to state sponsored organisations for SC/ST)	1,41,888.50
	<b>Total Priority Sector (I to V)</b>	<b>7,82,024.71</b>

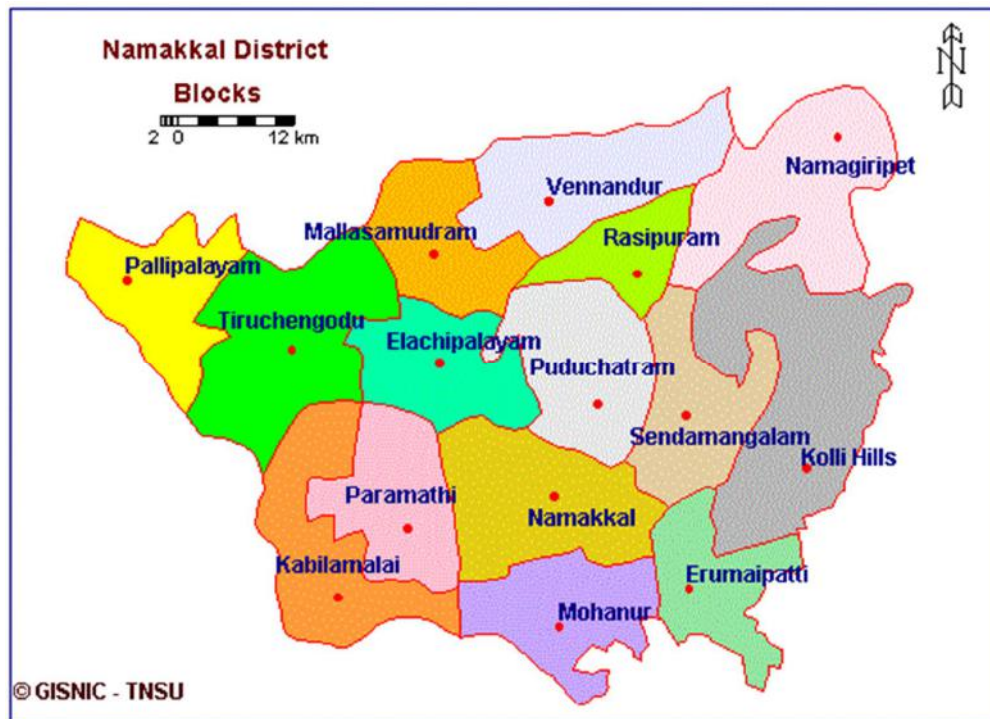
Pie Chart – 1 : PLP PROJECTIONS 2022-23 : NAMAKKAL DISTRICT



Pie Chart – 2 : PLP PROJECTIONS 2022-23 : NAMAKKAL DISTRICT



## MAP



## District Profile

District -

NAMAKKAL

State -

Tamilnadu

Division - 2

1. PHYSICAL & ADMINISTRATIVE FEATURES

Total Geographical Area (Sq.km)	3367
No. of Taluk	8
No. of Blocks	15
No. of Villages	454
No. of Village Panchayats	322

2. SOIL & CLIMATE

Agro-climatic Zone	North Western Agro - Climatic Zone (Tiruchengode Taluk alone falls in Western Agro Climatic Zone)		
Climate	Sub-Tropical Climat - Hot & Humid		
Soil Type	Red Loam, Lateritic, Sandy Coastal Alluvial, Red Sandy Soil and Clay Loam		

3. LAND UTILISATION [Ha]

Total Geographical Area	336719
Forest Land	43909
Area Not Available for Cultivation	63557
Permanent Pasture and Grazing Land	6664
Land under Miscellaneous Tree Crops	3200
Cultivable Wasteland	4777
Current Fallow	37016
Other Fallow	22850
Net Sown Area	154746
Total or Gross Cropped Area	212771
Area Cultivated More than Once	58025
Cropping Intensity [GCA/NSA]	137

4. RAINFALL & GROUND WATER

Rainfall [in mm]	Normal	Actual	2018	2019	2020
	791		650	630	629
	Variation from Normal		-141	-161	-162
Availability of Ground Water [Ham]	Net annual recharge		Net annual draft		Balance
	47641		40925		6716

5. DISTRIBUTION OF LAND HOLDING

Classification of Holding	Holding		Area	
	Nos.	% to Total	Ha.	% to Total
<= 1 Ha	82143	55	38770	20
>1 to <=2 Ha	37173	25	53175	27
>2 Ha	29619	20	102853	53
Total	148935	100	194798	100

6. WORKERS PROFILE [in '000]

Main workers	839
Marginal workers	59
Category of workers	
Cultivators	152
Agricultural Labourers	229
Workers engaged in Household Industries	35
Other workers	423

7. DEMOGRAPHIC PROFILE [in '000] - Census of India 2011

Category	Total	Male	Female	Rural	Urban
Population	1726	869	857	1030	696
Scheduled Caste	345	174	171	244	101
Scheduled Tribe	57	29	28	55	2
Literate	1176	653	522	672	504

8. HOUSEHOLDS [in '000]

Total Households	475
Rural Households	284
BPL Households	166

9. HOUSEHOLD AMENITIES [Nos in '000 Households]

Having brick/stone/concrete houses	354	Having electricity supply	441
Having source of drinking water	449	Having independent toilets	194
Having access to banking services	239	Having radio/tv sets	418

10. VILLAGE-LEVEL INFRASTRUCTURE [Nos]

Villages Electrified	454
Villages having Agriculture Power Supply	454
Villages having Post Offices	232
Villages having Banking Facilities	454
Villages having Primary Schools	NA
Villages having Primary Health Centres	84
Villages having Potable Water Supply	454
Villages connected with Paved Approach Roads	454

11. INFRASTRUCTURE RELATING TO HEALTH & SANITATION [Nos]

Anganwadis		Dispensaries	Nil
Primary Health Centres	47	Hospitals	8
Primary Health Sub-Centres	240	Hospital Beds	659

12. INFRASTRUCTURE & SUPPORT SERVICES FOR AGRICULTURE

Fertiliser/Seed/Pesticide Outlets [Nos]	395	Agriculture Pumpsets[Nos]	102434
Total N/P/K Consumption [MT]	15173	Pumpsets Energised [Nos]	72911
Certified Seeds Supplied [qtl]	279	Agro Service Centres [Nos]	5
Pesticides Consumed [lit]	1260650	Soil Testing Centres [Nos]	6
Agriculture Tractors [Nos]	2903	Plantation nurseries [Nos]	10
Power Tillers [Nos]	230	Farmers' Clubs [Nos]	232
Threshers/Cutters [Nos]	36	KVK	1

13. IRRIGATION COVERAGE [Ha]

Total Area Available for Irrigation (NIA + Fallow)	115117
Irrigation Potential Created	n.a.
Net Irrigated Area (Total area irrigated at least once)	55251
Area irrigated by Canals / Channels	4411
Area irrigated by Wells	40158
Area irrigated by Tanks	50
Area irrigated by Borewells	9203
Area irrigated by Other Sources	1429

14. INFRASTRUCTURE FOR STORAGE, TRANSPORT & MARKETING

Rural/Urban Mandi/Haats [Nos]	7	Wholesale Market [Nos]	25
Length of Pucca Road [Km]	1833	Godown [Nos]	260
Length of Railway Line [Km]	85	Godown Capacity[MT]	103700
Public Transport Vehicle [Nos]	177	Cold Storage [Nos]	2
Goods Transport Vehicle [Nos]	14562	Cold Store Capacity[MT]	50

15. AGRO-PROCESSING UNITS

Type of Processing Activity	No of units	Cap.[MT]
Food (Rice/Flour/Dal/Oil/Tea/Coffee)	2391	n.a.
Sugarcane (Gur/Khandsari/Sugar)	345	n.a.
Fruit (Pulp/Juice/Fruit drink)	2	n.a.
Spices (Masala Powders/Pastes)	n.a.	n.a.
Dry fruit (Cashew/Almond/Raisins)	n.a.	n.a.
Cotton (Ginning/Spinning/Weaving)	84	n.a.
Milk (Chilling/Cooling/Processing)	5	n.a.
Meat (Chicken/Motton/Pork/Dryfish)	1	n.a.
Animal feed (Cattle/Poultry/Fishmeal)	452	n.a.

16. AREA, PRODUCTION & YIELD OF MAJOR CROPS

Crop	2019-20		2020-21		Avg. Yield [Kg/Ha]
	Area (Ha)	Prod. (MT)	Area (Ha)	Prod. (MT)	
Paddy	10553	39730	10284	39850	3875
Millets	84294	107664	89779	110083	1226
Pulses	13486	7895	13734	8409	612
Oilseeds	36879	53900	36378	65773	1808
Cotton (Bales)	2448	2720	1830	1629	89
Sugarcane	10115	1186796	9756	1152447	118127
Vegetables	22249	715647	29173	792844	27177
Production of Cotton(lint), Jute, Mesta & Sorghum are in Bales(177.8 kg per bale in India)					

17. ANIMAL POPULATION AS PER CENSUS 2019 tentative [in '000]

Category of animal	Total	Male	Female
Cattle - Cross bred	241.2	5.7	235.5
Cattle - Indigenous	26.5	6.5	20.0
Buffaloes	63.3	2.8	60.5
Sheep - Cross bred	3.7	--	--
Sheep - Indigenous	98.1	--	--
Goat	492.7	128.3	364.4
Pig - Cross bred	0.6	--	--
Pig - Indigenous	7.9	--	--
Poultry - Layer	45000.0	--	--
Poultry - Broiler	5200.0	--	--
Poultry - Indigenous	538.0	--	--

18. INFRASTRUCTURE FOR DEVELOPMENT OF ALLIED ACTIVITIES

Veterinary Hospitals/Dispensaries [Nos]	100	Animal Markets [Nos]	12
Disease Diagnostic Centres [Nos]	2	Milk Collection Centres [Nos]	570
Artificial Insemination Centers [Nos]	99	Fishermen Societies [Nos]	Nil
Animal Breeding Farms [Nos]	Nil	Fish seed farms [Nos]	Nil
Animal Husbandry Trng Centres [Nos]	Nil	Fish Markets [Nos]	Nil
Dairy Cooperative Societies [Nos]	488	Poultry hatcheries [Nos]	6
Improved Fodder Farms [Nos]	1	Slaughter houses [Nos]	3

19. MILK, FISH, EGG PRODUCTION & THEIR PER CAPITA AVAILABILITY

Fish	Production [MT]	n.a.	Per cap avail. [gm/day]	380.00
Egg	Production [per day]	3.5 crore	Per cap avail. [nos/p.a.]	n.a.
Milk	Prodn [Lakh Tonnes / year]	3	Per cap avail. [ml/day]	90.74
Meat	Production [MT]	n.a.	Per cap avail. [gm/day]	n.a.

Sources (if not mentioned against the respective item):

Item Nos. 1, 5, 6, 7, 9 & 10 - Census 2011/Handbook 2019 - Dir. of Eco. & Stat; Item Nos. 2, 3, 12, 13 & 14 - Dept. of Agr./Dir. of Eco. & Stat.; Item No. 4 - Dept. of Agr./Water Resources; Item No. 8 - BPL Survey; Item No. 15 - District Ind Centre/Dir. of Eco. & Stat.; Item No. 16 - DACNET; Item No. 17 - AH Census; Item Nos. 18 & 19 - Dir. of Animal Hus./Dir. of Eco. & Stat.

## District Profile

1. The total geographical area of Namakkal district is 3367.19 Sq.Km. accounting for 2.6% of the geographical area of Tamil Nadu. The district lies between 11.00 and 11.36 North latitude and between 77.28 and 78.30 East longitude and is bound on the North by Salem District, East by Perambalur & Salem Districts, in the South by Karur District and West by Erode District. There are two revenue divisions, 8 taluks (Namakkal, Paramathi-Velur, Rasipuram, Tiruchengode, Kolli Hills, Sendamangalam, Mohanur and Kumarapalayam) and 15 blocks in the district. There are 322 village Panchayats in the district with 463 bank branches including cooperatives.
2. The District is classified into North Western Agro Climatic Zone (except Tiruchengode Taluk-which falls under Western Agro Climatic Zone). Kolli Hills and a few isolated hills and ridges fall under Hilly Zones. The Northern portion of Namakkal are mountains and the Southern are flat and plain regions. The river Cauvery is the major river in the district along with its tributaries namely Aiyaru, Karaipottan and Thirumanimuthu which flows south and southwest hugging the border of the district with Erode and Karur districts. The average annual rainfall of the district is 791 mm and the actual rainfall during the last 3 years was 649 mm (2018) and 630 mm (2019) and 629 mm (2020). The major sources of irrigation are by way of wells/borewells. As per the latest Ground water assessment, 22 firkas are over-exploited. Only 3 out of 30 firkas falls under safe category. This calls for serious efforts for various water conservation measures in the district.
3. During 2019-20, as against the Net Sown Area of 1,54,746 Ha., the Gross Cropped Area stood at 2,12,771 Ha., registering a cropping intensity of 137%. Rainfed Agriculture is predominant in the district. Minor Millets like Cumbu, Chola, Varagu and Samai are cultivated extensively under rainfed conditions. Paddy, Sugarcane and Banana are major wet crops in the district. Cash crops like Groundnut, Gingelly, Castor, Cotton are raised to a considerable extent. Tapioca is the second major crop. Coffee, Pepper as also certain medicinal plants and Pineapple are cultivated in Kolli Hills area on a limited scale. The types of soil in the district are red loam, laterite, sandy coastal, alluvial red sandy and clay loam. Bauxite is the major mineral of the district. The district has a total population of about 17.26 lakh comprising 8.69 lakh males and 8.57 lakh females as per 2011 census.
4. The district is one of the economically active districts of Tamil Nadu. It is known for its Egg production and Truck Lorry Body Building activity. Contract farming under Broiler Units, has become the substitute for viability. Nearly 300 sago factories are located in and around Rasipuram taluk. Rasipuram Taluk is also famous for Ghee production, handloom and powerloom weaving. The district possesses good infrastructure facilities like good transport network and committed workforce. Education is another major activity in the district. The district also has 30 Engineering colleges, 18 Arts Colleges, 2 dental colleges, 14 paramedical institutions as also 7 polytechnic institutes providing technical training.
5. The Gross District Domestic Product (GDDP) (at 2004-05 prices) for the year 2010-11 stood at ₹11,24,863 lakh and the share of Primary, Secondary and Tertiary Sectors in the GDDP was 18.28%, 30.18% and 51.53% respectively. The share of the GDDP in the State GDP was 2.79%. The Average Annual Growth Rate (AAGR) in district per capita for the period 2004-05 to 2010-11 stood at 8.96%. The Per Capita Income of the District (at 2004-05 prices) for the year 2010-11 stood at ₹58,133. The Human Development Index (HDI) of the district for year 2011 is 0.764 against the state HDI of 0.768.

Banking Profile						Appendix - 2				
District	Namakkal	State - Tamil Nadu			Lead Bank -		Indian Bank			
1. NETWORK & OUTREACH (As on 31/03/2021)										
Agency	No. of Banks/Soc.	No. of Branches				No. of non-formal agencies associated			Per Branch Outreach	
		Total	Rural	Semi-urban	Urban	mFls/mFOs	SHGs/JLGs	BCs/BFs	Villages	Households
Commercial Bank	26	234	106	128	0	7	5175 / 874	278	1	2030
RRB	1	19	12	7	0	0	0	0	17	25000
Cooperative Bank	1	27	14	13	0	0	2104 / 1013	0	12	17593
PCARDB	1	7	3	4	0	0	0	0	46	67857
FACS		168	168	0	0	0	0	0	2	2827
Others	2	12	0	12	0		NA	0		
All Agencies	31	467	303	164	0					
2. DEPOSITS OUTSTANDING										
Agency	No. of accounts					Amount of Deposit [Rs.lakh]				
	31-Mar-19	31-Mar-20	31-Mar-21	Growth(%)	Share(%)	31-Mar-19	31-Mar-20	31-Mar-21	Growth(%)	Share(%)
Commercial Banks	NA	NA	NA	NA	NA	1039674	1049064	1330000	26.8	85.4
RRBs	NA	NA	NA	NA	NA	37099	45583	50660	11.1	3.3
Cooperative Banks	NA	NA	NA	NA	NA	149933	152500	170000	11.5	10.9
SFB	NA	NA	NA	NA	NA	1346	4198	5866	39.7	0.4
Others	NA	NA	NA	NA	NA	0	11	0	-100.0	0.0
All Agencies						1228052	1251356	1556526	24.4	100.0
3. LOANS & ADVANCES OUTSTANDING										
Agency	No. of accounts					Amount of Loan [Rs.lakh]				
	31-Mar-19	31-Mar-20	31-Mar-21	Growth(%)	Share(%)	31-Mar-19	31-Mar-20	31-Mar-21	Growth(%)	Share(%)
Commercial Banks	NA	NA	NA	NA	NA	1394427	1474597	1648032	11.8	89.5
RRBs	NA	NA	NA	NA	NA	34515	38354	45715	19.2	2.5
Cooperative Banks	NA	NA	NA	NA	NA	106303	113900	121661	6.8	6.6
SFB	NA	NA	NA	NA	NA	12085	24905	26330	5.7	1.4
Others	NA	NA	NA	NA	NA	0	2619	0	-100.0	0.0
All Agencies	0	0	0			1547330	1654375	1841738	11.3	100.0
4. CD-RATIO										
Agency	CD Ratio									
	31-Mar-19	31-Mar-20	31-Mar-21							
Commercial Banks	134	141	124							
RRBs	93	84	90							
Cooperative Banks	71	75	72							
SFB	898	593	449							
All Agencies	126	132	118							
5. PERFORMANCE UNDER FINANCIAL INCLUSION (No. of A/c's)										
Agency	During 2019-20			Cumulative - 31/03/2021						
	Deposit	Credit		Deposit	Credit					
Commercial Banks	NA	NA		NA	NA					
Regional Rural Bank	NA	NA		NA	NA					
Cooperative Banks	NA	NA		NA	NA					
Others	NA	NA		NA	NA					
All Agencies	0	0		0	0					
6. PERFORMANCE TO FULFILL NATIONAL GOALS (As on 31/03/2021)										
Agency	Priority Sector Loans		Loans to Agr. Sector		Loans to Weaker Sections		Loans under DRI Scheme		Loans to MSME	
	Amount [Rs.lakh]	% of Total Loans	Amount [Rs.lakh]	% of Total Loans	Amount [Rs.lakh]	% of Total Loans	Amount [Rs.lakh]	% of Total Loans	Amount [Rs.lakh]	% of Total Loans
Commercial Banks	1226334	74.41	636145	38.60	218604	13.26	1934	0.12	425921	25.84
RRBs	44393	97.11	34806	76.14	29091	63.64	0	0.00	9119	19.95
Cooperative Banks	84480	69.44	46886	38.54	10096	8.30	0	0.00	0	0.00
SFB	18546	70.44	4652	17.67	4716	17.91	0	0.00	6946	26.38
Others	4242	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	4242	#DIV/0!
All Agencies	1377995	74.82	722489	39.23	262507	14.25	1934	0.11	446228	24.23
7. AGENCY-WISE PERFORMANCE UNDER ANNUAL CREDIT PLANS										
Agency	2018-19			2019-20			2020-21			Average Ach[%] in last 3 years
	Target [Rs.lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	Target [Rs.lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	Target [Rs.lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	
Commercial Banks	405065.17	416793.34	103	428730.45	378260.08	88	433872.51	478604.87	110	100
RRBs	17513.75	38095.91	217.52	19186.06	39189.36	204	16139.36	46391.03	287	52
Cooperative Banks	153100.00	124460.45	81.29	140548.96	163424.00	116	184236.40	65010.74	35	97
Others	1907.76	1353.29	70.94	19249.90	3588.90	19	11882.69	4521.90	38	135
All Agencies	577586.68	580702.99	100.54	607715.37	584462.34	96	646130.96	594528.54	92	96
8. SECTOR-WISE PERFORMANCE UNDER ANNUAL CREDIT PLANS										
Broad Sector	2018-19			2019-20			2020-21			Average Ach[%] in last 3 years
	Target [Rs.lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	Target [Rs.lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	Target [Rs.lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	
Crop Loan	223442.35	244690.12	110	228319.84	251767.48	110.27	236825.56	261907.82	110.59	110.12
Term Loan (Agr)	110921.51	113072.09	102	111675.06	81068.96	72.59	120358.51	76226.27	63.33	79.29
Total Agri. Credit	334363.86	357762.21	107	339994.90	332836.44	97.89	357184.07	338134.09	94.67	99.85
Non-Farm Sector	96917.45	91644.78	95	103613.43	72270.31	69.75	93468.31	89087.64	95.31	86.54
Other Priority Sector	146305.37	131296.00	90	164107.04	179355.59	109.29	195478.58	167306.81	85.59	94.87
Total Priority Sector	577586.68	580702.99	101	607715.37	584462.34	96.17	646130.96	594528.54	92.01	96.24

Sources : Lead Bank & SLBC

Sources : Lead Bank & SLBC

## BANKING PROFILE

1. Indian Bank is the lead bank of the district, coordinating the various programmes related to banking activities. The district has a banking network with 463 branches/PACS (of which 34 commercial banks with 213 branches, one RRB with 19 branches, 28 branches of Salem DCCB, 168 PACS, 5 Urban Cooperative Banks with 19 branches, 7 PCARDBs, 3 SFB with 7 branches, 1 Tamil Nadu Industrial Cooperative Bank and 1 Tamil Nadu Industrial Investment Corporation

2. The deposits of the banks increased from a level of ₹12513.56 crore as on 31 March 2020 to ₹15565.26 crore as on 31 March 2021 registering a growth of 24%. Commercial banks have the major share of 85.4%. In advances, there is steady growth of 11.32% from ₹16543.75 as on 31 March 2020 to ₹18417.38 as on 31 March 2021. The overall CD ratio of the banking system stood at 118% as on 31 March 2021. The banks achievement under Annual Credit Plan (ACP) 2020-21 was 92% of the target. During the last three years the banks have been able to fulfill the benchmark parameters under priority sector lending (40%), agriculture (18%), weaker section (10%) and 7.5% for MSME. The achievement under term loan during 2020-21 was 63% of the target.

Credit flow to SME, SHG and OPS are at the desired level. Most of the commercial banks are issuing crop loan through Agricultural Jewel Loan and not through KCC. The share of Cooperative Banks and RRBs in total advances of the district is 6.6% and 2.5% respectively. DCCB and RRB may take note of this and take efforts to improve the lending both under crop loan and investment credit activities.

3. The monitoring of the Ground Level Credit Flow is undertaken by eliciting information from the bank branches through Lead Bank Returns (LBRs) under Service Area Monitoring & Information System (SAMIS). There is much to be desired in the submission of the LBR Statements by the banks in terms of quality and timeliness. There is undue delay in the submission of statements and many a time there is wrong classification of loans disbursed.

4. Financial Inclusion Plan is being implemented in the district and all banks were advised to plan their Financial Outreach Programme by opening brick and mortar branches, appointment of BCs, Ultra Smart Branches through mobile vans, distribution of smart cards, Financial Literacy Awareness Camps etc. All the families were covered under the PMJDY. Steps were taken to cover all the SHG members under PMJJBY, PMSBY. Atal Pension Yojana targets were given to all bank branches. A Financial Literacy and Credit Counseling Centre is being run by the Lead Bank, viz. Indian Bank from its Main Branch at Namakkal. A Rural Self Employment Training Institute (RSETI) is being run by the Lead Bank, viz., Indian Bank by name INDSETI at Namakkal and provides training on various off-farm and on-farm activities.

5. Most of the banks are issuing Kisan Credit card as per the revised guidelines. Working capital for Animal Husbandry under KCC is also being disbursed by banks. KCC saturation campaign was conducted among small and marginal farmers to ensure hassle free credit. The Cooperative Banks have started providing ATM cards to its customer.

## METHODOLOGY FOR PREPARATION OF POTENTIAL LINKED CREDIT PLANS (PLPS)

Potential Linked Credit Plan is a comprehensive documentation of potentials in the district for rural economic activities, both in physical and financial terms. It is also an assessment of the gaps in infrastructure support which need to be filled in to fully exploit the realizable potentials.

### Objectives of PLP

The objectives of PLP are

- To enable the various organizations involved in the process of rural development in directing their efforts in a planned manner, in accordance with the potentials available for exploitation.
- To enable optimum utilization of scarce financial resources (specifically bank credit) by channeling the same into sectors with growth potential.
- To assess the gaps in infrastructure support which need to be taken care for exploiting the potentials and prioritise resource requirement for the purpose.

### Methodology

NABARD, in 1988-89, took initiative of preparing PLPs for agriculture and rural development. The broad strategy followed by NABARD for the formulation of PLPs envisages estimation of long term potential (in terms of physical units) in each sector of agriculture and rural development with reference to the natural and human resource endowments and a phased annual programme for development, keeping in view the relative national and state priorities. NABARD has been constantly endeavoring to introduce refinements in the methodology of preparing PLPs and improvement of its contents so that the PLPs could be used as support reference document for Annual Credit Plans of banks. NABARD has been reviewing continuously the methodology in estimation of potential through consultative process over the years. It adopts a detailed methodology for assessing the physical potential in major sectors of investment activity conducive to development of agriculture and rural areas. The PLP writers – who are District Development Managers of NABARD placed in most of the districts of the country – are supported by a group of technical officers/experts in the Regional Offices and Head Office of NABARD.

The methodology consists of assessment of sector-wise/subsector-wise estimation of potential in consultation with technical officers of the concerned line departments at the district level, identification of infrastructure facilities required to support the exploitation of the potential, identification of infrastructure facilities available at present as well as planned and working out the gap in infrastructure, examination of the trends in sector-wise credit flow, various schemes of State/Central Govt., and estimation of block-wise physical and financial credit potential.

The indicative unit costs suggested by the State level unit cost committee are made use of while arriving at the total financial outlays.

The broad methodology of arriving at the potential for major sectors is given below.

S. No.	Sector	Methodology of estimation of credit potential
1	Crop loans	<ul style="list-style-type: none"><li>• Collection of data on Gross Cropped Area for a period of 10 years and data on land holdings</li><li>• Distribution of Gross Cropped Area between Small Farmer/Marginal Farmer and Other farmers based on the total land occupied by small and marginal farmers on one hand and other farmers on the other.</li></ul>

S. No.	Sector	Methodology of estimation of credit potential
		<ul style="list-style-type: none"> <li>• Make assumption to cover 100% of Small/Marginal Farmers and 20% to 50% of Other Farmers;</li> <li>• Study the cropping pattern</li> <li>• Estimation of credit potential taking into account Scale of Finance and also the KCC guidelines in vogue</li> <li>• Block-wise allocation of potential taking into account credit absorption capacity in a particular block, cropping pattern, etc.</li> </ul>
2	Water Resources	<ul style="list-style-type: none"> <li>• MI potential is the area that can be brought under irrigation by ground and surface water;</li> <li>• Collection of data on ultimate irrigation potential, area already brought under irrigation and balance potential available under groundwater and surface water for the district</li> <li>• While fairly clear estimates are available for ground water and its present and future utilization, surface water estimates for individual districts are difficult to get;</li> <li>• Estimation of potential to be attempted block-wise based on categorization of blocks, type of rock formation, suitability of MI structures, projects planned by State Govt. etc.</li> <li>• Preference of farmers for different MI structures like dug wells, bore wells, DCBW, etc. is to be taken into account.</li> <li>• The potential for MI sector is defined in terms of numbers for DW, BW and TW, and in terms of an area for lift irrigation, sprinkler and drip systems.</li> </ul>
3	Farm Mechanisation	<ul style="list-style-type: none"> <li>• The potential estimate for farm mechanization takes into account irrigated and unirrigated cropped area in the district, economic life of tractor, optimum use of tractor, per acre use of tractor, replacement of tractors per year, assessment of availability of drought animal power/power tiller by using conversion factors;</li> <li>• Calculation of requirement of number of tractors assuming one tractor per 30 acres and 45 acres of irrigated and unirrigated cropped area;</li> <li>• Adjustment of tractor potential with land holdings</li> <li>• Based on the cropping pattern, topography etc similar assessment is made for power tillers, combine Harvesters etc</li> </ul>
4	Plantation and Horticulture	<ul style="list-style-type: none"> <li>• Estimation of additional area that could be brought under plantation crops based on trend analysis of the land utilization pattern and cropping pattern of the district, area of cultivable waste land likely to be treated and brought under plantation crops;</li> <li>• Feasibility and possibility of shifting from food crops to plantation crops;</li> <li>• Estimation of replanting by taking into account approximate economic life of a few plantation crops</li> </ul>

S. No.	Sector	Methodology of estimation of credit potential
		<ul style="list-style-type: none"> <li>Estimation of potential for rejuvenation of existing plantation</li> </ul>
5	Animal Husbandry – Dairy	<ul style="list-style-type: none"> <li>Collection of data on number of milch animals as per the latest census</li> <li>Estimation of milch animals for the reference year by assuming 30% calving, 50:50 sex ratio, 40% calf mortality and 50% culling for buffaloes and 40% calving, 50:50 sex ratio, 20% calf mortality and 50% culling for CBCs and 30% calving, 50:50 sex ratio, 20% calf mortality and 50% culling for Indigenous cows;</li> <li>1/6<sup>th</sup> of the animals are assumed to be good quality animals and 60% of the good quality animals in milk and 60% of animals in milk are on 2<sup>nd</sup> and 3<sup>rd</sup> lactation. 50% of the number of animals so arrived are assumed to be animals available for bank finance.</li> </ul>

### Utility

Concerted and continuous efforts have been on to make PLPs user friendly keeping in view the stakeholders focus. The document has been useful to various stakeholders in a variety of ways, as illustrated below:

1	Bankers	i. Provides inputs/information on Exploitable potential vis-a-vis credit available
		ii. Potential High Value Projects/Area Based schemes
		iii. Infrastructure support available which can form basis for their business/development plans.
2	Government Agencies/ Departments	i. Developmental infrastructure required to support credit flow for tapping the exploitable potential
		ii. Other support required to increase credit flow
		iii. Identification of sectors for Government sponsored programme
3	Individual/ Business entities	i. Private investment opportunities available in each sector
		ii. Commercial infrastructure
		iii. Information on various schemes of Govt. & Banks.

### Limitations and constraints

Though concerted efforts are being made to estimate the potentials realistically, the following limitations and constraints are noticed in the exercise of PLP preparation:

- Non-Availability of accurate granular data on credit flow – Sector and sub-sector-wise;
- Non-availability of data required for estimation of potential in some sectors with the line Depts.

## **Chapter 1**

### **Important Policies and Developments**

#### **1.1 Policy Initiatives - Government of India**

The following 6 Pillars were highlighted in the first ever digital Budget 2021-22 presented by Hon'ble Union Minister of Finance & Corporate Affairs, GoI:

- ❖ Health and Wellbeing
- ❖ Physical & Financial Capital and Infrastructure
- ❖ Inclusive Development for Aspirational India
- ❖ Reinvigorating Human Capital
- ❖ Innovation and R&D
- ❖ Minimum Government and Maximum Governance

##### **1.1.1 Following important announcements were made in the Union Budget 2021-22 for agriculture and farmers' welfare:**

- i. The target for agricultural credit enhanced to ₹16.5 lakh crore for higher credit availability to farmers and agriculture & allied sectors; Animal husbandry, dairy & fisheries to be the focus areas
- ii. Rural Infrastructure Development Fund to be enhanced to ₹40,000 crore from ₹30,000 crore.
- iii. Water conservation commitment stands enhanced as the Micro Irrigation Fund corpus has been increased to ₹10,000 crore via NABARD.
- iv. SWAMITVA Scheme to be extended to all States/UTs and 1.80 lakh property owners in 1,241 villages have already been provided cards.
- v. 'Operation Green Scheme' to be extended to 22 perishable products, to boost value addition in agriculture & allied products.
- vi. 1,000 more mandis to be integrated with e-NAM to bring transparency and competitiveness.
- vii. APMCs to get access to the Agriculture Infrastructure Funds for augmenting infrastructure facilities.
- viii. Setting up a multi-purpose seaweed park in Tamil Nadu proposed to help leverage country's vast ocean resources and R&D capabilities.

##### **Proposals relating to Fisheries sector:**

- i. Investments to develop marine and inland modern fishing harbours and fish landing centres.
- ii. 5 major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip and Petuaghat to be developed as hubs of economic activity.
- iii. Multipurpose Seaweed Park in Tamil Nadu to promote seaweed cultivation.

##### **Tax Proposals on Agriculture Products:**

- i. Custom duty on cotton increased to 10% and on raw silk and silk yarn from 10% to 15%.
- ii. Withdrawal of end-use based concession on denatured ethyl alcohol.
- iii. Agriculture Infrastructure and Development Cess (AIDC) on a small number of items.

##### **Achievements and Milestones during the COVID-19 pandemic**

- **Pradhan Mantri Garib Kalyan Yojana (PMGKY):**
  - Valued at **₹2.76 lakh crore**
  - Free food grain to **80 crore people**
  - Free cooking gas for **8 crore families**
  - Direct cash to over **40 crore farmers, women, elderly, the poor and the needy**

- **Aatma Nirbhar Bharat package (ANB 1.0):**
  - Estimated at **₹23 lakh crore** – more than **10% of GDP**
  - PMGKY, three ANB packages (ANB 1.0, 2.0 and 3.0), and announcements made later were like **5 mini-budgets** in themselves
  - **₹27.1 lakh crore** worth of financial impact of all three ANB packages including RBI's measures – amounting to **more than 13% of GDP**
- **Structural reforms:**
  - One Nation One Ration Card
  - Agriculture and Labour Reforms
  - Redefinition of MSMEs
  - Commercialisation of the Mineral Sector
  - Privatisation of Public Sector Undertakings
  - Production Linked Incentive (PLI) Scheme
  - 2 Made-in-India vaccines – medically safeguarding citizens of India and those of 100 plus countries against COVID-19 & 2 or more new vaccines expected soon

### **1.1.2 Measures initiated by Govt. of India to mitigate farmers' distress during COVID-19**

The worldwide outbreak of Covid-19 has posed a severe threat to human health and to the economy at large and disrupted agriculture supply chain. The various mitigating measures initiated to ensure a sustainable food system are described as under:

1. NABARD extended additional re-finance support of ₹30,000 crore, in addition to ₹90,000 already being provided, for meeting crop loan requirement of Rural Cooperative Banks and RRBs.
2. ₹2 lakh crore credit boost to 2.5 crore farmers under Kisan Credit Card Scheme.
3. ₹1 lakh crore under Agri Infrastructure Fund for creation of farm-gate infrastructure for farmers.
4. ₹10,000 crore towards the scheme for Formalisation of Micro Food Enterprises (MFE) to be implemented over a period of five years from 2020-21 to 2024-25.
5. ₹20,000 crore for fishermen through Pradhan Mantri Matsya Sampada Yojana (PMMSY). ₹11,000 crore for activities in Marine, Inland fisheries and Aquaculture along with ₹9000 crore for Infrastructure i.e. Fishing Harbours, Cold chain, Markets, etc.
6. To support private investment in Dairy Processing, value addition and cattle feed infrastructure, an Animal Husbandry Infrastructure Development Fund (AHIDF) of ₹15,000 crore was set up.
7. 10,00,000 ha to be covered under Herbal cultivation in next two years with outlay of ₹4,000 crore to lead to ₹5,000 crore income generation for farmers.
8. "Operation Greens" run by Ministry of Food Processing Industries (MOFPI) will be extended from Tomatoes, Onion and Potatoes (TOP) to ALL fruit and vegetables. 50% subsidy on transportation from surplus to deficient markets and 50% subsidy on storage, including cold storages, to be provided. This will lead to better price realisation to farmers, reduced wastages and affordability of products for consumers.
9. ₹65,000 crore to be provided to ensure increased supply of fertilizers to farmers to enable timely availability of fertilisers in the upcoming crop season.
10. The GoI, launched the Pradhan Mantri Garib Kalyan Yojana (PMGKY) for ensuring food security through public distribution system, direct benefit transfers to widows, pensioners and women.
11. Besides, the cash support, for better price realisation on farmers' produce during the ongoing pandemic, GoI has substantially increased the MSP vis-à-vis the cost of cultivation and enhanced the number of commodities to be procured through the state agencies.

### **1.1.3 “One-Product One-District Initiative” for better marketing and export in the Horticulture sector**

The Hon’ble Union Finance Minister, in the budget for 2020-21 announced the ‘One-Product One-District (ODOP) initiative ‘for better marketing and export of horticulture crops’ and to foster coordinated development for enhancement of income of farmers. The scheme was extended for the financial year 2021-22.

The focusing of one product in each district will help to transform local products through branding and marketing. The scheme envisages strengthening backward and forward linkages through provision of common facilities, incubation centers, training, research and development (R&D), branding and marketing. One District One Product (ODOP) initiative is operationally merged with ‘Districts as Export Hub’ initiative and is being implemented by Directorate General of Foreign Trade (DGFT), Department of Commerce, with Department for Promotion of Industry and Internal Trade (DPIIT) as a major stakeholder.

### **1.1.4 SWAMITVA (Survey of Villages and Mapping with Improved Technology in Village Areas)**

**SVAMITVA**, a Central Sector scheme was launched by Hon’ble Prime Minister of India on National Panchayat Day i.e. 24<sup>th</sup> April 2020. The Ministry of Panchayati Raj (MoPR) is the Nodal Ministry for implementation of the scheme. In the States, the Revenue Department / Land Records Department will be the Nodal Department and shall carry out the scheme with support of State Panchayati Raj Department. The scheme aims to provide an integrated property validation solution for rural India. The demarcation of rural abadi areas would be done using Drone Surveying technology through Survey of India.

#### **Objectives**

The scheme envisages mapping the land parcels in rural inhabited area using Drone technology and Continuously Operating Reference Station (CORS). The survey will be done across the country in a phased manner over the period 2020 -2025. This would provide the ‘record of rights’ to village household owners possessing houses in inhabited rural areas in villages which, in turn, would enable them to use their property as a financial asset for taking loans and other financial benefits from Banks.

A provision of ₹200 crores has been made for the scheme in the budget 2021 and 16 States will be covered targeting 2.30 lakh villages. The Pilot phase of SVAMITVA had been approved with a Budget Outlay of ₹79.65 crore. During the Pilot Phase, the scheme is being implemented in 9 States viz. Uttar Pradesh, Uttarakhand, Madhya Pradesh, Haryana, Maharashtra, Karnataka, Punjab, Rajasthan and Andhra Pradesh

**(For details visit <https://www.nabard.org/plp-guide.aspx?id=698&cid=698>)**

## **1.2 Policy Initiatives – Reserve Bank of India**

The following major initiatives have been taken by the RBI:

- Instructions were issued to all Commercial Banks, Regional Rural Banks, Small Finance Banks, Urban Cooperative Banks, State Cooperative Banks, DCCBs, NBFCs on COVID 19 Regulatory Package – Asset Classification and Provisioning to relax repayment pressure and improving access to working capital by mitigating the burden of debt servicing, prevent the transmission of financial stress to the real economy, and ensure continuity of viable businesses and households. The detailed instructions with regard to asset classification and provisioning were issued by RBI, vide circular dated 17 April 2020 and 23 May 2020, respectively.
- In the wake of the nationwide lockdown due to outbreak of COVID -19 pandemic and the resultant restrictions imposed on movement of people, many farmers were not able to travel to bank branches for payment of their short term crop loan dues. Instructions were

issued to all Public and Private Sector Scheduled Commercial Banks to extend the benefit of IS of 2% and PRI of 3% for short term crop loans upto ₹3 lakh to farmers whose accounts had become due or shall become due between March 1, 2020 and May 31, 2020, vide circular dated 21 April 2020.

- The Reserve Bank had made recommendations on the required financial parameters with sector specific benchmark ranges for such parameters to be factored in the resolution plans and accordingly, set up an Expert Committee with Shri K. V. Kamath as the Chairperson. The Expert Committee submitted its recommendations to RBI on September 2020. Accordingly, all lending institutions shall mandatorily consider the key ratios while finalizing the resolution plans in respect of eligible borrowers vide circular dated 07 September 2020.
- RBI extended Interest Subvention (IS) and Prompt Repayment Incentive (PRI) for Short Term Loans for Agriculture including Animal Husbandry, Dairy and Fisheries for extended period up to 31 August 2020 on account of Covid-19, vide circular dated 4 June 2020.
- Master circular on Deendayal Antyodaya Yojana and National Rural Livelihoods Mission (DAY-NRLM) was suitably updated by incorporating the modifications, vide circular dated 18 September 2020.
- Government of India (GoI), vide Gazette Notification S.O. 2119 (E) dated June 26, 2020, notified new criteria for classifying the enterprises as Micro, Small and Medium enterprises. The new criteria are classification of enterprises, composite criteria of investment and turnover for classification, Calculation of investment in plant and machinery or equipment and Calculation of turnover. This will come into effect from July 1, 2020, vide circular dated 02 July 2020.
- In view of the continued need to support the viable MSME entities on account of fallout of COVID-19 and to align these guidelines with the Resolution Framework for COVID-19 related Stress announced for other advances, RBI decided to extend the scheme i.e., existing loans to MSMEs classified as 'standard' to be restructured without a downgrade in the asset classification, vide circular dated 06 August 2020.

**(For details visit <https://www.nabard.org/plpguide.aspx?id=698&cid=698>)**

### **1.3 Policy Initiatives - NABARD**

#### **1.3.1 Long-Term Refinance**

To ensure increased and uninterrupted credit flow to farmers, as also to give a boost to capital formation in the agriculture sector, NABARD provided refinance to the Cooperative Banks and RRBs out of Long Term Rural Credit Fund, at a reasonable rate of interest. An amount of ₹14,481.50 crore was allocated for the year 2020-21.

#### **1.3.2 Short-Term Refinance**

Short Term Cooperative Rural Credit - STCRC (Refinance) Fund was set up in NABARD in 2008-09 to provide Short Term refinance to Cooperatives for their crop loans. The allocation for the year 2020-21 was ₹ 44,644.50 crore.

Short Term RRB (Refinance) Fund was set up in NABARD in 2012-13 to provide Short Term refinance to RRBs for their crop loans. The allocation for the year 2020-21 is ₹ 9,921 crore.

### **Initiatives taken during the year (2020-21)**

- Disbursement of ₹25500 crore was made under Special Liquidity Facility (SLF-1) to Cooperative Banks, RRBs and NBFCs (₹16800 crore to Cooperative Banks, ₹6,700 crore

to RRBs and ₹2,000 crore to NBFCs) for unhindered flow of credit to banks and farmers in the wake of the lockdown due to COVID-19 pandemic.

- Additional SLF of ₹1,567 crore was provided to NBFCs/ NBFC-MFIs with asset size less than ₹500 crore.
- SLF to SCARDBs of ₹783 crore was provided as front ended liquidity support from NABARD's own funds.
- Allocation of 25% of STRRB and LTRCF was made to aspirational and credit starved districts.
- Preliminary eligibility criteria for RRBs for availing refinance was revised and set on the basis of internal risk rating by NABARD.

**1.3.3 Special Refinance Schemes** - To address the issue of reverse migration, give boost to the agriculture & rural sector and income generating activities and focus on health and hygiene, NABARD introduced following special refinance schemes at concessional rates to eligible financial institutions:

- PACs as Multi Service Centers (MSCs)** - NABARD introduced Special refinance scheme to saturate all the potential PACS for conversion as Multi Service Centres, over a period of three years commencing from the year 2020-21. The scheme intends to develop all the potential PACS as Multi Service Centres (MSCs) over a period of three years commencing from the year 2020-2021 by providing concessional refinance to StCBs at 3% to support PACS to create quality infrastructure (capital assets) and increase their business portfolio in tune with needs of members. Under this line of credit, NABARD has envisaged transformation of 35,000 PACS in three years commencing with the transformation of 5,000 PACS in FY21. During 2020-21, 3055 PACS were given in-principle sanction by NABARD with estimated Project cost of ₹1,760.82 crore and estimated loan of ₹1,568 crore.
- Scheme for beneficiaries of Watershed and Wadi project areas** - The objectives of the scheme are to promote sustainable economic activities, livelihood and employment opportunities for the beneficiaries in NABARD supported watershed and wadi project areas by encouraging banks to lend at concessional rate to these beneficiaries to address the issue of rural migration and to give boost to the agriculture and rural sector in the post COVID era. Refinance is available to all the eligible banks/FIs at 3% for maximum period of 5 years. The ultimate lending rate to be charged by banks/FIs under the scheme is revised as 06 months MCLR+1% or EBLR+2.5%, whichever is lower. NABARD has earmarked refinance amount of ₹5,000 crore during 2020-21 to 2022-23. During FY 2020-21, refinance of ₹126.80 crore has been disbursed under this product.
- Scheme for promoting Micro Food Processing Activities** - The objective of the scheme is to encourage banks to lend micro-food processing activities and create sustainable livelihood and employment opportunities for rural youth as well as reverse migrants due to COVID-19 pandemic in the rural areas. The scheme also envisages modernization and enhancing the competitiveness of the existing individual micro enterprises and ensure their transition to formal sector in rural areas. The refinance scheme will give fillip to the recently launched "PM Scheme for Formalisation of Micro Food Processing Enterprises (PM FME)" under Aatmanirbhar Bharat Abhiyan by MoFPI, GoI. Concessional refinance at 4% is available to eligible financial institutions viz., commercial banks, SFBs, StCBs, RRBs and NABARD Subsidiaries.
- Special refinance scheme on Water, Sanitation and Hygiene (WASH)** - A Model Refinance Scheme on WASH activities has been prepared keeping in view the need to protect human health during infectious disease outbreaks, especially in the times of on-going COVID-19 pandemic. WASH has been conceptualized by NABARD to enable banks to provide credit to entrepreneurs for building social infrastructure relating to drinking water facilities, sanitation facilities including construction/ refurbishment of household toilets and health care facilities.

- v. Extension of interest subvention benefits for extended period from March 2020 to 31 August 2020 and from March 2021 to June 2021
- vi. COVID-19 deferment of loan instalments for client borrowers of NABARD.

**vii. KCC Saturation Drive to cover PM Kisan Samman Scheme beneficiaries who do not possess Kisan Credit Cards** - Department of Agriculture, Cooperation and Farmers' Welfare, Ministry of Agriculture and Farmers' Welfare, Govt. of India, has launched a campaign from 08.02.2020 to cover all PM Kisan Samman Scheme beneficiaries under Kisan Credit Cards. Adequate publicity and awareness campaigns were conducted to ensure maximum coverage. Phase-II of KCC Saturation- As a part of the Atmanirbhar Bharat Package, the Government has announced to cover 2.5 crore farmers under the Kisan Credit Card (KCC) scheme with a credit boost of ₹2 lakh crore through a special saturation drive. Department of Animal Husbandry and Dairying, Govt. of India also decided to simultaneously launch a special drive to provide KCC to 1.5 crore dairy farmers belonging to milk unions and milk producing companies and 1 crore fish farmers. As a result of concerted and sustained efforts by Cooperative Banks and RRBs in this direction of providing access to concessional credit to the farmers, the progress during the year is as under:

Phase	No. of KCCs (Lakh)	Limits sanctioned (₹ Crore)
I	12.58	8,499.86
II (As on 31.05.2021)	58.56	47,685.68

- viii. Government Sponsored Programmes with Bank Credit** - The Administrative approval conveying the continuation of the followings subsidy schemes for 2020-21 (**till 30 June 2021**) has been received from the GoI:
- Agri Clinics and Agri Business Centers Scheme (ACABC).
  - National Livestock Mission for Entrepreneurship Development & Employment Generation (EDEG), component of National Livestock Mission, Poultry Venture Capital Fund (PVCF), Integrated Development of Small Ruminants and Rabbit (IDSRR), Pig Development (PD), Salvaging and Rearing of Male Buffalo Calves (SRMBC), Effective Animal Waste Management, Construction of Storage Facility for Feed and Fodder.
  - **Revised AMI sub scheme of ISAM** - Communication from GoI regarding continuation of the scheme during 2021-22 is awaited.

### 1.3.4 Rural Infrastructure Development Fund (RIDF)

The major policy changes and initiatives during 2020-21 were as under:

1. The corpus under RIDF was increased from ₹ 30,000 crore to ₹ 40,000 crore, as announced in Union Budget 2021-22.
2. Total sanctions of ₹ 34,830 crore and disbursements of ₹ 29,193 crore were made during the year to various State/UT Governments.
3. Normative Allocation parameters for state-wise sanctions, under RIDF, were fine-tuned to include rural poverty and per capita priority sector credit flow.
4. The phasing of projects sanctioned under RIDF XX and XXI was extended up to 30 September 2021 and reimbursement of expenditure was allowed upto 31 December 2021.
5. To ensure better quality control and supervision through specialised agencies, the expenses on account of Quality Control/PMC/Supervisory Charges/Third Party Monitoring are considered under RIDF upto a maximum of 2% of eligible project cost, wherever an external agency is engaged by the State Government.
6. A dedicated Web-portal and Mobile App for digitization of RIDF operations and real time monitoring of projects was launched.
7. A corporate film on completion of 25 years of RIDF was launched during the year.

## 8. Important Funds:

### A. Micro Irrigation Fund (MIF)

- MIF with a corpus of ₹5000 crore was operationalized in NABARD in 2019-20 with the Ministry of Agriculture and Farmers Welfare (MoA&FW), GoI being the Nodal Ministry. The fund was fully utilised and the GoI announced additional allocation of ₹5,000 crore in the Union Budget for 2021-22.
- MIF facilitated State Govts' efforts in mobilizing additional resources and incentivizing its adoption beyond provisions of Pradhan Mantri Krishi Sinchayee Yojana - Per Drop More Crop.
- During 2020-21, loan amount of ₹1128.60 crore was sanctioned and ₹1827.47 crore was released. As on 31 March 2021, the cumulative loan sanctioned and released under MIF was ₹3970.17 crore and ₹1827.47 crore, respectively.

### B. Long Term Irrigation Fund (LTIF)

- LTIF was operationalized in NABARD in 2016-17 for fast tracking completion of 99 identified Medium and Major Irrigation projects. Under LTIF, NABARD provides loan towards Central Share as well as State Share. During 2020-21, loan amount of ₹2461.84 crore was sanctioned and ₹7761.20 crore was released. As on 31 March 2021, the cumulative loan sanctioned and released stood at ₹84326.60 crore and ₹52479.71 crore, respectively.

### C. Pradhan Mantri Awas Yojna - Grameen (PMAY-G)

- PMAY-G aims at providing a pucca house, with basic amenities, to all households / households living in kutchha and dilapidated house, by 2022. Under the scheme, NABARD has extended loan towards part funding of Central Share.
- Under PMAY-G, 2.95 crore houses (1 crore in Phase-I and 1.95 crore in Phase-II) are targeted to be constructed from 2016-17 to 2021-22.
- During 2020-21, loan amount of ₹20,000.00 crore was sanctioned and ₹19999.80 crore was released towards part funding of Central share under PMAY-G. As on 31 March 2021, the cumulative loan sanctioned and released under PMAY-G stood at ₹61,975.00 crore and ₹48,819.03 crore, respectively.

### D. Swachh Bharat Mission-Gramin (SBM-G)

- SBM-G was launched by Govt. of India on 2<sup>nd</sup> October 2014 with the goal to achieve universal sanitation coverage in rural areas. Under the scheme, NABARD extended loan during 2018-19 to 2019-20 towards part funding of Central Share.
- The cumulative sanction and disbursement as on 31 March 2020 under SBM-G stood at ₹15,000 crore and ₹12,298.20 crore, respectively.
- During 2018-19 and 2019-20, total 3.29 crore household toilets (2.23 crore in 2018-19 and 1.06 crore during 2019-20) were constructed (**Source –MoJS, GoI**).

### E. Rural Infrastructure Assistance to State Governments (RIAS)

NABARD launched a new product "Rural Infrastructure Assistance to State Governments (RIAS)", with an initial corpus of ₹15000 crore. Under RIAS, NABARD will provide financial assistance to State Governments in Eastern Region, for creating infrastructure that supports rural livelihoods, hinging on 5-J approach – Jan (Human being), Jal (Water), Jameen (Land), Janwar (Livestock) & Jungle (Forest).

## 1.3.5 Initiatives on micro Finance

- **Revision of grant support to JLGPIs:** To incentivise promotion of JLGs, the grant assistance to JLGPIs was enhanced from ₹2,000/- to ₹4,000/- per JLG.

- **MEDP/LEDP:** To strengthen NABARD's efforts at skilling SHG members, the grant assistance was enhanced for MEDPs to ₹ 1.00 lakh and for LEDPs to ₹ 8.80 lakh (Farm Sector) and to ₹ 7.15 lakh (Off Farm Sector).
- For 2020-21, the number of MEDPs has tripled and LEDPs doubled from previous year to augment supply for skills required for rural employment.
- **NABFINS as JLGPI:** NABFINS was sanctioned a pilot project as a JLGPI in five States of Assam, Chhattisgarh, Madhya Pradesh, Maharashtra and Jharkhand for a period of three years.
- **MY PAD MY RIGHT:** NABFOUNDATION, through LEDP channel, was sanctioned the Project 'My Pad My Right' for ₹1.99 crore for sanitary pad making machine for producing/marketing the pads to provide livelihood opportunities to SHGs and improve menstrual hygiene of rural women. During 2020-21, an amount of ₹1.59 crore has been utilized and machines have been installed in 33 districts.
- **EShakti:** As on 31 March 2021, the project was being implemented in 281 districts. The data pertaining to 12.33 lakh SHGs (140.91 lakh members in 1.67 lakh villages was on-boarded to EShakti portal). From 2021-22, the project will be implemented in 130 districts of 16 States/UTs for a focused approach to reduce the credit gap. EShakti portal was used for sending 40 lakh health advisory SMS to SHG members and during the pandemic, the SHGs were also engaged for making face masks, hand sanitizers, PPE kits, etc. for earning additional income.

### 1.3.6 Financial Inclusion

**Availability of financial support for Standard Schemes under FIF:** Financial support for the following activities was available from NABARD:-

#### **Financial Literacy:**

- Financial and Digital Literacy Camps, Financial Literacy Centres, Reimbursement of Examination fee of BC/BF, Mobile Demo Vans and Financial Literacy Centres (FLCs).
- Opening Kiosk Outlets in unbanked villages of North Eastern (NER) States.
- Setting up of Centre for Financial Literacy (CFL)

#### **Banking Technology:**

- Deployment of microATM and PoS/mPoS devices, for on-boarding to BHIM UPI Platform, for on-boarding to Public Financial Management System, Implementing Green PIN facility at ATMs and/or microATMs for RuPay Kisan Card activation and On-boarding to Bharat Bill Payment System (BBPS).

#### **Regulatory requirements:**

- On-boarding to Central KYC Registry (CKYCR) and Support to obtain AUA/KUA membership of UIDAI.

#### **Connectivity and Power Infrastructure:**

- V-SATs deployment in SFDs, Mobile signal boosters' deployment in SFDs and Solar panel/UPS deployment in SFDs.

#### **New initiatives taken during the year 2020-21:**

- i. Green PIN facility at ATMs and/or microATMs for RuPay Kisan Card activation was launched under which one-time implementation and application development cost for enabling Green PIN facility is reimbursed.
- ii. Scaling up of the Centre for Financial Literacy (CFL) Project (a Pilot Project of Reserve Bank of India) to 200 CFLs which envisages one CFL per 3 blocks.

- iii. Support for on-boarding to Bharat Bill Payment System (BBPS) was launched to encourage banks to give rural customers benefits of online bill payments. One time integration cost of the Bank with the Bharat Bill Payment Operating Unit (BBPOU) will be reimbursed.
- iv. Support extended to RCBs, in addition to CBs and RRBs for opening Kiosk outlets in unbanked villages of North Eastern States through BCs for providing comprehensive financial services in unbanked villages with population less than 500.
- v. The support for components under connectivity and power infrastructure schemes viz. VSAT deployment, Mobile Signal Boosters deployed and solar power unit / UPS deployment has been extended to all districts.

### **1.3.7 Farm Sector Policy – Important Initiatives**

#### **I. Sustainable livelihood & NRM- Watershed and Tribal development Project**

- i. 101 new watershed projects were sanctioned, covering an area of 1 lakh ha and an amount of ₹90.42 crore was disbursed.
- ii. A separate web portal and mobile 'app' was developed for uploading data on watershed projects.
- iii. 103 KfW Soil projects viz. SEWOH II & III (One World, No Hunger) were under implementation in 5 States.
- iv. An in-house Remote Sensing Cell was established to strengthen the monitoring of watershed projects at NABARD, HO and 39 on-going WDF projects were hosted on the NABARD Bhuvan portal.
- v. Under Tribal Development Programme, 51 projects were sanctioned. Out of the financial target of ₹108.00 crore, an amount of ₹93.08 crore was disbursed.
- vi. 04 agri-allied (non-wadi based) TDF projects were sanctioned in Chhattisgarh (apiculture), Tamil Nadu (animal husbandry), Telangana (micro-enterprise development) and West Bengal (pig and goat rearing) under Tribal Development Fund.
- vii. The exercise of GIS mapping of wadi projects was taken up with the support of GIZ.

#### **II. FPO Promotion**

- i. An amount of ₹4.06 crore has been utilised under PODF. Under PODF-ID, an amount of ₹68.25 crore has been utilised during the year.
- ii. Under Central Sector Scheme on Formation and Promotion of 10,000 FPOs, NABARD has sanctioned 655 FPOs as against the target of 600 FPOs and 257 CBBOs have been empanelled.
- iii. BIRD, Lucknow as the Nodal Training Institute for Central Sector Scheme on FPOs developed 5 basic training modules for FPOs and other stakeholders.
- iv. Steps have been initiated to set up a Credit Guarantee Fund of ₹1000 crore with matching contributions from GoI and NABARD under NABSANRAKSHAN, a subsidiary of NABARD.

#### **III. FSPF – Innovations & Technology Transfer**

Under Farm Sector Promotion Fund (FSPF), an amount of ₹17.67 crore was disbursed during 2020-21, as against the budget of ₹22.00 crore. Developmental pilots for improving farmers' income and for augmenting capacity building, etc. under Beekeeping, Horticulture, Medicinal plants, Livestock, etc. were the major areas supported under FSPF during the year.

#### **IV. Fostering Partnership**

- i. NABARD entered into an MOU with APEDA for promotion of agri exports. The potential of FPOs will be leveraged for encouraging exports.
- ii. Grant assistance to MCCIA, Pune was sanctioned for establishing Agriculture Export Facilitation Centre (AEFC) which shall function as a 'One Stop Centre' for agri export

services and capacity building of farmers in traceability, Good Agriculture Practices, etc.

- iii. NABARD entered into an MoU with ICAR to collaborate in facilitating action research and up-scaling of various technologies / innovative farming models developed by ICAR, including successful climate resilient sustainable farming models and integrated / high-tech farming practices in participatory mode, through adapting research on watershed platform.

## **V. Climate Action**

- i. Under climate change initiatives, NABARD has released an amount of ₹135.07 crore under the three funding mechanisms viz. Adaptation Fund (AF), Green Climate Fund (GCF) and National Adaptation Fund for Climate Change (NAFCC).
- ii. Under Climate Change Fund (CCF), an amount of ₹0.97 crore was disbursed, for activities like co-sponsorship towards World Sustainable Development Summit 2021, installation of Customized Automated Weather Stations in Nagaland, etc.
- iii. Developed a Web Portal and Mobile App, for digitization of all data/information pertaining to physical & financial progress, monitoring observations along with photos of pre & post development scenarios in Climate Change adaptation /mitigation projects.

## **VI. COVID-19 Initiatives**

- i. Status notes on major agri-allied sectors were prepared viz. Horticulture, Fisheries, Animal Husbandry and Water Resources.
- ii. Out of box solutions were provided by FPOs promoted by NABARD to restore disrupted supply chain using digital technologies, adoption of farm to home delivery mechanism, ensuring timely supply of critical inputs to farmer members, extending helping hand to migrant labour and sanitary workers, etc.

### **1.3.8 Off Farm Sector Initiatives**

#### **1. Initiatives during COVID-19**

- A mega project on “Rapid Reskilling and Quick Employment for 10,000 Reverse Migrants” was supported in Uttar Pradesh (Raebareli, Gorakhpur, Mirzapur, Maharajganj and Allahabad), Bihar (Muzaffarpur, Vaishali, Rohtas and Gaya) and Jharkhand (Hazaribagh).
  - NABARD collaborated with NSDC affiliated training institutes for capacity building of rural youth in new age skills like Mechatronics, Arc welding, Refrigeration, etc.
  - NABARD supported projects for training rural women in the manufacturing of face masks and PPE kits that were in much demand to adhere to the Covid-19 protocols.
  - NABARD partnered with CSR corporates like Ambuja Cement Foundation, Lupin Human Welfare and Research Foundation, ‘TATA Strive’ to provide capacity building of rural youth with skills and linking them with placement or self-employment.
  - NABARD supported online training programmes to build capacity, develop entrepreneurship as well as to connect the producers to the markets.
  - Revolving Fund Assistance of ₹5 lakh each to 22 registered OFPOs for restarting their business activities impacted by COVID 19 was provided.
2. The rural mart scheme was revised to permit purchase of mobile vans by PACS and Producer Organisations to serve as mobile rural marts.
  3. Virtual B2B Exhibition was organised for OFPOs to provide opportunities to rural producers to bring their products closer to the users.
  4. Rural/Agri business Incubation Centres - As on date, NABARD has supported 7 Rural/Agri Business Incubation Centres with total financial support of ₹63.29 crore. These 7 centres will provide direct and indirect benefit to about 22 lakh farmers.
  5. Catalytic Capital Fund (CCF) – To support start-ups in farm and non-farm sector in the stage of ‘Valley of Death’, NABARD sanctioned ₹1.00 crore to MABIF, a NABARD

supported RBIC and ₹5.00 crore to NABKisan Pvt Ltd, a NABARD subsidiary, during 2020-21.

6. Promotion of GI Products - NABARD extended support for enabling GI registration of 72 products, including Black Pottery (Nizamabad), Wall Hangings (Ghazipur), Soft Stone Jali Work (Varanasi), Gulabi Minakari (Banaras), Handmade Dari (Mirzapur), etc.
7. Launching of Sanitation Literacy Campaign - NABARD launched a campaign from 02 October 2020 to 26 January 2021 to create awareness on Water, Sanitation and Hygiene (WASH) to sustain attitudinal changes for adopting safe sanitation and hygiene practices covering about one lakh people in more than 2000 villages benefitted from this awareness campaign.

### **1.3.9 Agri- Market Infrastructure Fund (AMIF)**

- A dedicated Agri Market Infrastructure Fund (AMIF) with a corpus of ₹2,000 crore was established with NABARD to provide low cost funds to the State Governments for:
  - Upgradation of Rural Haats to Gramin Agriculture Markets (GrAMs)
  - Creation of electronic display mechanism and linking of GrAMs with Agriculture Produce Market Committees (APMC); and
  - Upgradation of 585 e-NAM enabled APMCs.
- MoA & FW GoI has issued the scheme guidelines to the State Governments

## **1.4 Policy Initiatives of the Government of Tamil Nadu- Budget 2021-22**

### **1. Agriculture and Allied activities**

With a view to providing concerted focus to investments in Agriculture sector, the GoTN has announced for the first time a separate Agriculture Budget for 2021-22. The three long term visionary goals of the budget are :

- The government will convert 11.75 lakh hectares of fallow lands into farmland in the next 10 years to increase the area of cultivation from 60 to 75 per cent with augmenting water resources with ponds, farm ponds, percolation ponds, check dams and borewells.
- Double-cropped area to 20 lakh hectare from the present 10 lakh hectares in the next ten years by forming new water resources, developing micro-irrigation clusters and cultivating short duration millets, pulses, oilseeds, vegetables and greens, etc.
- Tamil Nadu will be brought within the first three positions in the country in agricultural productivity in crops like foodgrains and commercial crops such as coconut, cotton, sunflower and sugarcane by adoption of quality seeds and modern technologies.

With the above in view the agriculture budget was presented with an allocation of ₹34,221 Crore for Agriculture and allied sectors which include Horticulture, Animal Husbandry, Fisheries, Revenue, Tamil Nadu Agriculture University, Agricultural engineering, Rural development and Panchayat Raj. The highlights of the same are as under:

- 'Kalaigiar's Anaithu Grama Oruginaintha Velan Valarchi Thittam' in the span of next five years to ensure all the villages attain overall agricultural development and self-sufficiency. There are 12,524 village panchayats in the state. Each year, the scheme will be implemented in one-fifth of the village panchayats. The scheme is set to be implemented in 2,500 village panchayats in FY 22. The state government has allocated ₹ 250 crore for the scheme.
- The government has allocated ₹4508.23 crore to Tamil Nadu Electricity Board to provide free electricity for agriculture.

- ₹ 573.24 crore has been allocated to Tamil Nadu Agricultural University.
- The government is planning to provide a kit of agricultural equipment to half lakh farmers, which includes shovels, weeders, iron pots, crowbars and sickles which are required to undertake daily farming activities. This scheme will be implemented at an outlay of ₹15 crore.
- A separate wing for organic farming will be created under the Agriculture Department. Farmers who adopt organic farming method will be encouraged with provisions of subsidy. As inputs for organic farming are essential, arrangements will be made to make them available in Agricultural Extension Centres.
- The agriculture sector will prosper at a faster pace only when youngsters become job creators rather than job seekers. For this, capacity-building training will be imparted to students during the course of their graduation with the help of agri-business firms and alumni. The scheme will be implemented at a cost of ₹ 2.68 crore.
- To motivate the educated youth to take up agriculture to next level in their native places, a scheme of 'Rural Youth Agricultural Skill Development Mission' will be rolled out. In the first phase, skill training will be given to 2500 youth in areas of grafting, layering, operating horticultural machineries, etc, with an estimated expense of ₹ 5 crore.
- To protect the existing palmyra trees and to increase their number, the government will distribute 76 lakh palmyra nut seeds and one lakh palmyra seedlings to farmers with full subsidy in 30 districts. ₹ 3 crore has been allocated for this scheme. Permission from the district collector will be made mandatory to cut palmyra trees under unavoidable circumstances. Also, measures will be taken to sell palm jaggery at PDS shops.
- An Integrated Farming System will be implemented to benefit the 13,300 farmer families at an expense of ₹ 59.85 crore that will be met with central and state government funds.
- A high level committee for agriculture will be constituted at state level under the chairmanship of Chief Secretary to review farming related schemes and to suggest solutions for the problems faced by farmers.
- ₹ 2,327 crore has been allocated for the crop insurance scheme during FY 22.
- Sugarcane farmers who have supplied the product to sugar mills will be paid the Transitional Production Incentive for the 2020-21 crushing season at ₹42.50 per tonne. ₹40 crore has been allocated for this. Further, the government has also decided to sanction ₹150 per tonne of sugarcane as 'special incentive'. This will be transferred directly to the bank accounts of the farmers.
- The government will also take steps to improve the area and production of horticulture crops that can be grown in all types of soil. For promotion of fruit cultivation, ₹ 29.12 crore has been allocated.
- To encourage production of fresh and residue-free vegetables at households for daily needs and to enable children to learn about plants, two lakh seed kits consisting of 12 types of vegetable seeds will be distributed at subsidised rates in rural areas. One lakh terrace garden kits with 6 types of vegetable seeds will also be distributed at subsidised rate in urban areas.
- ₹ 95 crore has been allocated for various measures to enhance soil fertility. A new horticulture park will be set up at Vadalur at the expense of ₹ 1 crore.

- 7,106 agricultural machinery and equipment will be distributed at subsidised rate to assist farmers. Solar-powered pump-sets up to a capacity of 10 horse power will be installed at 70 per cent subsidy.
- A facelift will be given to around 50 Uzhavar Santhais (farmer's markets) spending ₹ 12.50 crore. As many as 10 new Uzhavar Santhais will be set up in town panchayats and other urban areas for which ₹ 6 crore will be spent.
- Modern cold storages will be set up in Dindigul and Cuddalore districts.
- The government will set up an integrated rural agricultural market complex at Edapally village situated on the borders of Coonoor and Kotagiri at ₹ 2 crore.
- To facilitate farmers to dry their produce to the desired moisture content and sell them at regulated markets, the government will construct 28 drying yards in 15 Districts at a cost of ₹ 3.5 crore.
- All markets, mandis, FPOs will be linked with the traders through e- Auctioning platform which will create a link between farmers and markets. For this purpose ₹10 crore will be allocated.
- Food Processing Incubation Centres will be launched in five locations viz. Nagapattinam for fish-based products, Coimbatore for coconut, Trichy for banana, Erode for turmeric and Virudhunagar for millets to encourage entrepreneurs to start food processing business.

## **2. Water Resources and Irrigation:**

- 1,000 check dams and barrages to be constructed over the next 10 years.
- Formulate schemes to restore the reservoir capacity of important dams including Mettur, Amaravathi, Vaigai and Pechiparai.
- Under the Repairs, Renovation and Restoration of water bodies component of the Prime Minister Krishi Sinchayi Yojana, 200 tanks will be taken up for upgradation in FY 22 at a cost of ₹111 crore.
- Launching of a special scheme for standardisation of 50 minor irrigation tanks every year starting from 2021-22.
- Tamil Nadu Water Resource Information and Management System will be implemented at a cost of ₹30 crore.
- The Extension, Renovation and Modernisation programme of the Grand Anaicut Canal System at a total cost of ₹2,639 crore has been taken up with the assistance from the AIIB.

## **3. Environment, Forests and Climate Change**

- Government to launch the 'Tamil Nadu Wetlands Mission' with the objective of ecological restoration of wetlands in Tamil Nadu. The mission will identify and map 100 wetlands in 5 years and restore the ecological balance with focus on livelihood options at a cost of ₹150 crore. Eco restoration works on various rivers, canals and lakes are in progress.
- Government to protect the Pallikaranai marsh land, which plays a major role in absorbing flood waters and recharging ground water.
- A comprehensive scheme for restoration of degraded forests with community participation posed to NABARD. As against a total cost of ₹2,029 crore project for financial assistance of ₹497 Crore under RIDF has been submitted for FY22.

- The second phase of the Climate Change Adaptation Programme in the Cauvery Delta area will be taken up at a total cost of ₹1,825 crore with the assistance from the Asian Development Bank.
- The Government will launch the Tamil Nadu Climate Change Mission to focus on climate change adaptation and mitigation activities with a total outlay of ₹500 crores.

#### **4. Rural Development**

- Creation of sustainable livelihood opportunities and provision of basic infrastructure and services in rural areas is the main objective of the Rural Development programmes implemented by the Government.
- Household water connections will be enabled for all the 1.27 crore dwelling units in rural areas. The 83.92 lakh households which currently do not have household water supply connections will be provided access by March 2024. To achieve this objective, the Jal Jeevan Mission will be implemented at a total cost of ₹2,000 crore during 2021-22.
- All the incomplete houses will be taken up and completed at the earliest. In 2021-22 a further 2,89,877 houses at a total cost of ₹8,017 crore will be taken up for construction.
- In the Revised Budget for 2021-22 ₹3,548 crore has been provided for the rural housing scheme. 8,03,924 houseless families in rural areas to be provided a house in the next 5 years.
- This Government will re-launch the Anna Marumalarchi Thittam with an outlay of ₹1,200 crore during 2021-22.
- The Tamil Nadu State Rural Livelihood Mission will be revamped and implemented at a total cost of ₹809.79 crore during 2021-22 to benefit one lakh Self Help Groups
- The Tamil Nadu Rural Transformation Project will be revitalised and implemented at a total outlay of ₹212.69 crore during 2021-22.

#### **5. Highways**

- The Comprehensive Road Infrastructure Development Programme (CRIDP) is a flagship scheme to upgrade road infrastructure in the State. The budget provision for CRIDP was ₹5,421.41 in 2021-22.
- The Government will launch the Chief Minister's Road Development Programme under which 2,200 KMs of State Highways that connect District Headquarters will be widened to 4 lane roads and 6,700 KMs of single and intermediate lane roads connecting taluk headquarters will be upgraded to double lane highways over the next 10 years.
- The overall provision for the Highways Department in the Revised Budget Estimates 2021-22 has been fixed at ₹17,899 crore.

#### **6. Education**

- School Education is accorded the highest importance in the Budget, with an overall allocation of ₹32,599 crore. The Government will appoint a High Level Committee of educationists and experts to formulate a distinct State Education Policy for Tamil Nadu

- High tech laboratories will be set up in 1,784 Government Middle Schools at a cost of ₹114.18 crore and smart class rooms will be established in 865 Government High and Higher Secondary Schools at a cost of ₹20.76 crore.
- A total sum of ₹5,369 crore has been provided in the Budget 2021-22 for Higher Education.

## **7. Employment and Skill Training**

- In order to fully reap Tamil Nadu's demographic dividend, the Government has made Skill Development one of its top most priorities. The Tamil Nadu Private Job Portal has been developed and launched which job seekers and private sector employers can access. As on date 1,12,194 job seekers and 3,360 employers have registered on this portal, and 18,147 job seekers have already secured placements. The monthly stipend for trainees in Government ITIs, has been enhanced from ₹500 to ₹750.
- Skill Development Centres will be established in 15 selected Government ITIs at a cost of ₹60 crore to take up the Futuristic Employable Skill Training (FEST) initiative through the Tamil Nadu Skill Development Corporation

## **8. Industries**

- The Chennai-Bengaluru Industrial Corridor (CBIC) will be developed on an area of 21,966 acres in Thiruvallur district. The Chennai Kanyakumari Industrial Corridor (CKIC) will be implemented in partnership with the Asian Development Bank as a second phase of the East Coast Economic Corridor.
- SIPCOT has so far been allotted 21,912 acres of land to 2,674 industrial units and also promoting establishment of industrial parks on the joint venture mode.
- A Land Bank of 45,000 acres will be created in the next 5 years, with focus on industrially backward districts.
- An International Furniture Park will be set up at a cost of ₹1,000 crore on 1100 acres of land in Thoothukudi district, to attract investment of ₹4,500 crore and enable employment of 3.5 lakh persons.
- Tamil Nadu has a huge potential in Fin Tech and a separate Fin Tech policy will be released shortly. A separate 'FinTech Cell' will be formed in guidance to facilitate the establishment of FinTech companies in Tamil Nadu
- The project of Defence component manufacturing park at Coimbatore over 500 acres at a cost of ₹225 crore.

## **9. Micro, Small and Medium Enterprises**

- The Tamil Nadu Business Facilitation Act, 2018 will be amended to enable new industrial units including MSMEs to establish and operate based on self certification without inspections and obtaining clearances under various State laws for the initial three years.
- The Government, based on advice received from the Economic Advisory Council to the Hon'ble Chief Minister, will launch an innovative scheme wherein MSMEs and their creditors, will be facilitated to reach agreement on restructuring their liabilities

- A committee chaired by Dr.N.Sundaradevan, I.A.S. (Retd) has been established to study the financial, infrastructural and other issues faced by MSMEs in Tamil Nadu and suggest measures to enable them to thrive.
- A digital data driven credit rating system for MSMEs will be established to enable FIs and new age fintech companies to lend more to MSMEs based on their business potential.
- TAICO Bank will be repurposed to enable lending to MSMEs.
- To ensure that MSMEs have faster channels for realization of their dues, all State Public Sector Undertakings, Statutory Boards, Municipal Corporations and apex co-operatives will be mandated to join the Trade Receivables and Discounting Platform (TReDs).
- Five mega clusters in Pharmaceutical, Petro Chemicals, Precision Manufacturing, Defence and Aerospace, and Smart Mobility sectors will be established at a cost of ₹100 crore each. In addition, 5 more Common Facility Centres at a cost of ₹55 crore will be established for photography, cardboard box printing, food products, rope making and printing sectors at Chengalpattu, Tiruppathur, Kanniyakumari, Dindigul and Villupuram.
- TANSIDCO will also establish land banks at five places over a total extent of 265 acres. The pricing policy of unsold plots in TANSIDCO Industrial Parks will be rationalized to ensure they are put to beneficial use early.

#### **10. Handloom, Handicraft, Textiles and Khadi**

- To provide a focus on the textile sector, a separate Directorate of Textiles will be created.
- The Handloom and Textiles Sector has a very large employment potential in Tamil Nadu. In the Budget Estimates for 2021-22, ₹1,224.26 crore has been provided for the Handloom and Textile sector.

*Source and Reference : Govt. of Tamil Nadu Budget 2021-22 and Govt. of Tamil Nadu Agriculture Budget 2021-22*

### **1.5 State Government Sponsored Programmes with Bank Credit**

#### **1. New Entrepreneur cum Enterprise Development Scheme (NEEDS)**

The Government's flagship scheme, the 'New Entrepreneurship-cum-Enterprise Development Scheme' (NEEDS), is a unique programme for promoting first generation entrepreneurs. The scheme aims to provide training to young first generation entrepreneurs in conceiving, planning, initiating and launching a manufacturing or service enterprises successfully. On successful completion of the training programme, they will be assisted to get term loan from Banks / Tamil Nadu Industrial Investment Corporation Limited (TIIC) to setup manufacturing or service enterprises. After critically analysing the performance of the NEED Scheme and its productivity it was proposed to extend the implementation of NEED Scheme for further five year period from 2017 -2022 for aspiring entrepreneurs.

The Entrepreneurship Development programme has the following Components:

1. Basics of Entrepreneurship.
2. Business Plan Preparation.
3. Modules on Financial Management, Personnel Management etc.
4. Taxation Rules.
5. Laws relating to small Business.

The maximum project cost was increased from ₹100 lakh to ₹500 lakh in April 2018. However, the maximum cap on the capital subsidy was increased only from ₹25 lakh to ₹30 lakh in 2018. The scheme is continuing for the current Financial Year also

## **2. Unemployed Youth Employment Generation Programme (UYEGP)**

The Government, with a view to create employment opportunities to the socially and economically backward strata of the society as envisaged in the Micro, Small and Medium Industries Policy, has formulated the Unemployed Youth Employment Generation Programme (UYEGP). The scheme is intended to mitigate the unemployment problems of socially and economically weaker sections of the society, particularly among the educated and unemployed to become self employed by setting up Manufacturing / Service / Business enterprises. To expand the benefits available under UYEGP, the existing project size limit of ₹10 lakh will be enhanced to ₹15 lakh and the eligible subsidy under the scheme will be enhanced from ₹1.25 lakh to ₹2.5 lakh. This will encourage thousands of budding entrepreneurs.

### **Objectives:**

1. To generate employment opportunities for the educated unemployed in their native places itself, by setting of self-employment ventures in Micro enterprises in Manufacturing Service and Business sectors.
2. Preventing mass migration from rural areas to urban areas due to unemployment.
3. To provide livelihood opportunities to the marginalized people in rural and urban areas.
4. To facilitate provision of collateral free advances under Credit Guarantee Trust for Micro, Small Enterprises (CGTMSE) dovetailing under Unemployed Youth Employment Generation Programme.

## **3. Back-ended Interest Subsidy scheme under MSME**

Back-ended interest subsidy at the rate of 5%, subject to a maximum of ₹10.00 lakh for a period of 5 years is being provided to Micro, Small and Medium Manufacturing Enterprises for term loans up to ₹1 crore obtained for Technology up-gradation / modernization and Credit Guarantee Fund Trust Scheme (CGFTS).

For detailed guidelines click [\(G.O.Ms.No.14, MSME \(B\) Dept., dt. 07.05.2008\)](#)

## CHAPTER 2

### CREDIT POTENTIALS FOR AGRICULTURE

The credit potential under priority sector covering Primary, Secondary and Tertiary sectors, with emphasis on the Primary sector is prepared by NABARD every year. These estimations are based on the parameters such as technical feasibility, availability of infrastructure, availability of exploitable resources, cropping pattern, agriculture practices and other developmental indices such as access to markets, access to e-market, extent of reach of small and marginal farmers/ farmers' organisations to market intelligence etc. The changes in Government's priorities and policies, strengthening of rural infrastructure, market forces, cost escalation, e-NAM etc., have been considered while estimating the credit potential for the year 2022-23. The same has been presented in this chapter.

#### 2.1 FARM CREDIT

Farm credit includes crop loans, medium and long-term loans for agriculture and allied activities such as dairy, fishery, animal husbandry, poultry, etc. to individuals as well as group of farmers directly engaged in agriculture. This also includes the credit potential for agricultural infrastructures like storage structures and ancillary activities like Food and Agro Processing.

##### 2.1.1 CROP PRODUCTION, MAINTENANCE AND MARKETING

###### 2.1.1.1 Introduction

Agriculture is the main activity of the rural people in the district. The district falls under the North Western Agro Climatic Zone except Tiruchengode Taluk-which falls under Western Agro Climatic Zone. The normal Gross Cropped Area (GCA) and Net sown area of the district 2,12,771 Ha and 1,54,746 Ha . During the past 10 years, GCA varied in the range of 183897 Ha(2007-2008) to 212771 Ha (2019-20). The Net sown area constituted about 46% of the total Geographical area, which is 3,36,719 ha. Out of the Net sown area, 36% is irrigated and the remaining is under rain fed irrigation. There has been a sharp decrease in the area sown of 98500 Ha during 2016-17, due to monsoon failure. However during 2019-20 it increased to 212771 Ha. The cropping intensity of the district is 137%.

Distribution of land holding				
Classification of Holding	Holding		Area	
	Nos.	% to Total	Ha.	% to Total
Marginal Farmer (<= 1 Ha)	152425	69	58094	29
Small Farmer (>1 to <=2 Ha)	42131	19	58985	29
Big Farmer >2 Ha	25046	12	83182	42
Total	219602	100	200261	100

Source : Namakkal statistics 2019-20

About 80% of the farmers are small and marginal farmers. Hence, the small and marginal farmers are the decisive factor in influencing the overall development of Agriculture in the district. Considering the normal Gross Cropped Area and the fluctuations in GCA during past 10 years, the GCA for 2022-23 is estimated to be in the range of 180000 and 210000 ha. The major crops grown in the district are paddy, groundnut, tapioca, sugarcane, turmeric, banana, maize, green gram, sorghum & minor millets. Agricultural Department is implementing various central and state government schemes in the district to promote a diversified cropping pattern.

The cultivated area of major crops over past five years are given as under:

Crops	2016-17		2017-18		2018-19		2019-20		2020-21	
	Area (Ha)	Prod. (T)	Area (Ha)	Prod. (T)	Area (Ha)	Prod. (T)	Area (Ha)	Prod. (T)	Area (Ha)	Prod. (T)
Paddy	2189	6836	7312	40441	7635	28747	10553	39730	10284	39850
Millets	53912	81518	89203	107139	86522	110510	84294	107664	89779	110083
Pulses	11652	7155	14518	6985	13855	8115	13486	7895	13734	8409
Oil Seeds	29353	18401	32078	72444	36327	53095	36879	53900	36378	65773
Sugarcane	11852	1481500	10152	1025352	10813	1268693	10115	1186796	9756	1152447

Source : Department of Agriculture

In Tamilnadu, Tamilnadu Seed Development Agency (TANSEDA) produces and distributes quality seeds of all crops as per the Seed Replacement Ratio. Pulses is the major crop in the district. Millets are grown mainly in the hilly region. In case of millets, local variety seeds are being used.

Various schemes are being implemented / promoted in the district among the farmers for increasing productivity and production in all agricultural crops.

### I. Centrally Sponsored Schemes

- National Agricultural Development Programme (NADP) for Paddy, Millets, Pulses, Oilseeds, Sugarcane and Enriching Soil Fertility through Green Manure
- National Mission on Oilseeds and Oilpalm (NMOOP) – Oilseeds, Oilpalm and Tree Borne Oilseed Crops.
- National Food Security Mission (NFSM)- Pulses and Commercial Crops
- National Mission on Agricultural Extension and Technology (NMAET) – to strengthen agricultural extension.
- National Mission on Sustainable Agriculture (NMSA)- Integrated Farming System
- Coconut Development Board schemes (CDB) – Coconut
- Sub Mission on Seeds and Planting Materials (SMSM)- Paddy, Millets, Pulses and Oilseeds – Certified Seed Distribution
- Paramparagat Krishi Vikas Yojana (PKVY)- To Encourage Organic Farming
- Pradhan Manthri Krishi Sinchayee Yojana (PMKSY) – Micro Irrigation in Agricultural Crops.

### II. State Schemes

- Tamil Nadu Cotton Cultivation Mission (TNCCM) – cotton
- Mission on Sustainable Dry land Agriculture (MSDA)- Rainfed Millet, Pulses, Oilseeds and Cotton.
- Collective Farming –Establishing FPOs
- Seed multiplication schemes by TANSEDA

#### 2.1.1.2 Infrastructure and linkage support available, planned and gaps

Sl. No.	Particulars	Available	Planned	Gap
1	Soil Testing Laboratories (Namakkal)	6	15	14
2	Mobile soil testing Laboratories (Tiruchengode)	1	15	14
3	Farmers training centre	1	3	2
4	Seed processing unit	3	10	7
5	Integrated pest management centre	0	1	1
6	Biocontrol Laboratory	1	2	1
7	Agricultural Extension centre	32	50	18
8	Fertilisers outlets	416	500	124
9	Pesticide outlets	210	250	40
10	Seed outlets	235	322	87

<b>11</b>	Custom Hiring centre	90	150	60
<b>12</b>	Storage/warehousing facility (in '000 MTs)			
<b>A</b>	PACCS + FSCS + LAMPS (in '000 MTs)	18.315	18.315	0
<b>B</b>	APCMS (in '000 MTs)	26	35	9
<b>C</b>	TNCSC / TNWC / SWC (in '000 MTs)	30.2	40	9.8
<b>D</b>	Cold storage facility (in '000 MTs) in 4 location	0.080	1.000	0.950
<b>E</b>	Private storage godown (in '000 MTs)	120	150	30
<b>13</b>	Agricultural Marketing facility (Nos.)			
<b>A</b>	Regulated Markets	6	10	4
<b>B</b>	Uzhavar (Farmers) sandhai	6	15	9
<b>C</b>	Commodity specific market complex (Banana at Mohanur)	1	4	3
<b>D</b>	Rural sandhai	87	100	13
<b>E</b>	Drying yard	570	600	30
<b>F</b>	Commercial grading centre	2	10	8

Source : Department of Agriculture Marketing, 2019 and Agriculture department policy note 2020-21

The Department of Agriculture distributes certified seeds as per the approved 'seed replacement rate' through Agricultural Extension Centres (AEC). The awareness level about soil health card, seed treatment, bio-fertilisers, micro nutrients, use of planting materials/equipment among farmers is an area of concern. The district has storage godowns with a capacity of 1.2 lakh tonnes under private sector.

**Pradhan Mantri Fasal Bima Yojana (PMFBY)** - Agriculture Insurance company of India Limited is the crop insurance implementing agency in the Namakkal district. Notified crops that are covered under PMFBY in the district during 2020-21 are Paddy, Banana, Groundnut, Green / Red / Black gram, Sugarcane, Chola, Cotton, Maize, Ragi, Tapioca, Turmeric, Tomato and onion. Under new insurance scheme PMFBY, GoI is planning to cover 50% of the farmers to mitigate the risks faced by farmers in the next 3 years. Commercial Banks/RRBs in the district should improve their performance under crop insurance premium collection.

#### **Rupay KCC**

To meet the production credit requirements of the farmers in a timely and hassle-free manner, the Kisan Credit Card (KCC) has been introduced. KCC should be a smart card cum debit card which could be used in the ATMs/Hand held Swipe Machines etc. The Department of Agriculture, GoI launched a special drive to cover all the PM-KISAN beneficiaries with KCC. So far 80% of the 84,383 PM-KISAN beneficiaries were provided KCC. As per latest RBI guidelines, KCC facility has been extended to Animal Husbandry farmers and Fisheries for their working capital requirements. This has to be promoted among farmers and Bankers. 3% Interest subvention is also available for this type of KCC loan.

#### **Interest Subvention**

The Commercial Banks and RRBs continue to provide crop loans at 7% interest with an incentive of 3% for prompt repayment under GOI Interest Subvention Scheme. The cooperative banks continue to provide crop loans at 0% interest for those who repay within due dates under the GoTN Interest Subvention Scheme. Interest subvention is also eligible for KCC Working capital of animal husbandry and fisheries.

#### **2.1.1.3 Assessment of Credit Potential for 2022-23**

The credit disbursement by banks for this sector was ₹ 244690.12 lakh in 2018-19, ₹ 2,51,767.48 lakh in 2019-20 and ₹ 2,61,907.82 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 2,54,500.00 lakh. Based on the existing policies, area under various crops with the expected GCA of 2,00,000 Ha and trend credit potential is assessed. The Scale of Finance (SoF) finalized by the District Level Technical Committee (DLTC) have been finalised to estimate the crop loan requirements. The projections have been made presuming that all small and marginal farmers would avail credit and around 33% of 'other' farmers would avail credit from banks. The landholdings indicate that around 58% of land is with the small

and marginal farmers. Therefore, it is presumed that around 72% of total farmers would avail credit from banks and projections have been made accordingly. Accordingly, the credit potential for Crop production/ Maintenance & Marketing activities in the district is estimated at ₹2,77,376.91 lakh. The crop-wise physical and financial estimations are given in following table.

(₹lakh)

Sr No.	Activity	Unit	PLP Projections 2022-23			
			Unit cost	Physical Unit	Financial outlay	Bank Loan
1	Paddy	Ha	0.90	9360	8424.00	8424.00
2	Sorghum	Ha	0.44	54600	24024.00	24024.00
3	Maize	Ha	0.76	5580	4240.80	4240.80
4	Minor Millets	Ha	0.20	1110	222.00	222.00
5	Pulses	Ha	0.44	12610	5548.40	5548.40
6	Sugarcane	Ha	2.01	9540	19175.40	19175.40
7	Turmeric	Ha	2.01	1330	2673.30	2673.30
8	Tapioca	Ha	1.14	16700	19038.00	19038.00
9	Onion	Ha	1.00	4540	4540.00	4540.00
10	Vegetables	Ha	0.72	4200	3024.00	3024.00
11	Groundnut	Ha	0.71	27120	19255.20	19255.20
12	Other Oilseeds	Ha	0.33	1967	649.11	649.11
13	Cotton	Ha	0.96	1704	1635.81	1635.81
14	Korai Grass	Ha	0.39	1024	399.36	399.36
15	Coconut Maint.	Ha	0.94	4680	4399.20	4399.20
16	PH	Ha	0.45	5203	2341.35	2341.35
	Total			161268	119589.93	119589.93
	Post Harvest/ Household / Consumption				11958.99	11958.99
	Repairs & Maintenance of Farm Assets (20%)				23917.99	23917.99
	Crop Husbandry Total				155466.91	155466.91
	Produce Pledge Loan				5010.00	5010.00
	ST - Agri – Others				116900.00	116900.00
	<b>CROP LOAN – TOTAL</b>				<b>277376.91</b>	<b>277376.91</b>

The block wise and activity wise physical and financial projections are furnished in Annexure I

#### 2.1.1.4 Critical intervention required for creating a definitive impact

- The Pradhan Mantri Fasal Bima Yojana (PMFBY) is being implemented in the district, to provide insurance cover for all stages of the crop cycle including post-harvest risks in specified instances.
- To increase the farmer's income, intercropping and integrated farming should be promoted. Intercropping of suitable crops like onion and turmeric which is getting popular.
- Farmers sell their produce immediately after harvest at a distressed rate on need of money. This can be avoided by promoting storage of crops in godown and availing Negotiable Warehouse receipt (NWR) loan.
- Bank must assess the crop loan component based on the scale of finance for the crop plus insurance premium x Extent of area cultivated + 10% of the limit towards post-harvest / household /consumption requirements + 20% of limit towards maintenance expenses of farm.
- Some of the interventions that are needed to be taken up are promotion of SRI Cultivation for paddy, SSI system for Sugarcane, financing tenant farmers/sharecroppers through JLG mode by banks, popularising Bio-fertilisers and Bio-pesticides and promoting Integrated Farming system.
- Soil testing and issue of Soil Health Cards and optimal use of fertilizers and micronutrients based on soil fertility status.

- Optimal use of available irrigation water for agriculture in the district coupled with water use efficiency through technological measures such as drip irrigation and sprinkler irrigation, selection of suitable cropping pattern etc.
- Flowering crops field can also have bee-keeping in adjoining farms- models to facilitate bee-keeping as a natural breed improvement may be consciously promoted.
- The Government of Tamil Nadu launched an innovative programme for organizing small and marginal farmers into 'Farmer Producer Organisations' to promote collective farming for credit mobilization, better adoption of technology and to facilitate effective forward and backward linkages. As per the collective farming plan, each Farmer Producer Group were given a corpus fund of ₹5 lakh besides channelizing grants and credit available to Farmer Producer Organizations. This scheme will be scaled up in the coming years to benefit 40 lakh farmers over the next five years.
- NABARD has facilitated promotion of 4 FPCs in the district during 2019-20 and two FPCs in Animal Husbandry sector are promoted in 2020-21. Totally 9 FPCs were formed in the district by NABARD. Overall, Namakkal has 21 FPCs promoted by NABARD, SFAC and Agri marketing. Two NABARD promoted FPCs has crossed turnover of ₹50 lakh.
- Under 10000 FPO Central Sector Scheme, there are 17 FPOs approved for formation in 2020-21 covering all 15 blocks in the district. Out of which, 2 FPOs are to be formed by NABARD, 9 FPOs including 1 Organic Cluster FPO for Pepper in Kolli Hills Block by NCDC, 5 FPOs by SFAC and 1 FPO by NAFED.
- The infrastructure for the farmer producer company includes the basic facility for conducting the day to day operations, storage facility for the surplus produce of the farmers, processing facility for drying, grading and value addition. As the producer company increases its volume of transaction, it will require its own transport and marketing facilities. Government facilities such as warehouse, godown and machineries should be available on lease to the FPOs. The government can also allocate some common land for the FPOs to establish such an infrastructure.
- **Primary Agricultural credit Society as Multi Service Centers (PACS as MSC)**  
In order to enable PACS to provide more services to their members and generate income for themselves, an initiative has been taken to develop PACS as Multi Service Centers. NABARD is providing assistance under Producer Organization development fund (PODF) and Agriculture Infrastructure Fund (AIF). Activities to be covered under PACS as MSC are Agro-storage centre, soil testing lab, Agri-inputs center, custom hiring center, mandi, Agri clinic, seed processing unit, solar drying yard, cold storage.

#### 2.1.1.5 Suggested Action Points

##### **Banks**

- Banks may facilitate and encourage different models of collective farming by farmers through Joint Liability Groups, Farmer Producer Organizations, FPC Federations etc. for various crops such as paddy, vegetables, maize, pulses, etc.
- Banks may advocate the promotion of farmer producer organizations among small and marginal farmers in villages, which would facilitate better recovery and improve banker-customer relationship. As per revised PSL guidelines, loans for FPOs upto ₹ 5 crore are treated as Priority Sector Lending.
- The coverage of crop insurance in the district is also very poor in as much as there is participation only from the Cooperatives. Commercial Bank may sensitise their customers about PMFBY and ensure more enrolment.
- Banks to avail of refinance facility under ASAO and SAO-others to meet the demand under working capital under agri & allied sector and support farmers through post harvest loans for marketing societies, PACS as MSC etc.
- JLG mode of finance for farmers/landless-tenant farmers with credit from PACS/DCCBs
- The Scheme for setting up of Agri Clinics and Agri Business Centres may be popularised and qualified agriculture graduates may be encouraged to set up agro-service and custom hiring Centres under ACABC scheme.

### **Government**

- The Pradhan Mantri Fasal Bima Yojana (PMFBY) and other social banking schemes may be popularised among the farmers to achieve 100% crop insurance coverage.
- Adoption of advanced technologies for the restoration of soil health, mechanisation, cultivation of suitable remunerative crops, effective pest and disease management are essential to step up the agricultural production.
- Training in integrated pest management, Integrated disease management and integrated crop management techniques may be imparted to farmers on cluster basis, especially among those cultivating paddy, cotton, groundnut and pulses.
- Cropping pattern change/Coconut intercropping and new planting along farm bunds, may be popularised for additional benefit to the farmers and increase in production per unit area.
- Cultivation of vegetables may be encouraged as there is a ready market in the semi-urban and urban areas of the district. SHG members may be motivated and trained to take up this activity on leased/ own lands.
- There is a need for creating community owned drying yards to overcome shortage of drying yards for Paddy, Cholan, Cumbu etc.
- 100 MT godown constructed in every PACCS under NABARD assistance can be utilised effectively by the farmers to store their produce.
- Organic farming should be promoted among farmers to reduce the input cost and soil health.
- Government has launched the Pradhan Mantri Kisan Maan DhanYojana (PM-KMY) on 12.9.2019 with a view to provide social security to Small and Marginal Farmers in their old age when they have no means of livelihood and minimal or no savings to take care of their expenses. Government departments should sensitise this scheme among the farmers.
- Use of media and pamphlets in vernacular language for promoting /popularising PMFBY, KCC etc.

#### **NABARD interventions / success stories**

NABARD promoted 2 Farmers producer company in the district viz., Nainamalai FPC at Pudhansandhai and Kolli hills FPC at Kolli hills. So far 1500 farmers joined these 2 FPCs. With the support of State Government, Nainamalai FPC has setup oil extraction unit by procuring groundnut from farmers produce. Through this, farmers will get correct price for their produce. Nainamalai FPC also engaged in trading of groundnut and pulses. Middle men are avoided and farmers are benefitted by selling their produce directly through FPC. Around 70% of the members benefitted through this FPC. FPC has availed ₹30 lakh credit support from NABKISAN for running the business. FPC also plans to start milk and Bio-fertiliser sales in the future. Other FPC in Kolli hills also procured pepper, Mango and pineapple directly from the farmers and traded in the Trichy market for a better price when compared to selling the produce to the middle man.

Apart from these 2 FPOs formed earlier, NABARD is promoting 6 FPOs including 2 FPOs under Animal Husbandry activities under PODF-ID. 4 FPOs have completed their registration and are in different stages of starting of business activities. Further, under 10K FPO CSS scheme of GoI, NABARD as one of the implementing agency has been allotted for promotion of 2 FPOs in the district under the scheme during 2020-21.

## **2.1.2 WATER RESOURCES**

### **2.1.2.1 Introduction**

Tamil Nadu constitutes four percent of India's land area and is inhabited by six percent of India's population, but has only 2.5 percent of India's water resources. More than 95 percent of the surface water and 80 percent of the ground water have already been put in use. Major

uses of water include all the sectors (human/animal consumption, irrigation and industrial) use. The demand for water in Tamil Nadu is increasing at a fast rate both due to increasing population and also due to larger per capita needs. The per capita availability of water resources however, is just 900 cubic meters when compared to the national average of 2,200 cubic meters. Agriculture is the largest consumer of water in the State using 75 per cent of the State's water resources.

The normal annual rainfall of the district is 791 mm and the actual rainfall during the last 5 years was 546.8 mm (2016), 783.6 mm (2017), 649.3 mm (2018), 630.5 mm (2019) and 629.2 mm (2020). Thus, there was below average rainfall during the last five years.

The river Cauvery and its tributaries namely Aiyaru, Karaipottan and Thirumanimutharu flow through the district. The average annual rainfall of the district is 793 mm. Cauvery is the major river in the district. The major sources of irrigation are by way of wells/tube-wells. The river Cauvery flows along the south and south-west plains of the district wherein Paddy, Sugarcane and Banana crops are raised under irrigated conditions. Close to 16,000 acres of agricultural land would be irrigated by Cauvery Water through its canal of Rajavaikal, Mohanur Vaikal, Kumarapalayam Vaikal, Poiyeri Vaikal. Namakkal has 78 PWD tanks irrigating 16807 Ha and 138 Panchayat tank irrigating 4416 Ha. The major sources of irrigation are by way of wells/tube-wells.

Ground water irrigation is widely distributed covering all the blocks and surface water source is mainly restricted to the four blocks of Pallipalayam, Paramathy-Velur, Kabilarmalai and Mohanur. Cauvery is a perennial river of the district. The district does not have any major irrigation project. The available sources of surface water has been fully exploited in the district and hence the emphasis is now on shifting to optimize the groundwater availability to avoid over-exploitation of groundwater and protect the environment. Groundwater development forms the major part of the Minor Irrigation programme and includes construction of dug-wells, dug-cum-bore wells, filter points, shallow tube wells, etc. As per the latest Ground water assessment carried out by the State Government as on March 2017, the categorisation of firkas in the district are as under:-

Sr No.	Firka	Total Annual Ground water Recharge	Annual Extractable Ground water recharge	Annual Ground water extraction for			Projected demand for Domestic use upto 2025	Net ground water Availability for future irrigation development	Stage of ground water extraction (%)	Quality
				Irrigation	Domestic and Industrial water supply	Total				
	Over-Exploited (> 100%)									
1	Alanganatham	791.42	712.28	1060.90	75.42	1136.32	85.72	0.00	160	
2	Erumaipatti	1521.41	1369.27	1912.38	79.48	1991.86	90.34	0.00	145	
3	Kalappanaikanpatti	1615.55	1453.99	2797.58	44.75	2842.32	50.86	0.00	195	
4	Kumarapalayam	1411.09	1269.98	1270.20	37.11	1307.31	42.18	0.00	103	
5	Mallasamudram	890.56	801.50	1136.80	34.07	1170.87	36.23	0.00	146	
6	Mangalapuram	760.94	684.85	1182.10	42.05	1224.15	47.79	0.00	179	
7	Mohanur	915.18	823.66	1237.75	575.93	1813.68	579.92	0.00	220	
8	Mullukuruchi	1314.51	1183.05	1877.45	41.32	1918.77	46.96	0.00	162	
9	Nallipalayam	1226.36	1103.72	1868.33	52.19	1920.51	59.32	0.00	174	Flouride
10	Nallur	836.54	752.88	1740.50	39.77	1780.27	45.20	0.00	236	
11	Namagiripettai	1975.98	1778.38	3547.05	78.85	3625.90	89.62	0.00	204	
12	Namakkal	712.92	641.63	1221.75	67.24	1288.99	76.43	0.00	201	Flouride
13	Pandamangalam	2315.37	2083.83	2179.83	58.93	2238.75	65.65	0.00	107	
14	Paramathi	1272.94	1145.65	2000.23	23.68	2023.90	26.91	0.00	177	Flouride
15	Pudhuchatram	820.72	738.64	1167.60	42.53	1210.13	48.34	0.00	164	
16	Rasipuram	375.36	337.82	760.58	18.08	778.66	20.55	0.00	230	
17	Sellappampatti	762.66	686.39	1110.12	43.81	1153.92	49.79	0.00	168	
18	Senthamangalam	1005.10	904.59	2279.98	36.12	2316.09	41.05	0.00	256	
19	Tiruchengode	1234.63	1111.17	1251.40	56.37	1307.77	64.07	0.00	118	
20	Vaiyappamalai	830.53	747.48	1284.90	36.16	1321.06	41.10	0.00	177	
21	Valaiyapatti	778.89	701.00	1528.10	33.98	1562.08	38.63	0.00	223	
22	Vennandur	1488.36	1339.53	2283.15	79.49	2362.64	90.35	0.00	176	
	Critical (90-100%)									
23	Elachipalayam	3432.16	3088.95	2890.20	71.39	2961.59	81.14	117.51	96	
	Semi critical (70-90%)									
24	Jedarpalayam	2667.16	2400.44	1984.13	42.39	2026.51	48.18	368.14	84	
25	Manickampalayam	1039.92	935.93	731.15	42.49	773.64	48.29	156.49	83	
26	Molasi	2313.84	2082.45	1405.95	240.12	1646.07	251.98	424.52	79	
27	Pallapatti	1376.27	1238.65	1004.25	50.23	1054.48	57.09	177.31	85	
	Safe (<70%)									
28	Pallipalayam	1896.97	1707.27	986.98	94.41	1081.38	107.30	612.99	63	
29	Thirupulinadu	760.50	684.45	106.50	21.15	127.65	24.04	553.91	19	
30	Valavanthinadu	1193.31	1073.98	101.40	35.10	136.50	39.89	932.69	13	

### 2.1.2.2 Infrastructure and linkage support available, planned and gaps

- Renovation work was undertaken during 2020 in the 3 major canals viz., Raja Canal, Mohanur Canal, Mettur east bank and Komarapalayam Canal. As these canals together have an ayacut of 16,000 acres, the work needs to be taken up on a priority basis.
- Close to 16,000 acres of agricultural land would be irrigated by Cauvery Water through its tributaries – Rajavaikal, Mohanur Vaikal, Kumarapalayam Vaikal, Poiyeri Vaikal – when water is released from Mettur Dam.
- Namakkal has 78 PWD tanks irrigating 16807 Ha and 138 Panchayat tank irrigating 4416 Ha. The major sources of irrigation are by way of wells/tube-wells.

### 2.1.2.3 Assessment of potential for the FY 2022-23

The ground level credit flow under this sector in the last three years was not consistent. The credit disbursement by banks for this sector was ₹10203.95 lakh in 2018-19, ₹5660.56 lakh in 2019-20 and ₹6181.01 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹12924.58 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹14027.67 lakh. Since farmers availing loan for borewell and drip is increasing, GLC also increase every year. However projection for borewell is considered only in the semi-critical and safe firkas.

(₹lakh)

Sr. No.	Activity	Unit	Unit Cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Dugwell	No.	1.69	15	25.33	22.80
2	Deepening of Well	No.	0.96	13	12.48	12.48
3	Pumpsets(5 HP)	No.	0.74	4050	2997.00	2997.00
4	Borewell + SPS(5HP)	No.	3.15	96	302.43	272.19
5	Pipeline	Ha.	0.58	4850	2813.00	2813.00
6	Sprinkler	Ha.	0.40	4270	1708.00	1708.00
7	Drip	Ha.	1.16	4920	5707.20	5707.20
8	Farm pond / Irrigation tank	1000 CuM.	0.60	825	495.00	495.00
	WR Total				<b>14060.45</b>	<b>14027.67</b>

The block wise and activity wise physical and financial projections are furnished in Annexure I

#### 2.1.2.4 Critical intervention required for creating a definitive impact

Groundwater Quality - The extraction of surface and sub surface water is increasing year by year. It leads to environmental impact on the water sources like depletion of water level, deterioration of water quality. It necessitates as the quantification of available water and also its quality for specific purposes like agriculture, industries, drinking and domestic purposes. For the present assessment, the value of Total Dissolved Solids (TDS) have been considered for demarcation of good / bad quality areas. For this purpose, the TDS value of less than or equal to 2000 mg/l have been considered as good quality and the value more than 2000 mg/l have been considered as bad quality areas. The presence of fluoride in natural Ground Water is having its merits and demerits depending upon the concentration. Fluoride content is observed in Namakkal, Nallipalayam and Paramathi firkas. More watershed activity to be carried out to save rainwater and improve water quality. Discharge of factory wastage to the drinking water should be avoided.

Nitrate is noted significantly in Ground Water due to use of chemical fertilizer for agriculture and other local pollution rocks and soils are also contributing nitrate to Ground Water. State Govt. launched the scheme of "Kudimaramathu" for restoration of water bodies in rural areas in March 2017. This will help to increase the ground water level and more area will cover under irrigation. During 2017-18, State Government has created 80 farm ponds, 203 check dams and 519 percolation pond in the district. Details of drip irrigation and sprinkler irrigation are covered in the district under PMKSY is mentioned below.

Year	Activity	Area Covered (Ha)
2017-18	Drip Irrigation	2371.80
	Sprinkler Irrigation	1872.02
2018-19	Drip Irrigation	4795.48
	Sprinkler Irrigation	1980.66
2019-20	Drip Irrigation	10594.98
	Sprinkler Irrigation	1824.88
2020-21	Drip Irrigation	6977.66
	Sprinkler Irrigation	2912.69

Even after setting up drip irrigation, many farmers end up keeping the taps open through the day. Farmers should be taught to maintain drip laterals. The emitters stop functioning after a while because of blockage and farmers get back to the old ways of flood irrigation.

### **Govt. Subsidy schemes**

Establishment of Micro Irrigation 100% subsidy clubbed with NMMI for tribals under Integrated Tribal development programme. Providing Drip Irrigation / Sprinkler Irrigation and fertigation system and installation in farmer's holding at 100% subsidy to small and marginal farmers and 75% subsidy to other farmers for all horticultural crops including coconut and non horticultural crops (Sugarcane) under National Mission on Micro Irrigation. The scheme is shared between central and state government.

### **2.1.2.5 Suggested Action Points**

#### **Government**

- Since reliability of electric power supply for irrigation pump sets is not good, solar pump set can be encouraged with proper recharge of ground water.
- DRIP irrigation is being adopted by farmers in a large scale in the rainfed areas of the district. However, there is no proper training given to farmers on maintenance of these DRIP irrigation systems. The Agriculture Department may immediately take up training programmes on village basis for Maintenance and Upkeep of the DRIP Irrigation Systems.
- The creation of water harvesting structures should be implemented in conjunction with Mahatma Gandhi National Rural Employment Guarantee scheme (MNREGA).
- Big focus on irrigation with large budgets, with the aim of "more crop per drop."
- Specific focus on micro irrigation systems like sprinkler irrigation for field crops, drip irrigation for horticulture crops for improved water usage efficiency and also increase in production. Mulching and root zone irrigation technique should be promoted to save water.
- There is a need to create more number of rainwater harvesting and ground water recharging structures in the critical and over-exploited blocks in the district.
- Specific emphasis on water management and usage of right quantum of water and importance of wara bandhis, neerkatti, water rationing, kudimaramathu, etc.
- Usage of solar pumpsets with proper water recharge system reduce the dependence of monsoon and in turn increase the production and productivity.
- A net house cuts off heat by 3-4 degrees, reduces water use by 98 percent and decreases the risk of pest attack.
- Government may incentivize farmers to change the cropping pattern from water intensive crops to others.

#### **Banks**

- Banks may extend credit for installation of pipeline systems for efficient conveyance of water from the well. There is a need for supporting small irrigation systems, including solar based ones and extending credit to deserving farmers. Banks also need to extend credit for Rainwater Harvesting Structures, Ground Water Recharge Structure in 'Critical' and 'over-exploited' blocks of the district.

#### **NABARD interventions / success stories**

To improve ground water level and create model village in water resource, NABARD is implementing watershed program in the district. So far NABARD has completed 3 watershed program in Navani, Unanthangal, Seventhipatty and Vadavathur panchayat covering 4200 Ha. One more watershed program was sanctioned during 2018 at Tusur for which capacity building phase was completed and full implementation phase is about to start during 2021-22. Since these programs are implemented by community participation, even after the program is completed, water storage structures are being maintained properly by the village watershed committee (VWC). VWC is working efficiently in all the watershed. Through this intervention, ground water level has increased and crop diversion also taken place. Unanthangal VWC members were given training on fish farming and have harvested 2500 tilapia fish in the checkdam during monsoon season.

### 2.1.3 FARM MECHANISATION

#### 2.1.3.1 Introduction

The productivity of farms depends greatly on the availability and judicious use of farm power by the farmers. Agricultural implements and machines enable them to employ the power prudently for production purposes. Agricultural machines increase productivity of land and labour by meeting timeliness of farm operations and increase productivity. Besides its paramount contribution to the multiple cropping and diversification of agriculture, mechanization also enables efficient utilisation of inputs such as seeds, fertilisers and irrigation water. Thus, the farm mechanization brings about significant improvement in agricultural productivity, which emphasizes the strong need for mechanization of agricultural operations. The Post-harvest machinery helps in value addition and conservation of the produce and by-products from qualitative and quantitative damages.

Farm mechanization has seen a rather slow progress over the years. In 1960-61 (Farm power- 0.077 KW/ ha), about 93% farm power was coming from animate sources, which has reduced to about 10% in 2014-15. The demand of important agricultural equipment like tractors, power tillers, combine harvesters, irrigation pump sets, diesel engines, has recently shown an increasing trend. The national average for farm power availability 2.02 kW/ha in 2016-17. The average farm power availability in the state of Tamil Nadu is 2.907 kW/ha in 2016-17, which needs to be increased to achieve farm power availability of 4.0 kw/ha as envisaged under the GoI's Sub-Mission on Agricultural Mechanization (SMAM) during year 2030, to increase farm income.

#### 2.1.3.2 Infrastructure and linkage support available, planned and gaps

District has 90 custom hiring centre supported by Agri Engineering department in addition to private custom hiring centres. The tractor manufacturers provide good after-sales service at the district / block level. Agro service centres and repairing facilities are also available throughout the district. Under cooperative fold, there are 42 Agro-Service Centres run by PACS for providing agricultural equipments on custom hire basis to farmers. Agricultural Engineering Department also provides agricultural equipments on hire basis to farmers.

The diversification in use of tractors such as pumping water using power take-off (PTO) pump, boring and blasting in stone quarrying & mining, land leveling for better irrigation efficiency may be popularized to ensure use of tractors to its optimum capacity i.e., 1000 hours per year. Details of farm power availability in the district is mentioned below.

Tractor	Draught animals	Agricultural labourers	Electric motors	Diesel engines	Power tiller	Farm power availability(kw/ha)
6460	3181	191598	109898	6561	1892	3.587

In order to make farm machinery available to small and marginal farmers, incentives in the form of subsidy is provided through the RKVY and Macro Management Schemes for setting up Farm Machinery Banks / Custom Hiring Centres. Sub Mission on Agricultural Mechanization (SMAM) envisages increase of farm power availability up to 2 kW/ha. to small/medium farms from the present level of less than 1 kw/ha. Subsidy @ 40% is made available to entrepreneurs willing to set up Farm Machinery/Equipment bank for custom hiring.

The major challenges in farm mechanization are as follows:

- Small and scattered land holdings with average farm size in India is less than 2 hectares results in difficulty in operating larger farm machineries on such land holdings. Further, mechanizing small and non-contiguous group of small farms is against economies of scale.

- The farm equipment cost is capital intensive, making it a major investment for small and marginal farmers and the poor after-sale service is a concern due to inadequacy of proper maintenance in remote regions of rural areas.
- It is tractorization and not mechanization, i.e., tractor penetration has increased from one per 150 hectares to one per 30 hectares. However, such an increase in penetration is not realized in other segments of farm equipment.
- The reluctance of banks in financing of farm equipment is observed to be an impediment to the increase in mechanization levels.

### 2.1.3.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was ₹7019.65 lakh in 2018-19, ₹5006.80 in 2019-20 and ₹3470.34 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹15930.61 lakh. Keeping the above factors, the credit potential for 2022-23 is assessed at ₹18104.69 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical unit	Financial Outlay	Bank Loan
1	Tractors	No.	7.35	756	5556.67	5001.00
2	Power Tillers	No.	1.85	1700	3145.10	2830.59
3	Rotovator	No.	1.30	1440	1872.00	1872.00
4	Multi Crop Thresher	No.	4.67	300	1401.00	1260.90
5	Power weeder	No.	1.18	2390	2820.20	2820.20
6	Other farm equipments	No.	2.00	2400	4800.00	4320.00
	<b>Total</b>				<b>19594.97</b>	<b>18104.69</b>

The block wise and activity wise physical and financial projections are furnished in Annexure I

### 2.1.3.4 Critical intervention required for creating a definitive impact

- Farmers Producer company and PACCS has to be encouraged to set up custom hiring centre (CHC) in all the firkas. Entrepreneurs should be encouraged and the scheme should be popularised to set up more custom hiring centres.
- Uzhavan Mobile app and Jfarm services should be popularised to locate the nearby CHC and the availability of machinery for hiring.
- India has variety of climatic zones and different soil types across different regions. In order to adopt to these, furthering the innovation spirit among all stake holders (individual farmer to large scale manufacturers) is necessary to design equipment suitable to the local needs.

### 2.1.3.5 Suggested Action Points

#### Government:

- Availability of post-harvest machinery to reduce the impact of risks viz. untimely rainfall, flood etc. Post-harvest equipments such as dryers, cleaners, graders, separators, may be encouraged among the farmers to get enhanced returns from selling quality produce.
- GoI/State Government may develop an integrated education, training and extension programme, which would enable training of artisans/blacksmiths for manufacturing agri-implements developed by research institutions and setting up self-employment ventures of servicing/repairing farm machinery.
- Departments may disseminate the information on availability of tractors, combine harvesters and paddy transplanters for hiring out to the farmers.

- The Department may continue to conduct sensitisation programme on the utility of the various agri. equipment. Farmer's Clubs, FPOs need to be involved in creating awareness about different type of machines and their utility. Many machines can be put to multiple use.
- The Scheme for setting up of Agri Clinics and Agri Business Centres may be popularised and qualified agriculture graduates may be encouraged to set up agro-service and custom hiring Centres under ACABC scheme.

**Banks:**

- Banks may encourage setting up of Agri. Business Centres by unemployed agriculture graduates to cater to servicing and hiring of tractors, power tillers etc.
- Under Agriculture Infrastructure Fund, a long term debt finance facility for investment in viable projects for post-harvest management infrastructure may be provided. PACS, FPOs, marketing societies, agri-preneurs can explore infrastructure for smart and precision agriculture.
- Banks may encourage financing agri-implements to JLGs / Farmers Clubs. The banks may explore the possibilities of extending credit facilities for purchase of agriculture implements through KCC and also financing for replacement of tractors, power tillers, farm implements and for financing for second hand tractors.
- Promote custom hiring centres for farm-implements/ machinery with appropriate capital investment.
- Banks to take complete advantage of various subsidy schemes implemented by AED and finance beneficiaries.

## **2.1.4 PLANTATION AND HORTICULTURE INCLUDING SERICULTURE**

### **2.1.4.1 Introduction**

Horticulture sector that includes production, postharvest management, marketing and export of wide range of crops such as fruits, vegetables, flowers, spices, plantation crops, medicinal and aromatic plants. The sector contributes significantly to the economy of the country as well as State. Growing plantation & horticulture crops is an ideal option to improve livelihood security, enhance employment generation, attain food & nutritional security and increase income through value addition. Since the past decade, India has witnessed a huge demand for horticultural produce from domestic market due to increase in per capita income and shift in consumption pattern of the population and international markets as well. This phenomenon has provided a big opportunity to the farmers for fetching higher income through high value horticultural crops.

Agro climatic conditions of the Namakkal district is conducive for development of various horticulture crops. Horticulture crops occupy 30% of area under cultivation in the district. The predominant fruit crops of the district are mango, banana, sapota, pineapple and jackfruit. Major vegetables grown in the district are tomato, onion, brinjal, ladies finger, bitter gourd. Apart from this, spice crops like betelvine, pepper, turmeric and flower crops like jasmine, arali, rose and plantation crops like Arecanut, coffee, coconut are also grown in the district.

Area and production of major horticulture crops in the district is presented below:

S.No	Name of the Crop	2018-19		2019-20		2020-21	
		Area (Ha)	Prod. (T)	Area (Ha)	Prod. (T)	Area (Ha)	Prod. (T)
1	Banana	1989	60253	2261	68481	2453	95252

2	Jackfruit	230	2350	231	2359	260	3381
3	Mango	2393	15323	2038	13044	2254	13975
4	Sapota	320	11194	306	10702	308	7100
5	Pineapple	764	18336	776	18624	834	21684
6	Brinjal	708	14544	729	14969	836	17567
7	Onion	3312	45606	3531	47674	5694	39689
8	Tapioca	16150	621169	18782	722360	18705	635993
9	Tomato	788	16885	1002	21469	916	36662
10	Jasmine	160	882	175	963	268	1608
11	Arecanut	766	1948	604	1534	687	1277
12	Coconut	8830	105970	8784	102750	9040	80095
13	Coffee	1594	1665	1937	2014	2151	2151
14	Pepper	1741	436	1360	340	2340	468
15	Turmeric	2125	10625	1106	5528	1340	5229
	<b>Total</b>	<b>41870</b>	<b>927186</b>	<b>43622</b>	<b>1032811</b>	<b>48086</b>	<b>962131</b>

Source: Department of Horticulture, Namakkal District

**Sericulture :** Sericulture comprises of cultivation of mulberry, silkworm rearing and silk reeling activities. The industry is rural based with on-farm and off-farm activities and capable of generating enormous employment opportunities. It is one of the best livelihood ventures that could be practiced throughout the year with low gestation, low investment, higher remuneration and ensures monthly income to the farmers. Mulberry is cultivated only in 2000 acres in the Namakkal district. 1200 farmers are engaged in this activity. 7 technical service centres are functioning in the district to provide technical assistance to sericulture farmers in mulberry cultivation and silkworm rearing.

#### 2.1.4.2 Infrastructure and linkage support available, planned and gaps

- Three Cold Storages of 25 MT capacity each has been created with assistance of NABARD under RIDF in Tiruchengode, Namagiripettai and Paramathi-velur blocks of the district.
- Two State Horticulture Farms in the District viz., Semmedu and Padasolai to produce and distribute quality planting materials to the farmers.
- Through KVK, Namakkal farmers were provided training on new technologies. On Farm Testing, Front Line Demonstrations and Advisory services are taken up regularly.
- During 2019-20, under PMKSY, 6000 Ha was covered for drip and sprinkler at the cost of 3298.50 lakh.
- Tapioca and onion are the major crops in the district. District has more processing units for Tapioca to produce starch and sago. However onion does not have major value addition unit. Efforts should be taken to produce more value added products from onion.
- Under Integrated horticulture development program, an incentive of ₹4000 per hectare is provided to promote organic farming. Under this scheme, the pollinating breed, beehive and bee extractor have been sanctioned at 50 per cent subsidy.
- National Horticulture Board (NHB) programme focusing on hi-tech horticulture and post-harvest management infrastructure including cold storages and reefer vans. A majority of the schemes of NHB are credit linked.

- National Mission on Oilseeds and Oil Palm which include promotion of oil palm cultivation in select areas.
- Setting up of dedicated “**Centres of Excellence**” for identified crops like betelvine to promote hi-tech horticulture enterprises through demonstration, training & capacity building, technology transfer and hand holding support.
- Programmes / promotional schemes of commodity boards like Tea Board, Coffee Board, Rubber Board, Spices Board, for the respective crops.

#### 2.1.4.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was ₹17535.29 lakh in 2018-19, ₹15102.72 lakh in 2019-20 and ₹10478.04 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹14175.57 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹16454.14 lakh.

(₹lakh)

Sr No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Mango	Ha.	1.82	1150	2093.00	1883.70
2	Arecanut	Ha.	2.21	350	773.50	696.15
3	Sapota	Ha.	1.65	230	379.50	379.50
4	Guava	Ha.	0.95	120	114.00	114.00
5	Banana - Tissue culture	Ha.	2.55	1508	4272.21	3844.99
6	Coffee	Ha.	2.60	600	1560.00	1404.00
7	Pepper	Ha.	0.64	850	544.00	544.00
8	Coconut	Ha.	1.84	550	1012.00	910.80
9	Medicinal Plants	Ha.	2.27	370	839.90	755.91
10	Flowers - Jasmine	Ha.	1.87	120	224.40	201.96
11	Sericulture	Ha.	5.30	54	286.20	257.58
12	Mulberry (Musukottai)	Ha.	0.93	480	446.40	446.40
13	Betelvine	Ha.	1.37	270	369.90	369.90
14	Nursery	No.	11.55	30	346.50	311.85
15	Rejuvenation of old orchards	Ha.	1.60	1850	2960.00	2960.00
16	Polyhouse - Vegetables / flowers	1000 sqft.	19.00	34	646.00	581.40
17	Bee keeping - 25 Bee Colonies	Nos.	0.44	1800	792.00	792.00
	<b>P&amp;H Total</b>				<b>17659.51</b>	<b>16454.14</b>

The block wise and activity wise physical and financial projections are furnished in Annexure I

An increase of around 5% in the unit cost of the crops has been considered while assessing the credit potential. Though drought conditions have prevailed for the last two years, the physical units has been only adjusted to a small extent.

#### 2.1.4.4 Critical intervention required for creating a definitive impact

- State Horticulture Farms are located at Semmedu and Padasolai in Kolli Hills. More private nurseries have to be started to supply quality planting material to increase the horticulture area coverage.

- The new technologies which aim at attaining higher productivity like Precision farming, organic farming and high-density planting of fruit trees are yet to reach the farmers. Hence, the extension network should be strengthened to develop the Sector.
- The district has a pocket in Mohanur and Velur where Banana is grown in sizeable hectares and only local 'poovan' variety is being cultivated. The need for introducing Tissue Culture Banana is also urgently required for other popular varieties such as Kathali (locally called Bangalore Rasthali), Red Banana and Karpooravalli which are in good demand in local markets as well as in Kerala market.
- The Department may encourage the farmers to store their produce in the existing cold storages at Paramathi-Velur and Namagiripettai for better returns. More cold storage is required in all the farmers market to avoid loss and distress sale.
- A Banana Ripening Chamber of 50 MT capacity has also been commissioned by the State Government in Mohanur block. More farmers need to be made aware of the Ripening Chamber at Mohanur and encouraged to utilise the facilities by creating awareness about the advantages of the infrastructure.

#### **2.1.4.5 Suggested Action Points**

##### **Agri Marketing :**

- More cold storage and solar drying yard have to be promoted to preserve the food for longer period of time.

##### **Horticulture Department :**

- While implementing MIDH program, convergence and synergy should be ensured with the other schemes like Micro irrigation, RKVY, PKVY, MNREGS, National Mission on medicinal plants, Tribal sub plan, Watershed development programme and other State Government schemes to improve the production and productivity.
- Protected Cultivation – Encourage farmers to cultivate high value horticulture crops and off-season crops through protected cultivation. It protects crops from adverse climatic condition, insects and diseases. It results in higher production, productivity and profitability. Cold storages need more attention than ever before with rising horticulture potential.
- Availability of good quality planting material and training for farmers on technological aspects of nursery raising and plantations.
- Promotion of dryland horticulture crops mainly Drumstick, Amla, Guava, Custard apple, Ber, Pomegranate etc. will enable the farmers to get additional income. Adoption of good agricultural practices to reduce the unnecessary farm expenditure.
- Region specific scientific and ideal multi-tier or intercropping systems for horticulture crops to be standardized and adopted. Development of farm clusters for economies of scale. Aggregation of produce on a village/cluster basis with minimal processing wherever required.
- In order to maximise agricultural production, honeybee can be used as an important input. About 85 per cent crop plants are cross-pollinated, as they need to receive pollen from other plants of the same species with the help of external agents. One of the most important external agents is the honeybee.

##### **NABARD interventions / success stories**

NABARD has supported state horticulture farm at semmedu, kollihills through RIDF to improve their infrastructure. During 2018-19 and 2019-20, training on honey bee keeping was conducted to 150 SHG women in the kolli hills. First time, queen rearing skill training was imparted and now colonies were raised with native bees. It results in less swarm, when compare to colonies brought from outside. Honey bee keeping improves their production through cross pollination and earn regular income by selling honey.

NABARD has implemented Tribal Development project in the Kolli hills covering 1000 farmers (1 acre each) in 4 panchayats from 2010 to 2017. Cash crop was promoted in 1000 acres to improve their livelihood and stop migration. Now farmers are getting around ₹ 50000 from their 1 acre field. In addition, 17 Community well and 160 percolation pond was constructed in the 4 panchayat. Subsequently FPO is formed to sell their produce. During 2019-20, NABARD has supported a new Tribal Development project in the Kolli hills covering another 500 tribal farmers in the remaining panchayats and is under implementation.

## 2.1.5 FORESTRY AND WASTELAND DEVELOPMENT

### 2.1.5.1 Introduction

Forests are the most biologically diverse ecosystems on land. The principal aim of the National Forest Policy, 1988 is to ensure environmental stability along with maintenance of ecological balance and atmospheric equilibrium which are vital for the continued sustenance of all forms of life viz., human, animal and plant. As against the prescription of National Forestry Policy to have at least one-third of the total geographical area as forest and tree cover, the present status of forestry in the district is given below:

(Area Ha)			
Geographic Area (kms <sup>2</sup> )	Total Forest Cover	Cultivable Wastelands	% of forest cover to total area
336719	43909	4777	13.04%

Source : Land Use Statistics for the year ended 2017-18, Directorate of Economics & Statistics, Ministry Of Agriculture and Farmers Welfare, Govt. of India

There is an urgent need to increase the green cover in the district substantially to reach 1/3rd of the geographical area. The available wastelands could be used for dry land horticulture development and for fuel, timber, silvi-pasture and fodder tree crops. There is scope for development of these lands under farm forestry, fodder development and for production of medicinal plants.

Agroforestry refers to cultivation & use of trees and shrubs with crops and livestock in agricultural systems. Agroforestry seeks positive interactions between its components, aiming to achieve a more ecologically diverse and socially productive output from the land than is possible through conventional agriculture. Agroforestry is a practical and low-cost means of implementing many forms of integrated land management (which seeks to reduce human impacts on land), and it contributes to a green economy by promoting long-term, sustainable, and renewable forest management, especially for small-scale producers. NABARD supported agro forestry in all the watershed and climate proofing projects being implemented in Navani, Unanthangal, Seventhipatty, Vadavathur and Tusur village panchayat.

Agroforestry can occur at a variety of spatial scales (e.g., field or woodlot, farm, watershed) in different ecosystems and cultures. When properly applied, agroforestry can improve livelihoods through enhanced health and nutrition, increased economic growth, and strengthened environmental resilience and ecosystem sustainability. In turn, such improvements can contribute to increased social sustainability in which human needs are satisfied in a way that fosters environmental health.

### 2.1.5.2 Infrastructure and linkage support available, planned and gaps

- Mettupalayam Agroforestry Business Incubation Forum (MAFBIF), a Section 8 company is a hub of forestry innovation initiative of Tamil Nadu Agricultural University (TNAU) and Forest College and Research Institute (FC&RI) with funding support from Entrepreneurship Development & Innovation Institute, Govt. of Tamil Nadu (EDII TN), Chennai to promote entrepreneurship in agro forestry sector. The centre works for promotion of entrepreneurship in the fields of timber and non-timber forest products, post-harvest technology, food processing, agro waste management & IT/AI tools for

agroforestry by providing guidance on technology, its validation, licensing and commercialisation.

- The Tamil Nadu Newsprint and Papers Ltd., located in Karur, gives locational advantage as the company offers better prices to farmers for pulp wood. The preferred species are Eucalyptus & Casuarina. The tissue culture facility at TNPL has a capacity to produce about a million clones of pulpwood saplings of Eucalyptus, Casuarina and Bamboo. TNPL produces high-yielding varieties of pulpwood plants that would be distributed to the farmers. It buys-back the wood for an assured price - either the agreed price or prevailing market rates, whichever is higher.
- Neem, Pungam, Amla, Casuarina, Acacia, Tamarind, Cashew, Subabul, Teak, Cassia, Sissoo are the recommended tree species for Agro forestry in the district. Eucalyptus and Casuarina are the most suitable raw material for pulpwood industry. Both the species can thrive in any type of soil including alkaline and saline soils. Forestry Extension Centre is operating in Athanur Panchayat of Vennandur Block.

### 2.1.5.3 Assessment of potential for the FY 2022-23

No credit flow has been reported by banks under this Sector during the last three years, even though ACP targets has been provided. The estimated credit flow to this sector for 2022-23 has been assessed as ₹ 2050.30 lakh as detailed below.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical units	Financial Outlay	Bank Loan
1	Farm Forestry	Ha	1.01	2650	0.00	0.00
2	Wasteland Dev	Ha	1.01	2030	2050.30	2050.30
	Total				<b>2050.30</b>	<b>2050.30</b>

The block wise and activity wise physical and financial projections are furnished in Annexure I

The credit potential with respect to physical units has almost been retained at the same level while an upward revision in the unit cost has been considered. As regards Farm Forestry, as the same is being taken care of under various schemes of GOI and GoTN, the Bank Loan has not been considered.

### 2.1.5.4 Critical intervention required for creating a definitive impact

- State Forest Department may promote afforestation programmes under NABARD's RIDF Programme, as has been done in Andhra Pradesh.
- Banks may finance commercially viable tree species viz. neem, casuarina, teak, pongamia, forest nursery, subabul, etc.
- Forestry extension centre should play a proactive role in propagating importance of tree planting, trees suitable for local conditions, establishing demo plots of plantations and also ensure availability of good quality seedlings.
- Decentralized people's nurseries for supply of large quantity of seedlings, proximate to plantation sites may be supported with necessary finance to individuals/ groups.
- Farmers may be educated on suitable species that can be taken up on different types of wastelands, source of availability of good quality seedlings, age of maturity of trees, average return per ha of land, cultural operations (Scientific Management), etc.
- Better coordination between forest based industries, University/Research Institutes, NABARD, Forest Department, etc., is needed in identification of species, formulation of model schemes, fixation of unit costs and providing necessary extension support.

### 2.1.5.5 Suggested Action Points

#### Banks

- Decentralized people's nurseries have been accepted as best solution for supply of large quantity of seedlings at close vicinity to the plantation site. It is necessary that the same is promoted by providing necessary finance to individuals/ SHG groups raising nurseries. All the districts have potential for financing nurseries. About 10 nurseries may be financed by banks in each of the rural districts every year.
- Paper industries like Tamil Nadu Newsprint and Papers Ltd., Seshasayee Paper Boards with tie up arrangements with banks, may come forward to raise industrial pulpwood plantation in private lands through buy-back arrangement with farmers/entrepreneurs.

#### Government

- Panchayat level institutions may be sensitized to plan the strategy for large scale afforestation programme under NREGS. DRDA may take initiatives in this regard.
- Promotion of contract farming of high density eucalyptus and causurina forest tree varieties in dryland/wasteland will increase the income of the farmers.
- Promotion of cloning varieties of eucalyptus along with inter cropping for better income.
- It is suggested that govt machinery including forest department to create more awareness campaign to grow more new species of agro forestry trees as mentioned below which is suitable to the district climate.

Sr No.	Category	Tree name
1	Aromatic trees	Curry leaf, Shenbagam, Cannon ball, Sandalwood, Indian lilac
2	Avenue trees	Naval, Pungam, Gliricidia tree, Tamarind, Red sandalwood, Unjal maram, karu vagai, Mahogany, santhana vembu
3	Fiber tree	Kaliyana murungai, Pungam, Panai maram, Mullu murungai, Coconut tree, poovarasan,
4	Fuel /Oil trees	Betai, Arasu, Pungam, Karungali, Karuvelam, Country fig, Elupai, punnai
5	Timber trees	Palaa, Nelarai, Maharuku, Vembu, Senna, Kumil, Malai vembu, unjal maram, Banyan,
6	Horticultural trees	Mango, koyya, cocoa, Chikoo, lemon, Murungai, Kadakai, cashew nut

### 2.1.6 ANIMAL HUSBANDRY – DAIRY

#### 2.1.6.1 Introduction

Animal Husbandry provides the core livelihood for millions of people and is the mainstay of small and marginal farmers and landless poor. It plays a vital role in providing subsidiary employment to rural folk and guaranteed household income to landless agricultural labourers, small and marginal farmers. The sector also contributes to minimise migration, empower women and protect the environment. As per 20<sup>th</sup> Livestock census 2019, the cattle and buffaloes population in the district is 2,67,796 and 63,328 respectively.

The rainfed conditions in Namakkal district, which increases the risk in agricultural production, is one important reason for the farmers to take up Dairy activity on a large scale. The taluks of Rasipuram and Namakkal are well known for dairy products and has earned a name in the area for its quality. Owing to severe labour problems, there has been a significant shift of farmers going for cross-bred cows rather than buffaloes in the district.

#### 2.1.6.2 Infrastructure and linkage support available, planned and gaps

There are 105 Veterinary Dispensaries, 5 Veterinary Hospitals, 5 subcentres and 3 Mobile

Veterinary Clinics being operated by the Department of Animal Husbandry are great support to the farmers in maintaining the animals. CT scan facility was provided to VCRI, Namakkal under RIDF. Further, the Krishi Vigyan Kendra, Namakkal is under the aegis of the Tamil Nadu Veterinary University (TANUVAS) which has excellent faculty and conduct regular trainings on animal maintenance. Besides, the Veterinary College and Research Institute, Namakkal would also provide all required technical inputs for the farmers. In the Veterinary Dispensaries, required complement of staff needs to be posted so as not to under utilise the infrastructure available. The Dairy Cooperatives are the source through which Aavin procures milk from the farmers. It is necessary that bulk coolers are provided to all such centres which have a minimum collection of 2000 litres.

**Special Refinance Scheme in NABARD Watershed and Wadi Project areas:** All priority sector loans extended by the banks in watershed development project areas and agro-processing activities for tribal farmers will be eligible for refinance at 3% and the borrower will get at the interest rate for maximum 5.5%.

**Animal Husbandry Infrastructure Development Fund (AHIDF):** The GOI approved this scheme on 23.06.2020 with a corpus of ₹ 15,000/- cr and an 3% interest subsidy to promote investment by private players and MSMEs in dairy, meat processing and animal feed plants. Besides, the Centre would also set up a Credit Guarantee Fund of ₹ 750 crore to be managed by NABARD which would provide credit guarantee to the projects which are covered under the MSME defined ceilings. The guarantee coverage would be up to 25 % of the credit facility of the borrower.

To promote animal husbandry sector, GoI has formed separate Ministerial portfolio for Animal Husbandry, Dairying and Fisheries. GoI has created new ministry National Animal Disease Control Programme (NACDP) to control and eradicate the Foot & Mouth Disease (FMD) and Brucellosis amongst the livestock in the country, at Mathura today. The 12,652 Crore fully Central Government sponsored programme will vaccinate over 600 million cattle in the country in an effort to mitigate the two diseases.

In order to ensure flow of credit to farmers under Dairy Entrepreneurship Development Scheme (DEDS), awareness workshop was conducted among the bankers and other stakeholders. Scheme was popularised among the farmers through various village level program and SHG / JLG sensitisation program. However, DEDS scheme is not in continuation from FY 2020-21. KVK was sanctioned 2 year project with the grant amount of ₹ 9.75 lakh to enhance the livelihood of small farmers by sustainable livestock farming. NABARD has supported KVK in identifying the desi chicken breed suitable for the Namakkal district, documenting the local medicinal practices followed by farmers for their livestock and training the farmers on the best local practices.

### 2.1.6.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for dairy was ₹20583.19 lakh in 2018-19, ₹22933.77 lakh in 2019-20 and ₹25036.32 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹16648.38 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹26332.93 lakh.

(₹lakh)

Sr. No.	Activity	Unit	PLP Projections 2022-23			
			Unit cost	Physical Unit	Financial Outlay	Bank Loan
1	Cows	1+1	1.26	12985	16361.10	16361.10
2	Buffaloes	1+1	1.37	6150	8425.50	8425.50
3	Calf Rearing	20 Nos.	10.19	26	264.91	238.42
4	Mini Dairy	5 + 5	7.35	150	1102.50	992.25

Sr. No.	Activity	Unit	PLP Projections 2022-23			
			Unit cost	Physical Unit	Financial Outlay	Bank Loan
5	Private Veterinary clinic – Mobile	Nos.	2.73	43	117.40	105.66
6	KCC (dairy)	Nos.	0.14	1500	210.00	210.00
	<b>Total</b>				<b>26481.41</b>	<b>26332.93</b>

The block wise and activity wise physical and financial projections are furnished in Annexure I

As per latest RBI guidelines, the limit for collateral free agricultural loans increased to ₹1.6 lakh. Accordingly, banks may waive margin requirements for agricultural loans upto ₹1.6 lakh

#### 2.1.6.4 Critical intervention required for creating a definitive impact

- Recycling of animal waste by using a low-cost portable Biogas plant is a good alternative for fuel for the farmers' household. It motivates farmers to take dairy as allied activity and reduce the green gas emission.
- Training has to be provided to prepare organic manure from cow dung. Farmers should be motivated to use more organic fertilizer to reduce the cost of agriculture and increase the income.
- 2019 census indicates that buffaloes population has come down drastically from 1,11,000 to 63328. Steps should be taken to increase the buffalo population.
- Availability of fodder is the major concern during the summer season. Silage should be promoted among farmers to overcome this.
- DEEDS subsidy schemes motivates many to enter dairy business. However, DEEDS Government subsidy schemes for dairy is discontinued during 2020-21.

#### 2.1.6.5 Suggested Action Points

##### **Banks**

- As per RBI guidelines, KCC facility has been extended to Animal Husbandry farmers and Fisheries for their working capital requirements. This has to be promoted among farmers and Bankers. 3% Interest subvention is also available for this type of KCC loan.
- Difficulty in availing credit from banks for the landless farmers for purchasing cattle can be solved by financing through SHG / JLG mode.

##### **Government Departments**

- Farmers should be motivated to adopt agricultural production with horticulture, animal husbandry and fisheries by Integrated Farming System IFS approach to increase the farmers income.
- Allied activities like diary will give additional income to farmers and give some cushioning effect during failure of monsoon. Government to encourage such activities.
- Rearing of animals in Integrated Farming System (even in 2 ac of land) will enable the farmer to go for organic farming and use all the resources in the field to reduce the expenses and get better price for organic produce.
- Milk from Buffaloes are the most suited for making value-added products. However, there has been a severe reduction in the Buffalo population and farmers have shifted to Cows owing to easier management, cheaper maintenance and labour shortage. Therefore, Animal Husbandry Department needs to incentivise Buffalo rearing so that production of more value-added dairy products could be taken up.
- Hydroponics and Azolla cultivation should be promoted among farmers to increase the production. Farmers must be made aware of cattle insurance and their benefits. Cattle insurance protects Indian rural people from financial loss incurred due to the death of their cattle.
- In order to support the supply of germplasm, seed stock has to be strengthened and nucleus stock has to be established.

- Value addition of milk should be promoted to handle the surplus milk during flush season.
- Registration of private enterprises like animal clinics, slaughter houses, livestock farm and poultry farm with state animal husbandry department should be undertaken to enforce accountability, disease surveillance and monitoring.

## **2.1.7 ANIMAL HUSBANDRY – POULTRY**

### **2.1.7.1 Introduction**

Namakkal is known as the “Egg City” of Tamil Nadu and produces around 65% of the total egg consumption. Poultry farming provides subsidiary income and gainful employment to farmers throughout the year. Among the various poultry rearing activities, Layer and Broiler farming are popular on commercial lines. The broiler farming is being taken up on contract farming, wherein the small farmers enter into contract arrangement with the larger poultry companies, who provide all the inputs and buy back the broiler birds. Poultry rearing which had been a cottage industry all along, has now become a big industry in itself.

According to the 19th Livestock census 2012, the species-wise distribution of livestock and poultry in the District are as follows. Poultry – Commercial Layer – 360.69 Lakh; Commercial Broiler – 5.00 Lakh; Backyard Poultry – 5.64 lakh. Namakkal district tops egg production in the State by producing 3 crore eggs a day. India is marching ahead towards attaining nutritional security for its people. In this context, poultry eggs, which is highly nutritious and the cheapest source of high quality protein and the poultry meat that is comparatively less expensive than that of red meat.

### **2.1.7.2 Infrastructure and linkage support available, planned and gaps**

The magnificent growth of poultry farming had resulted in the establishment of the second Veterinary College in Tamil Nadu at Namakkal during the year 1985 for augmenting the human resources development in the field of Veterinary Education and Research and for improving poultry production.

In India, for the survival of any poultry farm the most important factor that have to be taken into account is Raw material or Poultry Feed. Feed cost is the most important element of poultry cost, accounting for more than 60% of cost. The main feed ingredients are maize, soya, rice bran and other cereals. Any problem in monsoon can lead to fluctuation of maize cost thus affecting the profitability of poultry farms.

Government fund the research activities related to the sector either directly for poultry breeding and health maintenance or indirectly through APEDA (Agricultural and Processed Products Exports Development Authority) and also provides infrastructural support and subsidies for poultry exports. Government also supports the sector by assisting the National Egg Coordination Committee (NECC) for promotion of egg marketing and consumption

More than 1000 entrepreneurs like feed manufacturers, marketing organizations, hatcheries and service personnel function in this area. One lakh people are employed either directly or indirectly in this industry. The estimated annual requirements of inputs at this region alone are 2.64 million tonnes of poultry feed ingredients, 700 tonnes of feed enzymes; 1320 tonnes of toxin binders; 2600 tonnes of synthetic amino acids, 390 tonnes of vitamins and vaccines worth of ₹70 million.

The National Livestock Mission (NLM) has commenced from 2014-15. The Mission is designed to cover all the activities required to ensure quantitative and qualitative improvement in livestock NABARD is the implementing agency under Entrepreneurship Development & Employment Generation (EDEG) component of NLM. GoI has extended the NLM scheme during 2021-22 (upto 30.06.2021) with the budgetary allocation of 13,72,31,200 for Tamil Nadu.

**Others :** Under National Livestock Mission – Entrepreneurship Development Employment Generation (NLM-EDEG) of GoI, workshop was organised among bankers and other stake

holders to popularise the scheme among poultry farmers and to ensure flow of credit to poultry farmers with subsidy under the scheme.

NABARD provides free desi chick to SHG women members in the climate proofing project villages to increase their income. KVK was sanctioned 2 year project with the grant amount of ₹ 9.75 lakh to enhance the livelihood of small farmers by sustainable livestock farming. NABARD has supported KVK in identifying the desi chicken breed suitable for the Namakkal district, documenting the local medicinal practices followed by farmers for their livestock and training the farmers on the best local practices.

**Special Refinance Scheme in NABARD Watershed and Wadi Project areas:** All priority sector loans extended by the banks in watershed development project areas and agro-processing activities for tribal farmers will be eligible for refinance at 3% and the borrower will get at the interest rate for maximum 5.5%..

#### 2.1.7.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for poultry was ₹21688.29 lakh in 2018-19, ₹ 13923.52 lakh in 2019-20 and ₹15259.67 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹40579.84 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹42781.60 lakh.

(₹lakh)

Sr. No.	Activity	Unit	PLP Projections 2022-23			
			Unit cost	Physical Unit	Financial Outlay	Bank Loan
1	Layers + Feed Mixing Unit	5000	37.80	1030	38934.00	35040.60
2	Broilers	1000	2.35	1685	3959.78	3563.80
3	Breeding farms (low input technology birds)	250	33.00	24	792.00	712.80
4	Central grower Unit	Nos.	42.00	24	1008.00	907.20
5	Opencage transport vehicles	Nos.	8.80	285	2508.00	2257.20
6	KCC (Hybrid Layer Units)	Nos.	4.00	75	300.00	300.00
	Total				<b>47501.78</b>	<b>42781.60</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

As per latest RBI guidelines, the limit for collateral free agricultural loans increased to ₹1.6 lakh. Accordingly, banks may waive margin requirements for agricultural loans upto ₹1.6 lakh.

#### 2.1.7.4 Critical intervention required for creating a definitive impact

Disposal of dead birds is an issue in the district. TANUVAS and AH Department need to develop and introduce cost effective mechanism to deter the farmers from dumping the dead birds on road sides, canals, etc. Knowledge sharing and adequate training to farmers on poultry management which is highly vulnerable to disease outbreaks.

Best management practices (BMPs) should be in place and utilized in several different areas to help reduce ammonia emissions. Major sources of ammonia emissions from poultry production include the poultry house itself, litter storage facilities and fields where litter is applied. Owing to poultry litter, there has been complaints from the neighbouring villagers of massive proliferation of flies. Methods of fly control and better utilisation of poultry waste has to be inculcated amongst the farmers. Most poultry litter is spread on grassland surface that has raised serious run-off and water quality concerns in many areas.

The poultry industry has also been demanding a full- fledged packaging centre and cold storage to improve egg exports. Availability of feed at low cost should be ensured.

A good number of small farmers have evinced interest in country-bird rearing, preferably in the form of back-yard poultry farming. Animal Husbandry Department to undertake a massive awareness creation campaign and encourage farmers to take up the above activity.

#### **2.1.7.5 Suggested Action Points**

##### **Government Departments**

- Though Maize is one of the major inputs in poultry feed making, the district is a major importer of this commodity. Cultivation of maize, the major ingredient in poultry feed, may be encouraged in the district through the Agriculture Department.
- Preparation of own feed with locally available ingredients reduces considerable amount of cost. Income from layer farm poultry products includes sale of eggs, cull birds, gunny bags and manure. Usage of Poultry wastage and disposal of carcasses as bio-fuel reduce the environment pollution and increase the carbon credit.
- Allied activity should be encouraged – country chicken rearing which has good market may be encouraged for better income.

##### **Banks**

- As per RBI guidelines, KCC facility has been extended to Animal Husbandry farmers and Fisheries for their working capital requirements. This has to be promoted among farmers and Bankers. 3% Interest subvention is also available for this type of KCC loan.
- NABARD – GoI NLM subsidy schemes should be promoted among farmers to set up country chicken farm in the rural areas.

#### **2.1.8 ANIMAL HUSBANDRY –SHEEP, GOAT, PIGGERY, ETC.**

##### **2.1.8.1 Introduction**

Goat is known as ‘Poor man’s cow’ in India and is a very important component in dry land farming system. With very low investments goat rearing can be made in to a profitable venture for landless agricultural labourers, small and marginal farmers. Piggery is also an activity amongst the poor and is being practiced amongst the Scheduled Caste and Scheduled Tribe population of the district. According to the 2019 census, the species-wise distribution of livestock and poultry in the District are as follows. Sheep: 1.01 Lakh, Goat: 4.92 lakh and Pig: 8583.

##### **2.1.8.2 Infrastructure and linkage support available, planned and gaps**

Veterinary centres exist in most of the blocks of the district. Animal Husbandry Department provides health cover, disease prevention, disease diagnosis, disease eradication and breeding support to farmers. In the district, the area under permanent pastures and other grazing lands stood at 6663 ha.

The present practice of grazing of sheep has been dwindling due to non-availability of labour. Raised Slatted Floor shed is an ideal method for housing the goats and sheep. Bankers, while sanctioning loans for purchase of animals, may also include the cost of such sheds in the project cost so that animals are housed properly.

It is essential that for raising sheep/goat, cultivation of fodder is essential. Bankers may also consider sanctioning an amount of ₹25,000/- per acre for raising fodder including cost of pipeline, water channels, ploughing and sowing, etc.

**National Mission for Protein Supplementation (NMPS)** scheme envisages nutritional balance for consumers in terms of animal protein intake ensuring growth in meat production and holistic development of animal husbandry. Main objective of the scheme is to set up goat units with scientific management and promote better management practices for higher productivity and higher returns.

The National Livestock Mission (NLM) has commenced from 2014-15. The Mission is designed to cover all the activities required to ensure quantitative and qualitative improvement in livestock NABARD is the implementing agency under Entrepreneurship Development & Employment Generation (EDEG) component of NLM. GoI has extended the NLM scheme during 2020-21 with the budgetary allocation of 5,69,13,000 for TamilNadu.

**Special Refinance Scheme in NABARD Watershed and Wadi Project areas:** All priority sector loans extended by the banks in watershed development project areas and agro-processing activities for tribal farmers will be eligible for refinance at 3% and the borrower will get at the interest rate for maximum 5.5%.

**Others :** Under National Livestock Mission – Entrepreneurship Development Employment Generation (NLM-EDEG) of GoI, workshop was organised among bankers and other stake holders to popularise the scheme among the farmers and to ensure flow of credit to farmers with subsidy under the scheme.

NABARD provides free goat to SHG women members in the climate proofing project villages to increase their income. KVK was sanctioned 2 year project with the grant amount of ₹ 9.75 lakh to enhance the livelihood of small farmers by sustainable livestock farming. NABARD has supported KVK in identifying the desi chicken breed suitable for the Namakkal district, documenting the local medicinal practices followed by farmers for their livestock and training the farmers on the best local practices.

#### 2.1.8.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was ₹7249.99 lakh in 2018-19, ₹4038.62 lakh in 2019-20 and ₹7720.89 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 3008.20 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹8268.48 lakh.

(₹lakh)

Sr. No.	Activity	Unit	PLP Projections 2022-23			
			Unit cost	Physical Unit	Financial Outlay	Bank Loan
1	Sheep / Goat Breeding farms	(100+5)	10.50	453	4756.50	4280.85
2	Goat	(10+1)	0.63	5590	3521.70	3169.53
3	Piggery	(3+1)	1.05	522	548.10	548.10
4	KCC (10+1 goat)	No	0.18	1500	270.00	270.00
	<b>SGP Total</b>				<b>9096.30</b>	<b>8268.48</b>

The block wise and activity wise physical and financial projections are furnished in Annexure I

As per latest RBI guidelines, the limit for collateral free agricultural loans increased to ₹1.6 lakh. Accordingly, banks may waive margin requirements for agricultural loans upto ₹1.6 lakh

#### 2.1.8.4 Critical intervention required for creating a definitive impact

- GoI subsidy scheme of National Livestock Mission (NLM) for goat and piggery should be promoted among farmers to improve their income and livelihood. NLM scheme was in continuation upto 30.06.2021. However, no communication has been received from GoI for continuation of the scheme for the FY 2021-22 after 30.06.2021

- The Sheep/Goat activity provides good manure which can be used in biogas plants. A small loan for such units would increase the income of the farmer for repayment of bank loans with subsidy.
- Animal manure compost is best used to grow the type of plants the animal is fed on. Pig manure is good for root crops. Pig rearing is popular in Kolli hills. However pig manure compost is not used. Training should be provided to promote pig manure compost among farmers in kolli hills.
- Infrastructure of the livestock markets and slaughter houses should be improved. Marketing initiatives are to be taken to promote modern livestock markets.

#### **2.1.8.5 Suggested Action Points**

##### **Government Departments**

- Goat rearing FPO can be formed and benefitted by setting up their own retail outlet and undertake collective green fodder cultivation and practice silage and hydroponics.
- NABARD – GoI NLM subsidy schemes should be promoted among farmers to set up country chicken farm in the rural areas.

##### **Banks**

- As per RBI guidelines, KCC facility has been extended to Animal Husbandry farmers and Fisheries for their working capital requirements. This has to be promoted among farmers and Bankers. 3% Interest subvention is also available for this type of KCC loan.
- Goat rearing is not only the primary source of livelihood to a majority of these landless labourers, but also the provider of supplementary income to small farmers/ marginal farmers. Loan can be provided to them through JLG finance.

#### **2.1.9 FISHERIES**

##### **2.1.9.1 Introduction**

Fisheries sector may be broadly divided into three sub-sectors, viz., Fresh Water, Marine and Brackish, depending upon the resources available in the Namakkal district. As the district is bound by land on all sides, the activity is confined to inland fish farming. Inland Fisheries covers mainly fresh water fish culture and/or fresh water prawn culture, in rivers, reservoirs, ponds, tanks, lakes and other suitable water bodies.

##### **2.1.9.2 Infrastructure and linkage support available, planned and gaps**

Area for Inland Fisheries is mostly restricted to river, seasonal tanks, village ponds and reservoirs owned by the Government or Panchayat Unions. There are 79 tanks in Namakkal district, of which only few water tanks filled up during last monsoons. There are only around 2100 active fisherman in the district. Majority of the fisherman are located in Pallipalayam, Kabilarmalai and Paramathi blocks. There are 27 fishing centre in the district viz., Jedarpalayam, Solasiramani, Kothamagalam, Anangoor, Vengarai, Pothanur, Vellore, Idayar, Palapatti, Mohanur, Oduvanthur, Jameen Ilampalli, Vadukapalayam, Kandipalayam, Ayyampalayam, Unniyur, Pilikapalayam, Manapalli, Thittamedu, Arasampalayam, Odapalli, Chinnakandallore, Pallipalayam, Agraharam, Avoothore, Railway palam, Mniyappankovil.

As per latest RBI guidelines, KCC facility has been extended to Animal Husbandry farmers and Fisheries for their working capital requirements. This has to be promoted among fishermen and Bankers. 3% Interest subvention is also available for this type of KCC loan.

### 2.1.9.3 Assessment of credit Potential for the FY 2022-23

Since the district is rainfed district, fisheries sector is not picking up. The credit disbursement by banks for this sector was ₹4.03 lakh in 2018-19, 'Nil' in 2019-20 and 2020-21. The ACP target for 2021-22 under this sector is ₹ 15.89 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹22.68 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit Cost	PLP Projections 2022-23		
				Physical Unit	Financial outlay	Bank Loan
1	Ornamental fish breeding - medium size unit	No.	4.20	6	25.20	22.68
	Total				25.20	22.68

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

### 2.1.9.4 Critical intervention required for creating a definitive impact

- Inland fisheries must undertake with other uses of freshwater in a lake or river without affecting the quality of water supply for the local population. These different interests must be carefully balanced if the quality of the water is not to be degraded. Many fish species have been threatened by overfishing at inland fisheries. Therefore, sustainable fishing practices need to be encouraged.
- As the tanks in the district are rainfed and the rains are scanty in the district, there is poor response for fresh water fish culture/commercial fish culture. To overcome the situation, long term lease of PWD ponds has to be evolved.

### 2.1.9.5 Suggested Action Points

- Tanks in the district need desiltation at regular intervals for taking up inland fisheries activities. Strengthening embankment of lakes/tanks, provision of shutters in the canals would also pave way for more intensive inland fisheries activities.
- Ornamental fish culture activity is gaining momentum, and it has tremendous export potential. The ornamental fish breeding has a good scope for rural employment.
- Training may be provided for ornamental fisheries to create more entrepreneur.
- Fish culture in check dams, farm pond and percolation ponds should be encouraged.

### 2.1.10 Farm Credit- Others – Bullocks, carts, two wheelers etc.

#### 2.1.10.1 Introduction

In spite of large scale application of tractors and electrical power in agriculture, animal power plays an important role in India. Bullocks continue to perform farm operations for small and marginal farmers and are popular for transporting the inputs to the farm as well as for taking the produce to the market place. Similarly, there is good scope for financing two wheelers for agricultural operations and financing agri-clinics and Farm Service centers for enhancing agri extension services. With the high level of small land holdings in the district, bullock cart driven implements would help the small farmers reduce the drudgery without any increase in cost owing to fuel or electricity. Agricultural Engineering Department may come up with such implements for the benefit of farmers.

#### 2.1.10.2 Infrastructure and linkage support available, planned and gaps

- As these investments are mostly eligible under TAHDCO schemes, banks may finance such cases in large numbers.

- Banks to step-up financing for manufacturing quality carts and bullock drawn implements like seeding equipment, weeders etc.
- There is a huge opportunity for honeybee keeping in the Kolli hills. Farmers should be trained to be promoted in large scale.
- Namakkal district has 1,52,425 marginal farmers and 42131 small farmers which together constitutes 88% of the total farmers.

### 2.1.10.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was Nil for the last 3 years. The ACP target for 2021-22 under this sector is ₹ 193.92 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹205.52 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Bullocks	No.	0.74	196	145.04	145.04
2	Bullocks + Cart	No.	0.63	96	60.48	60.48
	<b>Total</b>				<b>205.52</b>	<b>205.52</b>

The block wise and activity wise physical and financial projections are furnished in Annexure I

### 2.1.10.4 Critical intervention required for creating a definitive impact

- During drought condition, farmers sell their bullocks at cheaper rate. This should be avoided by encourage them to practice silage, water conservation methods and Hydroponics.
- Encourage financing for manufacturing quality carts and bullock drawn implements like seeding equipment, weeders.

### 2.1.10.5 Suggested Action Points

- Bullock cart can be used for carrying the goods and executing agricultural operations. Small and marginal farmers who cannot afford to use machine power can make use of animal power to reduce cost of their agricultural operations.
- Ploughing using bullocks will reduce the cost of cultivation of small and marginal farmers.

## 2.1.11 INTEGRATED FARMING SYSTEM (IFS)

### 2.1.11.1 Introduction

An Integrated Farming System (IFS) is a judicious combination of two or more components of agriculture & allied sector activities using cardinal principles of minimum competition and maximum complementarity with advanced agronomic management tools aiming for sustainable and environment friendly improvement of farm income, family nutrition and ecosystem services. The main advantage is increasing farm income by integration of allied activities and reducing costs through input recycling from by-products of allied enterprises.

#### Components of IFS:

1. Crops, livestock, birds and trees are the major components of any IFS.
2. Crop may have subsystem like monocrop, mixed/intercrop, multi-tier crops of cereals, legumes (pulses), oilseeds, forage etc.

3. Livestock components may be milch cow, goat, sheep, poultry and bees.
4. Tree components may include timer, fuel, fodder and fruit trees.

### Factors to be considered in IFS

The following factors have to be considered while selecting IFS in rainfed areas. Soil types, rainfall and its distribution and length of growing season are the major factors that decide the selection of suitable annual crops, trees and livestock components. The needs and resource base of the farmers also decides the selection of IFS components in any farm.

### Benefits of Integrated Farming System

Enhanced Productivity is one of the most important benefits of integrated farming system. By increase productivity means that economic yield increases per unit area per unit by time due to intensification of crop and allied farming enterprises. Profitability factor also increases as productivity increase. This is because we are using the waste material or by-product of one enterprise as an input into other farming enterprise. **Adoption of New Technology** is one of the important benefits of integrated farming system. As we are using the waste material of one enterprise as input into the production function of other type of enterprise, so waste pollution is minimized and hence environmental safety is ensured.

### Few other Benefits of Integrated Farming System

Some other benefits of this type of farming system are listed below

- Promotion of Agro-Industry
- Increased Input Efficiency
- Cost Minimization for Input Use
- Increased Employment
- Fodder Security for Livestock
- Recycling
- Continuous Income Round the Year
- Energy Saving

### 2.1.11.2 Infrastructure and Linkage support available, planned and gaps

#### National Mission on Sustainable Agriculture (NMSA)

Under NMSA scheme, subsidy is available at 50% of input cost for crop based (fields crops/ plantation crops), livestock based and also fisheries based Integrated Farming Systems.

**State Scenario:** The GoTN implementing integrated farming system since 2019 with the financial assistance of GOI. (Ref GO No (2D) No 191, Agri (AP 5) dated 24.09.2019 & GOI F.No 1-25 2018-RFS –III dated 26.09.2019). During 2019-20, the 3300 units of IFS was planned to set up in phased manner under National Mission for Sustainable Agriculture (NMSA) –Rain fed area development programme with a grant assistance of ₹ 3300.00 lakh, Of which ₹ 1980.00 lakh was released. Initially an amount of ₹ 1.00 lakh was allocated per IFS unit, later on it was decided to reduce the amount ₹60,000/-per unit.

Sl.No	Components	Original assistance for One IFS unit	Revised assistance for One IFS unit
1	Agricultural crop along with inter crop and border crop	₹10,000/- per ha	₹10,000/- per ha
2	Milch Animals (Cows/buffalo)	₹30,000/-for 2 milch animals	₹15,000/- for one milch animal
3	Goat/Sheep	₹15,000/- for 9+1 nos	₹15,000/- for 9+1 nos
4	Desi poultry birds	₹6000/- for 20 birds	₹3,000/- for 10 birds
5	Permanent vermi compost unit	₹25,000 for 200 Cu.ft	₹12,500 for 100 Cu.ft

6	Horticultural fruit trees –Semi and fruit tree	₹5000/- for 300 saplings including planting and manuring cost	₹15000/- for 90 saplings including planting and manuring cost
7	Apiary units	₹4800/- for 3 units	₹1600/- per unit
8	Tree Silvi ( Patural) in situ/ex situ conversion of non-timber forest produce	₹4200/- for 70 cents	₹1400/ for 24 cents
	<b>Total</b>	<b>₹1,00,000/-</b>	<b>₹60,000/-</b>

Source (JDA Agriculture, ADH of Horticulture and JD of AH) 2018-19

### District scenario for FY 2020-21:

The scenario under Integrated Farming System for Namakkal District during FY 2020-21 is as under:

	Financial (Amount in ₹)			
	Target	Achievement		
Activity		Centre	State	Total
Integrated Farming System				
1 Horticulture based farming system	13,01,600.00	3,51,000.00	2,34,000.00	5,85,000.00
2 Livestock based farming system				
2.1 Dairy based farming system(Cows+Mixed farming+ Fodder,Buffalo+Mixed farming+Fodder Cow/buffalo+dairy)	46,80,000.00	29,25,000.00	19,50,000.00	48,75,000.00
2.2 Small ruminant (Poultry/ duckery+Mixed Farming Poultry/ duckery+Fishery+Mixed/ Farming)	48,66,000.00	35,10,000.00	23,40,000.00	58,50,000.00
4 Agro-Forestry/Tree based farming system				
4.2 Cropping system with peripheral plantation	15,90,000.00	13,76,100.00	9,17,400.00	22,93,500.00
4.4 Silvi Pastural based farming system	4,24,000.00	3,90,000.00	2,60,000.00	6,50,000.00
Value Added Resource Conservation System				
1 Apiculture	19,58,400.00	6,24,000.00	4,16,000.00	10,40,000.00
4 Water Harvesting and Management				
7 Vermi compost Units				
7.1 Permanent Structure	39,00,000.00	24,37,500.00	16,25,000.00	40,62,500.00
Total of NAMAKKAL	2,04,82,000.00	1,16,13,600.00	77,42,400.00	1,93,56,000.00

(Source: Namakkal Report 2020-21 : <https://nmsa.dac.gov.in/RptActivityAchievementDistrictCluster>)

### 2.1.11.3 Assessment of Potential for the year 2022-23 (in both physical and financial terms)

Projections for Integrated Farming System model for 2021-22 was ₹135 lakh. However, GLC figures are not available separately for IFS. Physical and financial projections for the year 2022-23 are given in the following table:-

(₹lakh)

Sr. No.	Activity	Unit	Unit Cost	PLP Projection for 2022-23		
				Physical Units	TFO	Bank Loan
1	Animal Husbandry based IFS (2 Dairy, 10+1 Goat, 50 country chicken, panchakavya, Fodder)	Nos. (1 Acre)	2.5	75	187.50	168.75
	<b>Total</b>				<b>187.50</b>	<b>168.75</b>

#### 2.1.11.4 Critical Intervention required for creating a definitive impact

- KVK and other resource institutions in the district should create demo IFS fields and train the farmers on importance & merits of integrating the different components.
- Subsidies available with different departments should be converged and given to farmers adopting IFS so that more no. of farmers will start adopting the model.

#### 2.1.11.5 Suggested Action Points

- IFS model should be promoted on mission mode by departments and institutions as this is the only model which can help in doubling farmers' income.
- State Bank of India has financed several IFS farmers in the district. Similarly other banks should come forward in financing the farmers for IFS.

## 2.2 AGRICULTURE INFRASTRUCTURE

### 2.2.1 CONSTRUCTION OF STORAGE FACILITIES, WAREHOUSES, MARKET YARDS, GODOWNS, SILOS, COLD STORAGE UNITS/COLD STORAGE CHAINS

#### 2.2.1.1 Introduction

Indian economy is an agrarian economy with over 70% of the population engaged in activities related to agriculture. With two good monsoons in a row, Indian food grain production is estimated to touch a record high of 303.34 million tonnes in 2020-21 (2rd Advance Estimates) which is nearly 5.84 MMT more than the previous year production of 297.50 MMT. A major part of the food grain production consists of Paddy at 120.32 MT (40%), Wheat at about 109.24 MMT (36%) and Nutri/Coarse Cereals at 49.36 MMT (16%). Further, production of Rabi and Kharif crops is now almost equal on account of growth in Rabi crop due to increased production of wheat, cereals and pulses. Of the total production, food grain output is estimated to be 147.95 million tonne from the kharif (summer) season and 155.40 million tonne from the rabi season of this year. All these leads to increased requirement for higher storage capacity in India.

The total state owned storage capacity is held through three public sector agencies viz. Food Corporation of India (FCI), Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWC).

The current food grain storage capacity in the country is around 88 million tonnes with over 75 million tonnes covered and 13 million tonnes covered area plinth (CAP). The storage capacity available with Government agencies is primarily used for keeping central stock of food grains for the buffer stock, public distribution systems and other Government schemes, which consequently leaves only a marginal capacity for other players to store their produce.

In this scenario, godowns and warehouses play a major role in creation of storage facilities. A godown is a freight shed or any building where goods or cargo are stored in a covered / controlled condition. As per Warehouse Development and Regulatory Authority (WDRA) of India, Warehouse means any premises conforming to all the requirements including manpower specified by WDRA by regulations. Storage godowns and market yards, help the farmers by ensuring higher prices for their produce through proper weighing, cleaning, grading and scientifically storage. Marketing infrastructure may include processing, grading & standardisation, transportation and storage before ultimate consumption by consumer. The infrastructural facilities that are essentially required for reducing post-harvest losses are cold storages (for perishable agricultural and horticultural produce), rural godowns, drying yards, grading/sorting units, pack houses, transport vehicles like refrigerated vans, market yards, retail market outlets etc.

### **Status of logistics and warehousing facilities in Tamilnadu**

The godown and warehouse capacities available in Public, Co-operative and Private Sectors in Tamil Nadu is as under:

(lakh MT)

<b>Name of the Agency</b>	<b>India*</b>	<b>Tamil Nadu#</b>
Central Warehousing Corporation	101.00	7.62
Food Corporation of India	414.70	6.20
State Warehousing Corporation & civil supplies corp'n	354.85	7.58
Tamil Nadu Civil Supplies Corporation	NA	11.37
Department of Agri Marketing and Agri Business	NA	2.38
Cooperative Sector	150.70	8.75
Private Sector	189.70	9.45
<b>Total</b>	<b>1210.95</b>	<b>53.35</b>

\*Data sourced from Annual Reports, Report of Committee for strengthening NWRs and data published by Agriculture Department, GoI

# 12<sup>th</sup> Five Year Plan of Govt. of TN with updated data for Private Sector

### **2.2.1.2 Infrastructure and linkage support available, planned and gaps**

**i) Negotiable Warehouse receipts (NWR) :** Negotiable warehouse receipt allows transfer of ownership of that commodity stored in a warehouse without having to deliver the physical commodity. Farmers can use it as collateral for obtaining short-term borrowing for their working capital requirement for the current sowing season from banks. Further, when the prices become favourable, the farmer can sell the same, repay the loan and get a surplus income. The introduction of e-NWR system in the country shall not only help farmers to avail better credit facilities and avoid distress sale but also safeguard financial institutions by mitigating risks inherent in credit extension to farmers. It will also entail the benefits of interest subvention of 3% for pledge loans issued through KCC upto ₹3 lakh per farmer (SF / MF) for a period of six months.

**ii) Warehouse infrastructure Fund (WIF) :** The fund envisages extension of loans to Public and Private sectors for construction of warehouses, silos, cold storages and other cold chain infrastructure. Priority will be given for the projects proposed in Eastern and North Eastern states and food grain deficit states.

**iii) Agriculture Marketing Infrastructure (AMI) sub- scheme of Integrated Scheme for Agricultural Marketing (ISAM) :** The Agricultural Marketing Infrastructure (AMI) sub-scheme of ISAM is being implemented by Ministry of Agriculture and Farmers' Welfare, Government of India. NABARD is the channelizing agency for release of subsidy @

25% to 33.33% of the capital cost for institutions eligible for refinance by NABARD or any other FI such as State Financial Corporation's (SFCs) approved by DAC&FW.

**iv) Agriculture Infrastructure Fund (AIF) :** Recently, under Aathmanirbhar package, Government of India had announced setting up of ₹ 1 Lakh crore under Agriculture Infrastructure Fund for investment in viable projects for post-harvest management Infrastructure and community farming assets through interest subvention and financial support. Under the scheme, ₹ One Lakh Crore will be provided by banks and financial institutions as loans to Primary Agricultural Credit Societies (PACS), Marketing Cooperative Societies, Farmer Producers Organizations (FPOs), Self Help Group (SHG), Farmers, Joint Liability Groups (JLG), Multipurpose Cooperative Societies, Agri-entrepreneurs, Startups, Aggregation Infrastructure Providers and Central/State agency or Local Body sponsored Public Private Partnership Project. Loans will be disbursed in four years starting with sanction of ₹ 10,000 crore in the current year and ₹ 30,000 crore each in next three financial years. The duration of the Scheme shall be from FY2020 to FY2029 (10 years).

### **Warehouse status in the district**

Total food grain and oil seed production in the district was 2,24,116 Tonnes during 2020-21. However total storage capacity available for public utilisation is 1,30,000 MT. Further there is huge demand to store raw materials required for preparation of poultry feed. Also there is huge demand for cold storage to store vegetables, fruits and eggs.

In Namakkal district, TNWC, TNCSC, CWC, FCI together has a total storage capacity of 30200MT. PACCS and APCMS has a total storage capacity of 44300MT. In addition, many private agencies owned storage capacity upto 1,20,000 MT.

### **Infrastructure available:**

S.No.	Facility	No.	Capacity
1.	Storage		
a.	Regulated Markets (APCMS)	6	26000 MT
b.	PACCS	1169	18315 MT
c.	TNWC/TNCSC/CWC	10	30200 MT
d.	Private storage	45	120000 MT
2.	Cold Storage (Marketing)	2	50 MT
6.	Cold storage (Private)	25	
7.	Uzhavar Sandais	6	
8.	Drying yard	570	
9.	Banana Ripening chamber	1	20 M.T
10.	Rural sandhai	87	
11.	Transaction shed	2	

(Source: Dept. of Marketing, Namakkal, 2019)

### **Cold Storage infrastructure:**

Production of vegetables, fruits, milk and eggs has increased much faster than food grains at both National and State level, but demand is rising even faster. To meet this demand, multidimensional approach like increasing the productivity with latest technology, reduction in wastage during transportation, handling and storage related infrastructure is the need of the hour. Inadequate cold-chain infrastructure hampers India's food exports as well.

Paddy, Banana, Sugarcane, Pulses, Groundnut, Sorghum, Tapioca & Turmeric are the major crops cultivated in the district. Cold storage is required for preserving Banana and vegetables. Currently only 50 MT cold storage is available in 2 regulated market. In addition, more cold storage is required to store egg. During covid-19, poultry industry faced heavy loss due to non-availability of cold storage at affordable rate.

### 2.2.1.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was ₹ 851.81 lakh in 2018-19, ₹ 158.35 lakh in 2019-20 and ₹249.11 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 2715.05 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹2084.40 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Storage Godown 1000 MT	No.	60.00	24	1440.00	1296.00
2	Cold storage 100 MT	No.	10.00	15	150.00	135.00
3	Market Yards	No.	33.00	22	726.00	653.40
	<b>Storage Total</b>				2316.00	2084.40

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

### 2.2.1.4 Critical intervention required for creating a definitive impact

Market yards, Rural godowns with other structures like seed processing units, drying yards, grading centres, collection/procurement centres, etc. have potential in the district as food grain cultivation is largely taken up.

Bankers to take advantage of the new railway line link that has been commissioned to the district and also the Integrated Scheme for Agricultural Marketing for both storage and primary processing of agricultural produce and encourage private entrepreneurs to set up units in the district.

The salem Marketing committee accounted for 19 regulated markets – 13 in Salem and 6 in Namakkal district. The salem Marketing committee under RIDF scheme has set up cold storage facility with 25 Metric Tonne capacity each in Namagiripettai and Paramathivelur in Namakkal district.

Market complexes on the lines of Turmeric Market complex at Erode and Jaggery Market complex proposed at Tiruchirapalli, could be replicated in Namakkal. Agriculture Marketing Committee may identify suitable marketing projects like agri market complexes. Department of Agri-Marketing and Agri-Business may play a pivotal role in dissemination of information on post-harvest technologies among farmers.

The infrastructure for the farmers producer company includes the basic facility for conducting the day to day operations, storage facility for the surplus produce of the farmers, processing facility for drying, grading and value addition. As the producer company increases its volume of transaction, it will require its own transport and marketing facilities. Government facilities such as warehouse, godown and machineries should be available on lease to the FPOs. The government can also allocate some common land for the FPOs to establish such an infrastructure. The policies on the public procurement at the regulated market should be relooked and consider the need of the small and marginal farmers.

### 2.2.1.5 Suggested Action Points

#### Government Departments

- Establishment of more Primary Processing Centres (PPCs) will prove to be a boost amongst farmers.
- Formation of FPOs and enabling them undertake primary and secondary processing through training on processing, packaging and marketing of agri produce and milk products will be beneficial to the farmers. FPOs should partner with Tamil Nādu supply

chain management for operating primary processing centres for fruits, vegetables and other perishables.

- Kisan Rath – Using Kisan Rathi mobile app launched by GoI, farmers, FPOs and traders can contact vehicle providers for transporting agriculture produce.
- Uzhavan app – storage rental should be introduced in the app for public convenience.
- Farmers who cultivate horticultural crops can store their produce in the cold storages and sell in the market when there is demand and get better price for their produce.

### **Banks**

- Similarly farmers can store their paddy in the rural godowns and avail loan under NWR financing before selling in the market after three to six months of harvesting and get more income.
- Godown in PACCS is not utilized properly. Farmers and FPOs should be motivated to use this godown for storage.

## **2.2.2 AGRICULTURE INFRASTRUCTURE – LAND DEVELOPMENT, SOIL CONSERVATION AND WATERSHED DEVELOPMENT**

### **2.2.2.1 Introduction**

Efficient management of land resources is a pre-requisite for increasing the agricultural production. Land development comprises all the activities undertaken by farmers to improve productivity of land, to prevent soil erosion and to improve land quality. Land Development includes activities such as land leveling, soil conservation, watershed development in rain fed areas, land reclamation, soil improvement particularly in areas affected by salinity, alkalinity and water logging & drainage development. The types of soil in the district are red loam, laterite, sandy coastal, alluvial red sandy and clay loam.

### **2.2.2.2 Infrastructure and linkage support available, planned and gaps**

Paramparagat Krishi Vikas Yojana (Traditional Farming Improvement Programme) has been launched by Government of India to support and promote organic farming and thereby improving soil health. This will encourage farmers to adopt eco-friendly concept of cultivation and reduce their dependence on fertilizers and agricultural chemicals to improve yields.

**Soil Health cards scheme of GoI:** The Government plans to issue soil cards to all 14 crore farmers which will carry crop-wise recommendations of nutrients and fertilisers required for the individual farms to help farmers to improve productivity through judicious use of inputs. Namakkal has 6 soil testing lab (PACCS-4, KVK-1, Agri department-1) and 1 mobile soil testing lab. As on 31.03.2020, 13290573 farmers were covered under soil health card in Tamil Nādu.

The scheme envisages promotion of organic farming and integrated nutrient system to reduce the consumption of chemical fertilizers by 20%. The demand for organic sources of plant nutrient like bio-fertilizers, organic manure, vermi-compost, slow release nitrogenous fertilizer like Neem/sulphur coated urea will increase, which in turn improve the soil fertility as well nutrient use efficiency.

### **Watershed Development**

A large number of watersheds have been taken up under the Integrated Watershed Management Programme by the District Watershed Development Agency for improving soil and water conservation measures. With a view to promoting participatory approach for watershed development, a Watershed Development Fund with a corpus of ₹200 crore was set up in NABARD during 1999-2000. Tamil Nadu is one of the 14 states selected for implementation of the project. Currently WDF assisted schemes are being implemented in 24

districts. The details of watershed projects sanctioned in the district and progress in implementation, has been furnished below.

Sr. No	Name of watershed	Location (Block)	Area (ha)	TFO (lakh)
1	Navani	Puduchatram	1,000	58
2	Unanthangal	Namagiripettai	1,600	70
3	Sevanthipatti & Vadavathur	Erumaipatti	1,200	104
4	Tusur (CBP)	Erumapatty	100	11.35

Various soil and water conservation works like Farm Ponds, Check Dams, Agro Horticulture, Agro Forestry, Dryland Horticulture, etc. have been carried out. Wherever Farm Ponds have been constructed, there has been a rise of 2 to 3 metres in the Ground Water level and farmers are now convinced of the importance of such water conservation measures.

The State Government has allowed the interested farmers for lifting tank silt (vandal) from ponds and other waterbodies. Vandal soil is rich in nutrients. Allowing farmers to lift vandal soil help in maintaining water bodies also. Tamil Nādu government is implementing Kudimaramathu scheme with the support of farmers to restore water bodies. The State Government has given thrust for popularisation of farm ponds and Government is providing subsidy for constructing farm pond in the private land.

### Banking plan in watershed areas

The banking plan regularly prepared and presented to BLBC meeting. Due to the constant efforts the credit intensification of the watershed areas increased. Besides 2 FPOs has been formed in the watershed areas with the NABARD support.

NABARD has announced special refinance scheme in watershed areas for all priority sector loans extended by the banks in watershed development project areas and agro-processing activities for tribal farmers will be eligible for refinance at 3% and the borrower will get at the interest rate for maximum 5.5%. Banking plan is prepared and it will be implemented in the watershed areas with the support of Indian Bank, Vadavathur and Tamil Nādu Grama Bank, Mullukuruchi.

### Seed Production

Seed multiplication from the Breeder seed is undertaken mainly in Government owned State Seed Farms and in the fields of progressive farmers. The Seed farms for the Production of Certified Seeds (Foundation Class and Certified Class) are registered with the Department of Seed Certification by following the guidelines thereon. The seeds are processed in 126 Seed Processing Units (SPU). The processed seeds are tested in Seed testing laboratories for the germination, other designated varieties and genetic purity. The seed lots passed in seed testing are certified and made available in 880 Agricultural Extension Centres for distribution to the farmers. During 2018-19, 27,022 Metric Tonnes of quality Certified seeds were procured and 27,782 Metric Tonnes of Certified seeds were distributed to Farmers including the opening balance of 2018-19. Production of Certified Seeds (Foundation Class and Certified Class) is undertaken by TANSEDA for the Agriculture crops cultivated by farmers in Tamil Nadu.

#### 2.2.2.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was ₹ 1243.73 lakh in 2018-19, ₹ 244.51 lakh in 2019-20 and ₹ 422.93 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 966.98 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹ 1449.00 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Land Development	Ha	0.30	1100	330.00	330.00
2	Farm bunding	Nos	0.15	2300	345.00	345.00
3	Farm Ponds	Nos	1.72	900	1548.00	774.00
	<b>Sub-Total</b>				<b>2223.00</b>	<b>1449.00</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

A new activity of Farm Pond which has good demand from farmers for conserving water and increasing percolation has been included. 50% subsidy is available for farm pond construction from Government. The Bank Loan for watershed development has been 'Nil' as the same is being taken up under various Schemes of GOI and State Government.

#### 2.2.2.4 Critical intervention required for creating a definitive impact

- Banks may formulate schemes for farmers who can take up On Farm Development Works such as land levelling, bunding, field channels and extend financial assistance.
- Specific schemes by banks needs to be brought about for Farm ponds to facilitate water storage and recharge of groundwater.
- Organic compost reduces cost of purchased inputs while improving soil health. However, it takes 2-3 years to achieve optimum yield. Thus, some farm income scheme may have to be integrated for small and marginal farmers so that their farm income loss is off-set during this period.
- Commercial Production of Organic Inputs viz. Biofertilizer, Vermi compost / vermi hatcheries & Compost from vegetable and fruits, etc., may be taken up by farmer aggregates like PACS, Producer Organizations, Societies etc.
- Soil reclamation activities may also be taken up.

#### 2.2.2.5 Suggested Action Points

- Integrated farming system to be encouraged among small and marginal farmers with initial support from Government, which will improve the income of farmers
- Promotion of Integrated Pest Management (IPM) and integrated Nutrient Management (INM) practices among the farmers improve the yield.
- Promotion of organic farming clusters by utilizing assistance available under State and Central Government sponsored schemes.

### 2.2.3 AGRICULTURE INFRASTRUCTURE – OTHERS

#### 2.2.3.1 Introduction

In the revised priority sector norms, agriculture infrastructure covers activities such as, Seed processing unit, bio fertilizer/pesticide, vermi compost. Certified seeds play an important role in increasing the production and productivity.

**e-NAM:** The eNAM electronic trading platform has been created by GOI, Ministry of Agriculture & Farmers' Welfare. It offers to serve as a plug-in system to any market yard existing in a State (whether regulated or private). The special software developed for eNAM is available to each mandi which agrees to join the national network free of cost with necessary customization to conform to the regulations of each State Mandi Act.

eNAM is not a parallel marketing structure but rather a device to create a national network of physical mandis which can be accessed online. It seeks to leverage the physical infrastructure

of the mandis through an online trading portal, enabling buyers situated even outside the Mandi/ State to participate in trading at the local level.

State Government interested to integrate their mandis with eNAM are required to carry out following three reforms in their APMC Act.

- a) Single trading license (Unified) to be valid across the state
- b) Single point levy of market fee across the state; and
- c) Provision for e-auction/ e-trading as a mode of price discovery

**Kisan Rath mobile app** facilitates farmers, FPOs and traders across India to search and contact the transport service providers for transporting the Agriculture & Horticulture produce. It connects them with the transport service providers, providing a wide range of trucks and tractor trolleys, and also allows posting the requirements of part-load as well as full-load. The app interfaces with major transport aggregators and also allows individual transporters to register their vehicles and provide services to farmers and traders. In the app, the registered Farmer, FPOs, buyer or trader posts a load which is sent to transport aggregators, individual transporters and tractor owners (under CHC scheme) registered on the app and they can respond with their contact no. and quotes. The requestor can view the responses to their posted loads and negotiate offline with the transporters to finalise the deal and can provide a rating for the transporter once the trip is completed. The app is available in both Android and iOS versions in select languages.

**Tissue Culture:** Plant tissue culture or micro-propagation technology has made invaluable contribution to agriculture by enabling the production of disease free, quality planting material of commercial plants and fruit trees, throughout the year. It is a technique for in vitro growth of plantlets from any part of the plant in a suitable nutrient medium under controlled aseptic conditions. Plant propagation by tissue culture method was found commercially successful in propagation of many valuable crops like orchids, banana, sugarcane, papaya etc. Tissue culture plants have been well accepted by farmers all over the country because of its uniform productivity, free from disease, vigorous growth and high yield. Higher yield is contributed by increase in the yield per plant as well as larger number of plants, which can be cultivated per unit area.

**Agriculture Biotechnology-** Advances in gene discovery and genomics have led to the identification of several novel genes that provide excellent opportunities for effectively tackling problems of biotic/abiotic stresses, for enhancement of crop productivity, and for improvement of their nutritional quality.

**Seed Production-** Seed is the basic and most critical input for sustainable agriculture. It is estimated that the direct contribution of quality seed alone to the total production is about 15 – 20% depending upon the crop and it can be further raised up to 45% with efficient management of other inputs. The introduction of New Seed Development Policy (1988 – 1989) gave access to Indian farmers of the best of seed and planting material available anywhere on the world. The policy has stimulated appreciable investments by private individuals, Indian Corporate and MNCs in the Indian seed sector with strong R&D base for product development in each of the seed companies with more emphasis on high value hybrids of cereals and vegetables and hi-tech products such as Bt. Cotton.

**Seed Production System in India:** The system recognizes three generations namely breeder, foundation and certified seeds and provides adequate safeguards for quality assurance in the seed multiplication chain to maintain the purity of the variety as it flows from the breeder to the farmer. The production and distribution of quality/certified seeds is primarily the responsibility of the State Governments. Certified seed production is organized through State Seed Corporation, Departmental Agricultural Farms and Cooperatives etc. The

distribution of seeds is undertaken through a number of channels i.e. departmental outlets at block and village level, cooperatives, outlets of seed corporations, private dealers etc.

**Bio fertilizers/Bio-pesticides:** Growth of crop plants depend much on good soil health. Soil health maintenance warrants optimum combination of organic and inorganic components of the soil. Repeated and excessive use of chemical fertilizers adversely affects soil biota. In nature, there are number of useful soil microorganisms which can help plants to get nutrients. For sustainable crop protection there are large numbers of microorganisms and other bio-agents which act as enemies of crop pests and control their spread through antagonism or by causing pathogenicity. With research many such microorganisms (bacteria and fungi) have been identified which on application to soil and plant attack the pests and inhibit or control their spread. Bio-fertilisers enhance the nutrient availability to crop plants (by process like fixing atmospheric nitrogen or dissolving insoluble phosphorous present in the soil); and also impart better health to plants and soil thereby enhancing crop yields in a moderate way. Bio-pesticides on the other hand on application through seed, foliar spray or as soil treatment increase their activity and prevent the growth of pathogenic fungi through their antagonistic activity or develop pathogenicity in target insect pests

**Vermi-composting:** Composting is microbiological conversion of biodegradable organic wastes into suitable humus by indigenous micro flora including bacteria, fungi and actinomycetes. Earthworms are also increasingly being used for conversion of waste biomass into vermicompost.

#### Benefits to Agricultural Sector

- Enhances soil fertility and soil health, improve water holding capacity of soil.
- Improves soil biodiversity
- Support vigorous growth and high quality yield thereby increases productivity
- Rich source of plant nutrients
- No pesticide residues, weed seeds, heavy metals, sand, termite, wax, plant root diseases, etc.

#### 2.2.3.2 Infrastructure and linkage support available, planned and gaps

Paramparagat Krishi Vikas Yojana (Traditional Farming Improvement Programme) has been launched by Government of India to support and promote organic farming and thereby improving soil health. This will encourage farmers to adopt eco-friendly concept of cultivation and reduce their dependence on fertilisers and chemicals.

Capital Investment Subsidy Scheme for Commercial Production Units of Organic Inputs under "National Project on Organic Farming" would help in augmenting the production of quality organic inputs for catering to the needs of the growing demand. The scheme encourages establishment of commercial production units of organic inputs namely Bio-Fertilisers & Bio-Pesticides and Fruit & Vegetable Waste Compost. The scheme provides credit linked back ended subsidy for establishment of bio-fertilizer production units, @ 25% of the total cost of project up to ₹40.00 lakhs per unit and credit linked back ended subsidy through NABARD for setting up of fruit/vegetable waste / agro-waste compost unit @ 33% of the total cost of project up to ₹60.00 lakh per unit. Nowadays, use of bio fertilizer, bio pesticides and vermi compost is increasing in the district due to increased awareness on the side effects of chemical fertilisers and pesticides.

#### 2.2.3.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was ₹ 484.06 lakh in 2018-19, ₹ 4332.06 lakh in 2019-20 and ₹3478.23 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 5584.17 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹ 5720.40 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Vermicompost 100 TPA	4.00	No.	169	676.00	608.40
2	Biofertiliser / Pesticide Unit	100.00	No.	27	2700.00	2430.00
3	Seed Processing unit	20.00	No.	29	580.00	522.00
4	Tissue Culture (Banana)	100.00	No.	24	2400.00	2160.00
	Total				<b>6356.00</b>	<b>5720.40</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

#### 2.2.3.4 Critical intervention required for creating a definitive impact

- Agriculture Department may encourage farmers in taking up certified seed production so that the seed replacement rate improves resulting in increase in production and productivity.
- The State Government extension machinery needs to be geared up for effectively disseminating the irrigation and soil management practices using Bio-fertilisers and Bio-pesticides, organic manure and to create awareness on harmful effects of indiscriminate use of irrigation water and chemical fertilisers.
- Agriculture Department to promote setting up of Bio fertilizer and Bio Pesticide units to improve the soil health as visualized in Paramparagat Krishi Vikas Yojana.
- Banks may encourage and extend the required financial support for setting up of bio-fertiliser and bio-pesticides production units, vermi-compost units, coir pith composting units etc., by individual farmers/SHGs for availing the subsidy available under KVIC / GOI Schemes.
- Organic farming and export of organically grown fruits/vegetables is a good business proposition and banks may reach out to the farmers for extending credit.

#### 2.2.3.5 Suggested Action Points

- Steps should be taken to link organic farming to certification. Arrangements also should also be made by the government for the marketing of organic produce.
- Farmers to be encouraged to take up seed production, which will ensure better income for them.
- Farmers to be encouraged to take up organic farming to get better price for their produce

### CHAPTER 2.3 AGRICULTURE-ANCILLARY ACTIVITIES

#### 2.3.1 FOOD AND AGRO PROCESSING

##### 2.3.1.1 Introduction

Food processing sector is one of the emerging sectors in India in terms of production, growth, consumption, and export. Food and Agro Processing sector encompasses processing of raw materials (food / feed) from all agricultural crops including food grains, horticultural and plantation products, minor forest produces, livestock, fisheries etc. The Indian food processing industry is primarily export oriented. The sector plays an important role in preservation of food, ensuring food security and creation of gainful employment to local population.

Out of the country's total agriculture and allied sector production, only 2 per cent is processed. The highest share of processed food is in the Dairy sector, where 37 per cent of the total produce is processed, of which 15 per cent is processed by the organised sector.

### 2.3.1.2 Infrastructure and linkage support available, planned and gaps

Government is promoting Agro Processing clusters in industrial parks and special economic zones keeping in view value-addition of meat and seafood (Ramanathapuram), Poultry products (Namakkal), Turmeric (Erode), Sago (Salem), Bananas (Trichy), Mangoes (Krishnagiri), Cashew (Panruti), Palm products, Medicinal plants and seafood (Thoothukudi), Milk Products, Grapes (Theni).

Government of India has implementing a Central Sector scheme - SAMPADA (Scheme for Agro Marine Processing and Development of Agro Processing Clusters) with an outlay of ₹6000 crore for the period 2016-20 co-terminus with the 14th Finance Commission cycle. SAMPADA is the comprehensive package aimed at creation of modern infrastructure from farm gate to retail outlet. SAMPADA is expected to leverage investment of ₹31400 crore, handling of 334 lakh MT agro produce valuing ₹1.04 lakh crore, benefit 20 lakh farmers and generate 5.30 lakh direct / indirect employment in the country by the year 2019-20.

In Namakkal, 879 units are registered under Agro-processing sector. Agro-processing industries, especially, tapioca processing, jaggery making and oil extraction mills have significant potential for further expansion in the district which is ideally placed in terms of agro-climatic conditions, raw material availability and skilled manpower supply. Emerging activity is the millet snacks making. Two SIDCO Industrial estates are located in Tiruchengode and Namakkal for setting up enterprises. There is a scope for setting up food parks in the district to boost food and agro processing industry. Under MSDA scheme, 5 FPOs have started value added production units like cold press oil extraction unit and millet processing unit.

Milk and meat production could be further increased with adequate support in the form of popularisation of new breeds of milch animals and sheep and goats, increased emphasis on fodder production, and increasing veterinary infrastructure. Namakkal is known for egg production, however value added products on egg is very less. More Food and Agro-processing units on egg, meat, fruits, Tapioca, tomato, onion, poultry, processed meat, dairy products to be setup for the benefit of farmers and economic growth.

### 2.3.1.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was showing 'Nil' for the last 3 years. However the credit disbursed by bank towards Agriculture-ancillary combining food & agro-processing and others is ₹ 26208.10 lakh in 2018-19, ₹ 9668.05 lakh in 2019-20 and ₹3929.73 lakh in 2020-21.. The ACP target for 2021-22 under Food & Agro-processing is ₹ 585.39 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹ 4011.67 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical unit	Financial outlay	Bank Loan
	<b>Investment Credit</b>					
1	Sago Modernisation	Nos.	25.00	24	600.00	540.00
2	Oil Mills	Nos.	8.45	55	464.91	418.42
3	Jaggery Units	Nos.	3.50	21	73.50	66.15
4	Other Agro based	Nos.	15.00	23	345.00	310.50
5	Meat processing unit	Nos.	20.00	12	240.00	216.00
6	Milk Products	Nos.	13.00	18	234.00	210.60

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical unit	Financial outlay	Bank Loan
7	Working capital for existing units				2500.00	2250.00
	<b>Total</b>				<b>4457.41</b>	<b>4011.67</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

Taking into account the importance for this sector, the credit potential has been assessed taking into account an upward revision in the unit cost and moderation of the physical units. The assessment of working capital requirements for this sector has also been based on the existing units registered under this sector.

#### 2.3.1.4 Critical intervention required for creating a definitive impact

- Under Pradhan Mantri Kisan SAMPADA Yojana, MoFPI has formulated a Scheme for assisting skilling infrastructure and Development of Course curriculum with a budget outlay of ₹27.50 Crore.
- Increasing investments in the sector have led to higher demand for more qualified people. The Government has set up a Food sector skill council called Food Industry Capacity & Skill Initiatives (FICSI). Indian Institute of Food Processing Technology (IIFPT), Tanjavur, Tamil Nadu are conducting regular trainings in Food Processing on self-financing basis & sponsored funds from other sources including under Pradhan Mantri Kaushal Vikas Yojana (PMKVY).
- The other possible ventures in the district are coconut dry powder, confectioneries, coconut milk, desiccated powder, coconut cream, oil refineries, coir industry, coir pith decomposing industry, coir mat industry, tender coconut soft drink industry, khandasari, gingelly, groundnut, maize, millets, sunflower, cleaning and packing of tamarind, tamarind concentrate, amla pulp extract etc. since amla is dry plant, this can be promoted in the district.
- In the case of Fruits and Vegetables, the possibilities are Fruit pulps and juices (eg. mango & pineapple), fruit based ready-to-serve beverages, canned fruits and vegetables, jams, jellies (mango, guava, pineapple), squashes, pickles, chutneys, concentrates, dehydrated and frozen fruits and vegetables (amla powder, amla flakes), vegetable curries in pouches, canned mushroom and mushroom products, dried fruits and vegetables and fruit juice concentrates.
- **Banks may step up lending to the sector by availing coverage under CGTMSE.**
- **Farmers could be encouraged to form producer companies to undertake value addition to their agricultural produce and reap higher returns**
- Banks to network with DIC, Coir Board, KVIC, SIPCOT, SIDCO, NGOs, SHGs, Federations, SSI Association and Traders associations to provide financial support to potential areas for development.
- Mahalir Thittam and Banks to facilitate transformation of matured SHGs into Micro enterprise, through guidance, motivating them to produce/provide need based quality products / services, ensuring their marketing arrangements and adequate and timely lending.
- Banks may ensure provision of adequate working capital to small scale and tiny units.
- Provision of qualitative and uninterrupted power supply should be ensured and the time lag for supplying power connection to new units, be reduced.
- KVIC / KVIB / DIC may popularise their schemes among the people and lending institutions with simplified procedures for availing the margin money through the banking channel.
- It is a longstanding demand of Namakkal people to setup food park in the district to promote food processing units.
- More value addition on Tapioca

### 2.3.1.5 Suggested Action Points

- FPOs should be encouraged to setup primary processing and grading should be encouraged for enhancing the income of farmers.
- The concept of Rural Business Hubs to be revived, wherein agro industries can tie up with farmers for production of raw materials through technology transfer and input supply as well.
- Sectoral Skill Councils for Food Processing and Agriculture need to work in unison with related Sectoral Skill Councils for improving the skill sets of rural households which in turn will help them increasing the household income and also risk mitigation through activity diversification.
- Banks may promote micro enterprises under PMFME and consider to avail refinance under the special refinance product at lower rate of interest

### 2.3.2 AGRICULTURE – ANCILLARY ACTIVITIES- OTHERS

#### 2.3.2.1 Introduction

Agri-Clinic and Agri-Business Centres (ACABC) scheme has been envisaged to support agriculture development and aims to create gainful self-employment opportunities to unemployed agriculture professionals. Agri-Clinics are envisaged to provide expert advice and services to farmers on various technologies which would enhance productivity of crops/animals and ensure increased income to farmers. Agri-Business Centres are commercial units of agri-ventures established by trained agriculture professionals for income generation and entrepreneurship development. Back ended composite subsidy of 44% for SC/ST, women and 36% for others is provided under the scheme.

Loans to Cooperative Marketing Societies for disposing produce of members, and loans to PACCS, FSS and LAMPS for onlending to agriculture is new area for commercial banks to explore as there is good potential in the district. Further lending of MFIs for onlending to SHGs / JLGs for their activities in the agriculture sector also has good scope.

#### 2.3.2.2 Infrastructure and linkage support available, planned and gaps

- A Nodal Training Institute approved by MANAGE, Hyderabad is operating in the district for providing training to agripreneurs. Since the district is predominantly agrarian in nature, there is scope for new units to augment the agricultural extension system.
- The Nodal Training Institute need to handhold the trainees for setting up agribusiness ventures in the district.
- Awareness about the ACABC scheme among the various stakeholders need to be built up.

#### 2.3.2.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was ₹26208.10 lakh in 2018-19, ₹ 9668.05 lakh in 2019-20 and ₹3929.73 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 11549.86. Keeping the above factors, the credit for 2022-23 is assessed at ₹ 13914.50 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Loans to Coops - Produce Loan	Nos.	50	37	1850.00	1110.00
2	ACABC Loans	Nos.	20	90	2700.00	1620.00

Sr. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
3	Loans to PACS for Onlending	Nos.	100	30	4500.00	2700.00
4	Loans to MFIs for Onlending	Nos.	1000	10	6666.67	6000.00
5	Loans to FPO	Nos.	40	15	600.00	540.00
6	Two Wheelers for Agri Operations	Nos.	0.58	2150	1385.56	1247.00
7	Custom Hiring centre	Nos.	25	31	775.00	697.50
	<b>Total</b>				<b>18477.22</b>	<b>13914.50</b>

#### 2.3.2.4 Critical intervention required for creating a definitive impact

Bankers need to explore the possibility of lending to PACCS and Cooperative Marketing Societies and extend credit support to them for onlending to its members for agriculture activities as well as for PACS as MSC. Bankers also need to study and understand the activities of the MFIs operating in the district and explore the possibility of financing these institutions.

#### 2.3.2.5 Suggested Action Points

- Farmers to utilize the loan availed from MFI for income generating activities and earn better income. Ensure MFI provided loan at affordable interest rate.
- Two wheeler for agriculture purpose will reduce time and cost to the farmers. Using two wheeler farmers can supply their milk in nearby town / cities.

## Chapter 3

### CREDIT POTENTIAL FOR MICRO, SMALL AND MEDIUM ENTERPRISES (MSME)

#### 3.1 Introduction

The micro, small and medium enterprises play a vital role in the economic development especially in providing employment. With a view to reducing the strain on farm-sector activities and deploy the available manpower and other resources, development of non-farm sector activities are very crucial for sustainable employment opportunities. The MSME sector is an important pillar of Indian economy, as it contributes about 45% to manufacturing output, 40% of the total exports of the country and forms part of about 95% of the total industrial units in the country, thus creating employment to about 70 million. The limits for micro, small, and medium enterprises was recently changed. As per ministry of micro, small and medium Gazette notification vide CG-DL-E-01062020-219680 dated 01.06.2020 are as under

- (i) A micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees.
- (ii) A small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees.
- (iii) A medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

#### 3.2 Infrastructure and linkage support available, planned and gaps

Power looms occupy a predominant place in the Namakkal district. In Tiruchengode, Pallipalayam, Elachipalayam, Vennandur, Rasipuram and Mallasamudram blocks, powerloom industry is the major source of employment. There is a total of 60,190 power loom units and 18473 handloom units in the district. Another important activity of the district is Lorry Body Building activity Owing to the predominance of this activity, there are a number of ancillary units supplying small accessories to the Lorry Body-Building industry. The district also has the headquarters of the Lorry Owners Association of Tamil Nadu. Sago manufacturing is the other thriving industry. Some of the other popular non-farm activities are pottery, mat weaving, basket making, coir making, brick making, agar-bathi making woodcarving etc. As on 31st March 2020, 6705 units were registered in the district.

Various schemes available to promote MSME in the district :

- Credit Linked Capital Subsidy Scheme (CLCSS) for Technology Upgradation
- Special Credit Linked Capital Subsidy Scheme for technology upgradation to SC/ST MSE.
- New Entrepreneur cum Enterprise Development Scheme (NEEDS) scheme aims to promote young first generation entrepreneurs by providing terms loans from Banks with capital subsidy at 25% of the project cost (not exceeding ₹25 lakh) and soft loan with 3% interest subvention.
- Unemployed Youth Employment Generation Programme (UYEGP) and Prime ministers employment generation programme (PMEGP) scheme aims to setting up Manufacturing / Service / Business enterprises particularly among the educated and unemployed, to become self-employed. Under this scheme, loans up to maximum of ₹10 lakh can be availed of by the manufacturing sector, upto ₹3 lakh by the services sector and upto ₹1 lakh by the business sector from banks, with subsidy assistance from the State Government up to 25% on the project cost (subject to a maximum of ₹1,25,000/-).

### **NABARD interventions / success stories**

- NABARD supports NAAC approved training centre, NGOs and RSETIs to conduct skill development program to generate employment opportunities for the rural population through NABSKILL portal.
- During 2017-18, NABARD provided grant support to RSETI upto 3 lakhs for purchasing their required infrastructure for the training needs. Every year, NABARD supports NGO to conduct the training program in the rural area.
- During 2020-21, NABARD proposed to assist handloom weavers by forming Off farm producer company similar to Farmers producer company.

### **New Initiatives for MSMEs**

#### **i. Ease of Registration Process of MSMEs- Udyog Aadhaar Memorandum**

To simplify forms to enable ease of registration of MSME's, Ministry of MSME has notified a simple one-page registration form 'Udyog Aadhaar Memorandum' (UAM) replaces the filing of Entrepreneurs' Memorandum (EM part-I & II) using <http://udyogaadhaar.gov.in> to instantly get a unique Udyog Aadhaar Number (UAN).

#### **ii. MSME Data Bank**

All MSMEs are to furnish information relating to their enterprises online to the Central Government in the data bank maintained by it at [www.msmedatabank.in](http://www.msmedatabank.in) which can be accessed by government departments to do procurement under Public Procurement Policy of Government of India. This data bank will enable the Ministry to streamline and monitor the schemes and pass on the benefits directly to MSMEs.

#### **iii. MyMSME**

To facilitate the enterprises to take benefit of various schemes by the Office of Development Commissioner (MSME), a web-based application module namely, MyMSME has been launched. This has also been converted into a mobile app. Entrepreneurs will be able to make their applications and track it on their mobile itself.

#### **iv. MSME-SAMBANDH**

The Ministry of Micro, Small and Medium Enterprises notified the Public Procurement Policy for Micro and Small Enterprises, which mandates 20% of annual procurement from MSEs, including 4% from enterprises owned by SC/ST entrepreneurs by the Central Ministries / Departments and Central Public Sector Enterprises (CPSEs). For effective implementation and monitoring of the policy, the Ministry launched the Public Procurement Portal titled "MSME-SAMBANDH" on 08.12.2017.

#### **v. Single Window Clearance Committee for MSMEs**

The Single Window Portal for MSME (<https://www.easybusiness.tn.gov.in/msme>) was launched on 4.5.2018 and is in operation to get various licenses/approvals from various departments.

#### **vi. National Scheduled Caste / Scheduled Tribe Hub**

This scheme was launched to provide professional support to SC/ST through capacity building, skill training, EDPs, vendor development, promoting participation of SC/ST entrepreneurs in exhibitions, facilitating SC/ST entrepreneurs participating in public procurement and monitoring the progress, etc. The Scheme is implemented through National Small Industries Corporation Ltd. (NSIC).

#### **vii. Micro Units Development and Refinance Agency (MUDRA)**

MUDRA scheme for providing loans upto 10 lakh to the non-corporate, non-farm small/micro enterprises through Commercial Banks, RRBs, Small Finance Banks, Cooperative Banks, MFIs and NBFCs. The loans under Mudra Scheme are guaranteed by Credit Guarantee for

Micro Units (CGFMU) and the same is provided through National Credit Guarantee Trustee Company (NCGTC).

**viii. Stand Up India Scheme** objective is to facilitate bank loans between ₹10 lakh and ₹1 crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrower per bank branch for setting up a green field new enterprise.

**ix. Start up India Scheme** aims to create as a single point of contact for the entire start up ecosystem to enable knowledge exchange and access to funding. GoI has created a website [www.startupindia.gov.in](http://www.startupindia.gov.in) wherein the list of incubators and funds available for startups are listed.

### 3.3 Assessment of Potential for the financial year 2022-23

The credit disbursement by banks for this sector was ₹91644.78 lakh in 2018-19, ₹72270.31 lakh in 2019-20 ₹89087.64 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹99290.00 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹112295.92 lakh.

(₹lakh)

Sr. No	Activity	Unit	Unit cost	PLP Projection 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
Investment Credit						
1	Handloom Units	Nos	2.10	920	1932.03	1449.02
2	Powerloom / Autoloom Units	Nos	15.75	915	14411.29	10808.47
3	Brick units	Nos	5.78	180	1040.45	780.34
4	Mat weaving	Nos	5.07	155	785.85	589.39
5	Artisan units	Nos	9.77	153	1494.87	1121.15
6	Coir Manufacture	Nos	8.40	58	487.20	365.40
7	Garments	Nos	10.50	194	2037.03	1527.77
8	Internet Browsing Centre	Nos	7.88	254	2001.52	1501.14
9	DTP & Photocopying	Nos	11.03	231	2547.99	1910.99
10	Tailoring Units	Nos	3.41	299	1019.61	764.71
11	Beautician Centre	Nos	2.63	299	786.40	589.80
12	Vehicle Service Centres	Nos	5.25	278	1459.49	1094.62
13	Lorry Body Service Centre	Nos	31.50	116	3654.08	2740.56
14	Small Road and Transport operators	Nos	21.00	356	7476.00	5607.00
15	Professional Self Employed	Nos	15.75	366	5764.56	4323.42
16	Education coaching Institution	Nos	15.75	274	4315.52	3236.64
17	Other Micro Enterprises	Nos	10.50	750	7875.00	5906.25
18	Other Small and Medium Enterprises	Nos	315.00	97	30555.00	22916.25
	MSME IC Total				89643.89	67232.92
Working Capital						
1	Handloom/Powerloom				11161.11	10045.00
2	Artisan				1300.00	1170.00
3	Medium Enterprises				32250.00	29025.00

4	Village/ cottage industries			1408.89	1268.00
5	Tiny Industries			3950.00	3555.00
	MSME WC Total			50070.00	45063.00
	<b>TOTAL MSME (IC + WC)</b>			<b>139713.89</b>	<b>112295.92</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

### 3.4 Critical intervention required for creating a definitive impact

- More skilled manpower is required for the MSME sector. To meet this challenge of producing large number of youth with required skill, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was launched. PMKVY is the flagship outcome-based skill training scheme of the new Ministry for Skill Development & Entrepreneurship (MSDE). More Industry related training should be provided through PMKVY centre.
- More cluster based initiative has to be taken to promote MSME in the district through SIDCO.
- Micro & Small Enterprises Cluster Development Programme (MSE-CDP) grant for establishment of Common Facility Centre (CFC) /Infrastructure development, to be used by members/non-members within the cluster/units. SIDCO is the Implementing Agency for this. Around 30 projects were sanctioned in Tamil Nadu, out of which 14 projects have already been completed and the remaining 16 projects are under various stages of implementation. The total employment generation from these clusters will be around 25,500 persons.
- Scheme of Fund for Regeneration of Traditional Industries (SFURTI) to organize traditional industries and artisans into Clusters and provide support to build up innovative products with improved technologies for their long term sustainability and marketability.
- Regular Power supply without voltage problems is essential for improving the industrial sector of this district. Though predominantly agrarian, the major industries of Rigs and Lorry Body Building as also the commercial poultry layers and broilers requires uninterrupted power supply.
- Working Capital Management is an important aspect in running a unit. Many units have turned sick due to non-availability of adequate working capital in time. Of the type of existing units in the district, working capital is required for Modern Rice Mills, dal mills, oil mills, sugar factories, Handloom/Powerloom societies, Retail trade, Groundnut oil extraction, brick kilns, steel fabrication unit, bakery, etc.

### 3.5 Suggested Action Points

#### Government/Government Agencies:

- Governments may actively provide necessary infrastructure in industrial clusters so that the units remain competitive.
- State Governments may popularise the single window clearance to enable next generation entrepreneurs to take up business activity.
- Government agencies like KVIC / KVIB / DIC may popularise their schemes among the people through townhall meeting and mass media campaigns.
- Establishment of rural artisan complex / common work sheds
- Trade Centre for strengthening the MSME sector
- Construction of proper workshed for rural handicraft artisans—
- Setting up of 'Zero Liquid Discharge System' to revive dyeing activity
- Intensification of efforts for cluster development and formation of OFPO in identified cluster

**Banks / Financial Institution:**

- With the change in definition of MSME, banks may reach out to those eligible borrowers to extend credit facilities.
- Banks may actively support MSME sector, leveraging the CGTMSE coverage.
- Promotion of traditional activities.
- Banks may sanction Weavers Credit Cards (WCC) to all the eligible weavers.
- Swarozgar Credit Card (SCC) may be issued to small entrepreneurs and artisans.
- With the availability of data from several sources, including GSTN, Income Tax, Credit Bureaus, Fraud Registry, banks should strive to reduce their turnaround time in extending credit facilities.
- Banks need to actively participate in bill discounting platforms such as TReDS to overcome the problems faced by borrowers due to delayed payments.
- Banks may leverage the credit guarantee schemes offered by CGTMSE and NCGTC to extend collateral free loans to eligible borrowers.
- Banks may have regular liaison with industrial association, training establishments to reach out to the potential new borrowers.
- Banks should collaborate with NBFCs to co-originate loans to achieve quick turnaround time.
- Extend loans to trainees who have undergone EDP at RUDSETI, RSETI & INDSETI
- Requirements for skill training to be uploaded in Nabskill portal

## CHAPTER 4

### POTENTIAL FOR EXPORT CREDIT, EDUCATION AND HOUSING

#### 4.1 Export Credit

##### 4.1.1 Introduction

Export is a crucial sector for earnings in foreign currency and provides significant contribution to the growth of economy. India's exports plunged by a record 34.57 per cent in March due to a steep decline in shipments of leather, gems and jewellery and petroleum products, dragging the total exports in 2019-20 down to \$314.31 billion. The country's major exports are to the United States of America, followed by the United Arab Emirates. The Major Export items of India are petroleum products, gems & jewellery, pharma products, transport equipment, readymade garments, Marine foods, agri. products and IT Services. The major exports, from Tamilnadu are garments, textiles, automobiles, fruits, rice, vegetables, cotton, oil, turmeric, fireworks, handicrafts, rubber & rubber products, leather & leather products, horticultural products, spices, masala, silk & cotton sarees and marine products.

As export business is exposed to variety of risks, to reduce risk element in export business, the government has set up the Export Credit and Guarantee Corporation (ECGC), which provides export assistance in the form of insurance cover and guarantees. There is also an Export Inspection Council of India (EICI) which extends financial assistance to the exporters for the quality control purposes

##### 4.1.2 Infrastructure and linkage support available, planned and gaps

The major organizations available for furthering the cause of export in Tamil Nadu are Council for Leather Exports, Export Promotion council for Handicrafts, Export Promotion Council for EOU & SEZ Units, Handloom Export Promotion Council all stationed at Chennai and Power loom Export Promotion Council stationed at Erode. Further the Coir Board, Tea Board, Spices Board and MPEDA have an office in Tamil Nadu.

**District Scenario:** The major production of the district is Egg, which has got huge potential for exports. However, due to various constraints exports to middle-eastern countries is taking place in a very small way. The district has a strong power loom and handloom industry and good amount of exports are taking place to Singapore and other countries. Similarly meat export has to be promoted, which has good potential in the district. Sago production from Tapioca has good potential and the district is yet to tap the export potential for Sago. Small Onion of good quality is being produced in the district and the same reaches the Singapore market and middle-eastern markets through the Trichy markets.

##### 4.1.3 Assessment of Potential for the financial year 2022-23

As per the revised Priority Sector Guidelines of Reserve Bank of India, Export credit upto 32 percent of ANBC or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher, will be eligible as part of priority sector for foreign banks with less than 20 branches. For other banks, the incremental export credit over corresponding date of the preceding year will be reckoned upto 2 percent of ANBC or Credit Equivalent Amount of Off-Balance Sheet Exposure, whichever is higher. The major components of export credit relate to 'Pre-shipment/Packing Credit' and 'Post-shipment credit'.

The credit disbursement by banks for this sector was ₹11341.00 lakh in 2018-19, ₹2232.77 lakh in 2019-20 and ₹875.00 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹5700.00 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹9100.00 lakh.

(₹lakh)

Sl. No.	Activity	Unit	Unit cost	PLP Projections 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Pre-shipment/ packing credit	No.	150.00	46	6900.00	6900.00
2	Post-shipment credit	No.	100.00	22	2200.00	2200.00
	<b>Total</b>				<b>9100.00</b>	<b>9100.00</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

#### 4.1.4 Critical intervention required for creating a definitive impact

- Most of these units avail export credit from the main branches of banks as no specialized export oriented branch has been situated. Further some of the textile units which are closer to Erode also avail from branches of that district.
- District Industries Centre is also conducting Road Shows in Namakkal to encourage entrepreneurs to export as part of the State Government's Global Investors Meet organized at Chennai.
- MSME Development Institute, Chennai provides guidance for units which are interested in export/import.

#### 4.1.5 Suggested Action Points

##### Government

- Availability of logistics, power and government support like tax incentives are essential for exploitation of potential under this sector.
- Settling the pre shipment credit within the stipulated time after the dispatch of goods or converting them into post shipment credit may be ensured.
- Domestic and international demand and supply situation, price competitiveness, quality concerns, sanitary & phytosanitary requirements and relevant rules & regulations of the importing countries are to be studied and support system needs to be extended.

##### Banks

- Exporters may be encouraged to avail the export credit insurance facilities extended by ECGC.
- Lack of more forex branches in the district and the operation handling outside district makes access to credit difficult for the exported.

#### 4.2 Education

##### 4.2.1 Introduction

The essence of Human Resource Development is education, which plays a significant and remedial role in balancing the socio-economic framework of the country. It leads to industrial

and technological progress, economic development of country and helps in improving quality of life of citizens. Tamil Nadu is one of the most literate states in India. The state's literacy rate was 80.33% in 2011, which is above the national average.

#### 4.2.2 Infrastructure and linkage support available, planned and gaps

The district is endowed with the Veterinary University (TANUVAS) besides 10 Government Arts Colleges, 4 Aided Colleges and 56 Self-Financed Colleges. Besides there are 17 Engineering Colleges providing vast scope for higher studies in the district. Namakkal district has 143 Government schools and 163 private schools. Every year around 25000 students appears for +2.

GoI has launched a Scheme titled "Central Sector Interest Subsidy Scheme" (CSIS) in 2009. The scheme provides full interest subsidy during the moratorium period on modern education loans without any collateral security and third-party guarantee, for pursuing technical/professional courses in India. Students whose annual gross parental/ family income is up to ₹4.5 lakhs are eligible under the scheme.

Need based finance subject to repaying capacity of the parents/ students and the ceilings upto ₹10 lakh for studies in India and for abroad studies. The margins prescribed are 'nil' upto ₹4 lakh loan; 5% for loans above ₹4 lakh and 15% for abroad studies. There is no stipulation of security for loans upto ₹4 lakh.

#### 4.2.3 Assessment of potential for the FY 2022-23

As per the revised Priority Sector Guidelines of Reserve Bank of India, loans to individuals for educational purposes including vocational courses up to ₹10 lakh, irrespective of the sanctioned amount, will be considered as eligible for Priority sector.

The credit disbursement by banks for this sector was ₹7860.15 lakh in 2018-19, ₹964.25 lakh in 2019-20 and ₹746.11 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹4575.41 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹9511.50 lakh.

(₹Lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projection 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Engineering Courses	No.	1.50	3230	6460.00	6460.00
2	Medical courses	No.	4.00	73	365.00	365.00
3	Other Courses	No.	0.50	1695	1271.25	1271.25
4	Study Abroad	No.	15.00	111	1665.00	1415.25
	<b>Total</b>				9761.25	9511.50

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

#### 4.2.4 Critical intervention required for creating a definitive impact

- Central schools like Kendra vidyalaya and Medical college should be opened. Fee structure in the CBSE schools should be streamlined in the district for the benefit of rural youth to get better education for all.
- Many students and parents are not aware of the procedure to avail education loan. Vidyalakhmi portal for applying education loan should be popularized among the students and parents.

- The Government of India has launched a scheme to provide full interest subsidy during the period of moratorium on loans taken by students belonging to Economically Weaker Sections.
- As per the revised Priority Sector Lending norms, loans to individuals for educational purposes including vocational courses up to ₹10 lakh, irrespective of the sanctioned amount, will be considered as eligible for priority sector.

#### **4.2.5 Suggested Action Points**

- Banks may sanction educational loans to all eligible students based on the fees prescribed by Shri N V Balasubramanian Committee for various courses. Banks may not insist on service area concept for education loan purpose.
- Banks may conduct camps in the higher secondary schools and provide check list of documents to be submitted for availing education loan.
- Every year around 25000 students appears for +2 exam. Even if 20% of students require finance for UG course, the banks have to gear up to finance nearly 5000.

### **4.3 Housing**

#### **4.3.1 Introduction**

Housing plays an important role in development of a country's economy due to its inter-relationships with other sectors, such as, manufacturing and services. Housing, not only generates employment opportunities but also adds to capital formation. The Working Group on Rural Housing constituted by Planning Commission has estimated the housing shortage in rural India at 4 crore by the end of the 12<sup>th</sup> Plan period.

#### **4.3.2 Infrastructure and linkage support available, planned and gaps**

**Pradhan Mantri Gramin Awaas Yojana (PMAY)** With a view to establish Housing for All by 2022, exclusive schemes for urban and rural areas were introduced by GoI viz., PMAY-(Urban) and PMAY – (Gramin). Under PMAY – (Gramin), it is envisaged that one crore households would be provided assistance for construction of pucca house, under the project during the period from 2016-17 to 2019-20. The scheme would be implemented in rural areas throughout India except Delhi and Chandigarh. The cost of houses is shared between Centre and States in 75%:25% ratio. In the State of Tamil Nadu, Rural Development and Panchayat Raj Department is the Nodal Department.

#### **Housing Finance under priority Sector lending:**

- (i) Loans to individuals up to 35 lakh in metropolitan centres (with population of ten lakh and above) and loans up to 25 lakh in other centres for purchase/construction of a dwelling unit per family provided the overall cost of the dwelling unit in the metropolitan centre and at other centres should not exceed ₹45 lakh and ₹30 lakh respectively.
- (ii) Loans for repairs to damaged dwelling units of families up to ₹5 lakh in metropolitan centres and up to ₹2 lakh in other centres.
- (iii) The loans sanctioned by banks for housing projects exclusively for the purpose of construction of houses for economically weaker sections and low income groups, the total cost of which does not exceed ₹10 lakh per dwelling unit. For the purpose of identifying the economically weaker sections and low income groups, the family income limit of ₹3 lakh per annum for EWS and ₹6 lakh per annum for LIG, in alignment with the income criteria specified under the Pradhan Mantri Awas Yojana (PMAY).

#### **4.3.3 Assessment of potential for the FY 2022-23**

The credit disbursement by banks for this sector was ₹21547.85 lakh in 2018-19, ₹ 42385.63 lakh in 2019-20 and ₹41537.80 lakh in 2020-21. The ACP target for 2021-22 under this sector

is ₹ 57295.31 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹60951.15 lakh.

(₹ lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projection 2022-23		
				Physical Units	Financial Outlay	Bank Loan
1	New Units	No.	26.25	3030	79537.53	59653.15
2	Repairs	No.	2.20	1180	2596.00	1298.00
	<b>Total</b>				<b>82133.53</b>	<b>60951.15</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

#### 4.3.4 Critical intervention required for creating a definitive impact

- In Tamil Nadu, "Vision-2023" aims at provision of world class infrastructure and promotion of affordable housing for every citizen of Tamil Nadu. Towards this, the target is to build 2.5 million houses at a cost of ₹75,000 crore in the next 11 years, including houses for Economically Weaker Sections.
- Under Chief Minister's Solar powered green housing (Pasumai Veedugal Thittam), 3 lakh houses are to be constructed over a period of 5 years in Tamilnadu. The Rural Development & Panchayat Raj Department will take up the construction of houses @ ₹1.80 lakh and Tamilnadu Energy Development Agency (TEDA) will execute the solar lighting component @ ₹30000/-. All the people living below poverty line in rural areas will be eligible for Solar Powered Green Houses.
- PMAY scheme should be popularized in the rural areas to get more benefit by availing loan in the financial institution.

#### 4.3.5 Suggested Action Points

- Banks has to popularize the PMAY scheme to increase their lending.
- Banks may include generation of solar energy in the new housing projects and fund them so that dependence on conventional energy is reduced.
- Banks need to devise repayment instalments to farmers to suit their cash flow. The present requirement of monthly income may not be made applicable to farmers for repayment of their loans.
- There is also a need to popularize reverse mortgage loan among senior citizens.

## CHAPTER 5

### CREDIT POTENTIAL FOR INFRASTRUCTURE

#### 5.1 INFRASTRUCTURE – PUBLIC INVESTMENT

##### 5.1.1 Introduction

Infrastructure is recognized as a crucial input for economic development. Infrastructure includes the basic facilities, services and installations needed for functioning of a community or society, such as water and power lines, transportation and communication systems and public institutions including schools and post offices. The World Bank treats power, water supply, sewerage, communication, roads & bridges, ports, airports, railways, housing, urban services, oil/gas production and mining sectors as infrastructure. The major components of rural infrastructure are electricity, road connectivity, drinking water supply, health, education and communication. The components pertaining to agricultural infrastructure are irrigation, soil and water conservation, seed farms, cattle breeding centers, diagnostic labs, quality control facility, input supply and logistics, health care, dry and wet storage units, market information and connectivity, etc

##### 5.1.2 Infrastructure and linkage support available, planned and gaps

##### 5.1.2.1 Rural Infrastructure Development Fund (RIDF)

The Government of India had set up Rural Infrastructure Development Fund (RIDF) in NABARD, during 1995-96, with the objective of providing low cost fund support to the States to facilitate quick completion of ongoing rural infrastructure projects, which were languishing for want of resources. The corpus has grown from ₹ 2000 crore in 1995-96 (Tranche I) to ₹29000 crore in 2020-21 (Tranche XXVI). The cumulative funding commitment, as on 31 March 2021 to State Governments/ UTs stood at ₹4.09 lakh crore (inclusive of ₹18500 crore under Bharat Nirman Programme). As many as 7.09 lakh projects have been sanctioned against which ₹3.24 lakh crore have been disbursed as of March 2021. The eligible activities are classified under three broad categories (1) Agri and Allied Sector (2) Social Sector and (3) Rural Connectivity. The Sector wise status of ongoing projects sanctioned in Tamil Nadu are indicated as below (as on 31st March 2021) :

(₹ lakh)

S. No	Activity	No	TFO	RIDF Loan	Amount Disbursed
I	Agri and Allied				
	Irrigation	200	215208.58	197602.16	137026.82
	Other Agri and Allied activities	1080	213236.96	188836.37	104411.49
II	Social Sector				
	Education complexes	3970	135770.51	115120.39	70426.78
	Rural Drinking Water Supply	36	400427.36	322393.59	250455.72
III	Rural Connectivity				
	Rural Roads	581	45285.95	36291.24	27127.56
	Rural Bridges	424	171832.93	135207.55	60356.256
	<b>TOTAL</b>	<b>6291</b>	<b>989849.29</b>	<b>995451.30</b>	<b>649804.62</b>

List of ongoing projects in the Namakkal district as on 31<sup>st</sup> March 2021 is indicated below.  
(₹ lakh)

Project Details	No. of Works	TFO	RIDF Loan	Loan released
Veterinary dispensary	9	418.5	397.61	101.49
Bridges	12	3572.51	2858.01	1366.57
Drinking water supply	1	39996	29043.69	29043.05
Rural Roads	46	3855.57	3084.45	2572.52
Schools	94	3050.244	2568.71	1453.83
Rural Godown	13	519.58	489.64	162.38
Infrastructure in Horticulture Farm	2	108.66	92.36	95.1
<b>Total</b>	<b>177</b>	<b>51521.064</b>	<b>38534.47</b>	<b>34794.94</b>

#### 5.1.2.2 NABARD Infrastructure Development Assistance (NIDA)

NIDA is a new line of credit support for funding rural infrastructure projects. NIDA is designed to fund State owned institutions/ corporations on both on-budget as well as off-budget for creation of rural infrastructure outside the ambit of RIDF borrowing. The assistance under NIDA is available on flexible interest terms with longer repayment period up to 15 years.

During the year 2020-21, ₹6529 crore has been sanctioned to State Government and its Corporation for projects like drinking water supply and irrigation. The details of the project sanctioned and disbursed as on 31 March 2021 are given below:

(Amount in ₹ crore)

S.No	Name of proposal	TFO	Term Loan sanctioned	Amount disbursed
1	Combined Drinking Water Supply Scheme to 250 Rural Habitations in Theni District	16243.39	14112.85	3128.000
2	Combined Drinking Water Supply Scheme to 2452 Rural Habitations, 8 Town Panchayats and bulk provision to 3 Municipalities in Sivagangai district.	175272.82	153759.57	21050.000
3	Construction of Barrage across River Cauvery in Nanjal Pugalur village in Pugalur Taluk in Karur District	40650.00	36585.00	752.400
4	Extension, Renovation and Modernization of works in Lower Bhavani Sub-Basin	93309.65	83978.69	2691.000
5	Extension, Renovation and Modernization of works in Raja Voikkal, Kattalai and Noyyal River	74950.00	66618.00	31798.051
6	Extension, Renovation and Modernization of works in Cauvery Sub-Basin	338400.00	297878.40	0.000
	<b>TOTAL</b>	<b>738825.86</b>	<b>652932.51</b>	<b>59419.451</b>

### 5.1.2.3 Dairy Processing and Infrastructure Development Fund (DIDF)

Government of India has instituted a Fund for establishment / modernization of existing dairy infrastructure in the country designated as “Dairy Infrastructure Development Fund” in NABARD with a corpus of ₹8004 crore. The eligible end borrowers under the fund are Cooperative Milk Unions, State Cooperative Milk Federation, Milk Producer Companies, NDDDB subsidiaries etc.

Under DIDF, sanctions were accorded to 4 Milk Unions in Tamil Nadu during 2020-21 and the details are listed herewith.

(Amount in ₹lakh)

Sl NO	Details of the Proposal	Project Cost	Margin Eligible Borrower (20.00%) from end	Term loan under DIDF (80.00%)
1.	Tamil Nadu Cooperative Milk Producers Federation Ltd( TCMPPF), to establish 10 LLPD dairy plant expandable to 15 LLPD at Madhavaram, Chennai	14218.66	2843.73	11374.93
2	Salem District Co-operative Milk Producers Union Ltd for establishment of new dairy plant of 7 LLPD and Powder plant of 30 MTPD at Salem	14014.00	2802.80	11211.20
3	Thanjavur District Co-operative Milk Producers Union limited to establish new dairy of 1 LLPD at Thanjavur	5355.00	1071.00	4284.00
4	Tiruchirapalli District Co-operative Milk producers union for establishing 6 LLPD Ice Cream and milk products plant at Tiruchirapalli.	4341.56	868.31	3473.25
	<b>TOTAL</b>	<b>37929.22</b>	<b>7585.84</b>	<b>30343.38</b>

### 5.1.2.4 Fisheries and Aquaculture Infrastructure Development Fund (FIDF)

In the Union Budget 2018, the Hon’ble Finance Minister has announced to set aside a corpus of ₹ 10,000crores for setting up of a Fisheries and Aquaculture Infrastructure Development Fund (FIDF) for fisheries sector and an Animal Husbandry Infrastructure Development Fund (AHIDF) for financing infrastructure requirement of animal husbandry sector. The proposed Fisheries and Aquaculture Infrastructure Development Fund entails an estimated fund size of ₹7522.48 Crore comprising of ₹5266.40 crore to be raised by the Nodal Loaning Entities (NLEs), ₹1316.60 crore beneficiaries’ contribution and ₹939.48 crore budgetary support from Government of India. Under this FIDF, an amount of ₹348 Cr of Term Loan has been sanctioned for development of Fishing harbours in Cuddalore, Nagapattinam and Thiruvallur Districts. Against these sanctions, ₹194 crore has been disbursed during 2020-21 for implementing these projects. Tamil Nadu is the only State to avail funds under FIDF.

#### 5.1.2.5 Micro Irrigation Fund

Micro Irrigation Fund with a corpus of ₹5000 crore has been operationalized in NABARD from 2019-20. Ministry of Agriculture and Farmers Welfare (MoA&FW), Government of India is the Nodal Ministry. The objective of the fund is to facilitate State Govts. Efforts in mobilizing additional resources for expanding coverage under micro irrigation and incentivizing its adoption beyond provisions of PMKSY-PDMC. An amount of ₹1357.93 Cr has been sanctioned to Govt of Tamil Nadu against which ₹937.47 Cr has been disbursed till 31 march 2021.

#### 5.1.2.6 Food Processing Fund (FPF)

Government of India has instituted a Fund with a corpus of ₹2000 crore in NABARD for providing affordable credit for establishment of infrastructure in Designated Food Parks (DFPs) and also setting up of individual food processing units therein. The State Government, State Government owned entities, corporates, individuals etc. are eligible to avail loan under the fund with a term loan ranging from 95% (State Government and State Government owned entities backed by State Government Guarantee) to 75% (for other entities) of Total Financial Outlay.

During 2020-21, ₹68 crore has been sanctioned for Establishing 8 Agro Processing Cluster in Tamil Nadu

#### 5.1.3 Assessment of potential for the FY 2022-23

In the COVID-19 pandemic, Govt of India has announced a special package of ₹20.00 lakh crore with the aim of making the country independent against the tough competition in the global supply chain and to help in empowering the poor, labourers, migrants who have been adversely affected by COVID. Some of the highlights where infrastructural investment can be made are:

S.NO	Particulars	Description
1	Animal Husbandry infrastructure development	A fund of ₹15,000 Cr will be set up with the aim of supporting private investment in dairy processing, value addition, and cattle feed infrastructure. Incentives will be given for establishing plants for export of niche dairy products
2	National Digital Health Blueprint	Aimed at creating an ecosystem to support universal health coverage in an efficient, inclusive, safe and timely manner using digital technology.

#### National infrastructure Pipeline

₹100 lakh crore would be invested on infrastructure over the next five years including social and economic infrastructure projects. However, Tamil Nadu State Government has indicated in their budget for 2020 -21 that 179 projects are being proposed projects ₹ 8.85 lakh crore .

#### 5.1.4 Critical interventions required for creating a definitive impact Crop Cultivation - Block Knowledge Centres

Transfer of Technology is the key for increasing production and productivity. Agriculture Technology Management Agency is the Central Government Sponsored Programme for providing the necessary extension services to the farmers in the district in addition to the services of the State Government Department officials. Under ATMA Scheme, a Block Technology Manager (BTM) and 2 Subject Matter Specialists (SMS) have been appointed for

each block. While there are sufficient specialists available for aiding technology transfer at the Block level under the ATMA programme, there is no infrastructure available in major blocks. Under RIDF, state government started constructing Integrated Agriculture Extension centre for all the agriculture departments with storage godown facility.

### **Water Resources**

**(i) Check dam construction** – Nearly 100 TMC of cauvery water, has drained into sea during every monsoon. Drainage of excess water into sea is due to the absence of storage structures. This can be minimized by constructing checkdams at appropriate places in the Namakkal district. Next major project is interlinking of cauvery and Thirumanimutharu, which is the long standing demand of people from Namakkal.

**(ii) Canal Strengthening / Modernisation** - Three Canals viz. Raja, Mohanur and Komarapalayam are running in the district alongside the river Cauvery in the North-western part of the district and has an ayacut of 16000 acres. Owing to indiscriminate drawal of water by the farmers in the upper levels of the canal, water does not reach the fag end. In order to have a control on the amount of water being drawn, the canal needs to be modernised with regulators. The lining works in these canals has to be strengthened and has been pending for want of funds for a long time.

**(iii) Tank Renovation** - Traditional Tank Renovation - There are 67 large tanks in the district and there is an urgent need for desilting these tanks for improving the storage capacity of the tanks. Similarly, there are 192 small tanks covering 67 hectares. These tanks are mainly for improving the ground water table of the district which has depleted over the years below 250 metres. All these tanks needs urgent repairs and involves works like bund strengthening, repair to structures, deepening of tanks and desilting of canals that supply water to the tanks. All the tanks should be connected and excess water from cauvery has to be diverted to these tanks.

### **Plantation & Horticulture - Solar Dehydrator for Pepper at Kolli Hills**

Pepper is cultivated in around 650 ha. In Kolli Hills block and the total production is approximately 2000 MT every year. Pepper could be stored only if it is dried. However, due to the humid climatic conditions, farmers sell their produce immediately at whatever price they could get as no drying facility is presently available. It is, therefore, necessary to set up Solar Dehydrators in 5 panchayats of Kolli Hills.

### **Animal Husbandry**

#### **(i) Block-level Cattle Marketing Complex**

Marketing of Cattle is another major problem area in the district. Every block has a market which works both as a cattle market and also a market for agricultural produce including vegetables. In these markets, there is no provision for tying the cattle or watering them. This is also a potential place for outbreak of diseases as no veterinary doctor is available in these cattle markets. It is, therefore, felt that every block has to earmark a separate area for Cattle Marketing Complex with provision for a few shops, and a Veterinary Clinic (Veterinary Doctor and Assistants posted). The Doctors would ensure that every animal that enters / exits the Market is vaccinated and treated for diseases. There should also be sufficient provision for tying the cattle. Provision for water for the cattle should also be arranged. The shops would be allotted specifically to dealers of veterinary inputs and medicine.

#### **(ii) Generator for Veterinary Dispensaries**

Veterinary Dispensaries, which are the only animal support centres for the villagers and situated all through the district, maintain stock of vaccines and other crucial medicines in fridges. However, due to long power cuts, they are unable to maintain the vaccines in these centres. Therefore, for even small things, the farmers have to carry the animals to the

Veterinary Hospitals which are better equipped but number only 4 for the entire district. Therefore, there is an urgent need to provide a Generator so that the Dispensaries are able to maintain sufficient stock of critical vaccines and also other medicines.

**Market Yards - e-Auction System** There are three Cooperative Marketing Societies, viz. Namakkal CMS, Rasipuram CMS and Tiruchengode CMS. In all these markets, auction of produce, mainly, Cotton & Turmeric takes place in large scale and the system of auction is very primitive and manually handled. This results in a lot of time delay in finalising the bids and ultimate settlement by way of payment. The farmers say that they have to wait till almost 8.00 or 9.00 PM in the night to get their payment. There is a need for totally computerising the auction process through e-NAM.

**Power Sector (i) Capacitors for Electric Motors / Pumpsets** - Correctly installing capacitors at the terminals of motors can lower reactive power requirement and increase system power factor. As power for agriculture purposes is free, the farmers do not take up replacement of the capacitors resulting in poor utilisation of power from the grids. TANGEDCO may consider replacing the existing capacitors with new ones in all the existing motors. This would not only improve optimum utilisation of power supplied but also enable the Department to have sufficient capacity to provide additional connections which are pending for a long time.

**(ii) Bio-Gasifiers for Power Generation** - Namakkal has the highest number of Layer Poultry birds (3.69 crore birds in around 951 farms) in the State and sufficient poultry litter/waste is generated in the district. This poultry waste could be bio-digested to produce methane gas, which can be used to produce electricity. Though one such unit is running in the Private Sector, the same could be taken up on a Public-Private Partnership model by the TNEB for setting up of such units in the district.

#### 5.1.5 Suggested action points

##### **Government Departments**

- Providing support for creation of infrastructures for primary Health centres, Govt Veterinary Hospitals, Govt Schools etc,
- Improvement of sanitary conditions through Solid Waste Management activities.
- Rainwater harvesting, conserving the water bodies for increasing the storage capacity
- Stabilise the drinking water supply by recharge of ground water.
- Recycle the used water in order to reduce the demand for fresh water.
- Utilizing solar energy in agriculture by providing subsidy to the farmers
- Promotion of Farm Machinery Hiring Centres on Cluster basis
- Facilitating platform for marketing the Agricultural produce through Regulated Markets, Farmers Market, Specialized Market Complexes, etc. and creation of e-trading facilities for transparent transactions in the Regulated Markets.
- Strengthening and augmenting infrastructure facilities for marketing & Post harvest management of Agricultural produce.
- Encouraging Agri entrepreneurs for value addition and food processing.
- Establishment of Supply Chain activities for perishable Commodities to the farming community to reduce the post harvest loss.

#### 5.2 SOCIAL INFRASTRUCTURE INVOLVING BANK CREDIT (2022-23)

##### 5.2.1 Introduction

Social infrastructure and economic infrastructure should go hand in hand so that the impact of synergy can be realized in full measure. These two are bound to create a mutually stimulating and reinforcing effect on each other. Social infrastructure can deliver major benefits-faster economic growth, improved productivity, poverty alleviation and

environmental sustainability. Social sector comprising education, health and nutrition care, housing and water supply is very essential for social and economic development. Improvement in the quality of people as productive agents is a central objective of development policies.

Most of the social sector subjects fall within the purview of the State for which funding is provided through the Centrally-sponsored schemes. The Government plays a very significant role in the development of the social sector. The share of social sector in total expenditure in Tamil Nadu is higher than that of other southern States and as well as all-India. Tamil Nadu spends around ₹869.6 billion towards social sector ( RBI Bulletin on State Finances)

The single most important resource for the success of Vision 2023 would be the availability of trained, knowledgeable and skilled manpower in Tamil Nadu. The total investment envisaged in the Education and skill development sector is about ₹19,000 Crore (Vision 2023). Without a body of sufficiently skilled and balanced workforce, no economy can hope to develop to its potential.

The key infrastructure development in the Healthcare sector is in the area of providing universal access to healthcare for all citizens. The investment proposed in this sector is ₹11,000 Crore (Vision 2023). Some of the key initiatives proposed are:

- Increase the capacity of primary and secondary healthcare network involving increasing the bed strength, addition of laboratory, radiology and dietary infrastructure of the hospitals.
- 15 new medical colleges will be established attached to district hospitals and the 17 existing medical colleges cum district hospitals will be upgraded to international standards
- Two Medi-cities will be created in the State with a mission to serve the medical tourism industry covering investment in hospital facilities, education facilities, logistics and hospitality services.
- Trauma, ambulatory and disaster management care facilities will be undertaken along the major transport network of the state and laboratory chains cum collections centres and radiology chains will be established across the state.
- Electronic medical records management and hospital management system will be implemented in all district and Taluk hospitals.

### **5.2.2 Infrastructure and linkage support available, planned and gaps**

The cumulative GSDP of Tamil Nadu over the next 11 years is estimated at ₹ 14,137,352 crore (at 2011 prices). The investment in infrastructure over the same period is estimated ₹ 15,00,000 crore. Of this an amount of ₹ 13,25,000 crore is estimated to be spent on infrastructure projects and ₹ 100,000 crore on administrative and social welfare programmes (welfare, subsidies, and other transfer payments) by the state. Further an estimated ₹ 75,000 crore will be spent on regular capital expenditure on improvements to existing infrastructure. At present, the three major sources of funding infrastructure are State government (60%), Central Government (25%) and private sector (15%). Going forward, the share of the private sector is expected to increase while that of the State government will reduce.

The number of educational institutions, households and health care details available in the district are provided in the district profile statement. Banks may fund for setting up schools, health care facilities and sanitation and achieve their priority sector targets.

Under Swacch Bharat Mission, Government is determined to construct toilet facilities in all the households in the district by 2019. Government provides subsidy of ₹12,000/- per house hold after construction of toilets. Bank funding is needed for the entire amount of construction say ₹15,000/-. Banks can adjust the subsidy to the loan amount when it is received and the balance amount can be collected in twelve annual instalments.

### 5.2.3 Assessment of Potential for the financial year 2022-23

Social infrastructure covering schools, health care facilities, sanitation facilities and drinking water have been brought under the ambit of priority sector lending norms. Bank loans up to a limit of ₹50 million per borrower for building social infrastructure facilities are eligible for classification under priority sector. Bank credit to Micro Finance Institutions (MFI) extended for on-lending to individuals/ members of SHGs/ JLGs for water and sanitation facilities is also eligible for classification as priority sector loans under 'Social Infrastructure' subject to certain criteria.

The credit disbursement by banks for this sector was ₹ 13512.7 lakh in 2018-19, ₹ 3,728.30 lakh in 2019-20 and ₹4131.89 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 8469.06 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹9750 lakh.

(₹ lakh)

Sr. No.	Activity	Unit	Unit Cost	PLP Projection 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Schools / colleges	No.	400.00	21	8400.00	6300.00
2	Sanitation	No.	0.20	4500	900.00	900.00
3	Hospitals / clinics	No.	200.00	17	3400.00	2550.00
	<b>Total</b>				12700.00	9750.00

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

Average unit cost is assumed for health care facilities and schools. Unit cost includes term loan / working capital loan for Hospitals / Nursing Homes and schools.

### 5.2.4 Critical intervention required for creating a definitive impact

- NRHM/NHM: The NRHM launched during the 10th Plan , made an important start in expanding health care facilities in rural areas. The Rashtriya Swasthya Bima Yojana (RSBY) was launched in October 2007 to offer health insurance cover to BPL families. This has been an important step in supplementing the efforts being made to provide quality healthcare to the poor and underprivileged population.
- AYUSH (Aayurveda, Yoga & Naturopathy, Unani, Siddhi, Homoeopathy): Mainstreaming AYUSH into health services at all levels was also an important strategy for the 11th Plan.
- SSA (Sarva Shiksha Abhiyan): The already running Sarva Shiksha Abhiyan (SSA) towards universalisation of primary education has been integrated with RTE Act. This scheme is one of India's major programmes, which addresses the national resolve of universalizing the elementary education (UEE)
- Model School Scheme: The Model School scheme aims to offer quality education to talented rural children through setting up of 6,000 model schools at the rate of one school per block as benchmark of excellence.
- Skill development: The Skill Development Mission has been launched to skill at least 50 million individuals by the end of the 12th Plan. Skill development programmes in the past have been run mainly by the government, with inadequate connection to market demand. To make sure that skills match demand, special efforts are needed to ensure that employers and enterprises play an integral role in the conception and implementation of vocational training programmes, including managing Industrial Training Institutes (ITIs) and in the development of faculty.

### 5.2.5 Suggested Action Points

- It is observed that children tend to take admission in private schools over the Government schools which has resulted in opening of more and more schools. Similarly, awareness on health among the rural people is increasing. Due to this reason, Nursing Homes and

Hospitals are coming up in rural areas. Bank should use this opportunity to fund these infrastructure and create healthy atmosphere in rural area.

- Under Swatch Bharat, private entity should come forward to create and maintain public toilet facilities in the major places.

### 5.3 RENEWABLE ENERGY

#### 5.3.1 Introduction

Renewable energy in India comes under the purview of the Ministry of New and Renewable Energy. India's cumulative grid interactive or grid tied renewable energy capacity (excluding large hydro) has reached 33.8 GW, of which 66% comes from wind, while solar PV contributed nearly 4.59% along with biomass and small hydro power of the renewable energy installed capacity in India.

#### 5.3.2 Infrastructure and linkage support available, planned and gaps

Tamil Nadu has been a pioneer in harnessing energy from renewable energy sources and it has highest installed capacity of more than 11,000 MW in the renewable energy sector with wind energy, where it leads the country, accounting for more than 8,200 MW. The State has huge potential for solar energy with around 300 clear sunny days in a year. The Tamil Nadu government has announced its Solar Energy Policy 2019 with the objective of achieving an installed capacity of 9,000 MW by 2023. TamilNadu has an installed capacity of 312 MW in rooftop solar segment. The State government will also promote the manufacture of solar power components including cells, inverters, batteries etc. Tamil Nadu Energy Development Agency (TEDA) will facilitate and expedite access to various concessions and incentives provided by Union Ministry of New and Renewable Energy.

The Indian Solar Loan Programme, supported by the United Nations Environment Programme has won the prestigious Energy Globe World award for Sustainability for helping to establish a consumer financing program for solar home power systems. Over the span of three years more than 16,000 solar home systems have been financed through 2,000 bank branches, particularly in rural areas of South India where the electricity grid does not yet extend.

The GoI launched Jawaharlal Nehru National Solar Mission in 2009 under the National Action Plan on Climate Change with plans to generate 1,000 MW of power by 2013 and up to 20,000 MW grid-based solar power, 2,000 MW of off-grid solar power and cover 20 million sq metres with collectors by the end of the final phase of the mission in 2020.

#### 5.3.3 Assessment of potential for the FY 2022-23

The credit disbursement by banks for this sector was ₹ 4143.33 lakh in 2018-19, ₹ 2455.70 lakh in 2019-20 and ₹1412.30 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 4110.33 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹5554 lakh.

(₹Lakh)

Sr. No	Activity	Unit	Unit cost	PLP Projection 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Biogas	No.	0.60	380	228.00	228.00
2	Solar Lighting Systems	No.	1.00	4570	4570.00	4570.00
3	Solar pumpsets – 5 HP	No.	5.00	168	840.00	756.00
	<b>Total</b>				<b>5638.00</b>	<b>5554.00</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

#### 5.3.4 Critical intervention required for creating a definitive impact

Banks may adopt *cluster approach* for financing setting up of renewable energy source plants to reduce cost of monitoring, provision of better support service and establish bankability of such ventures. Banks may finance aggressively under JNNSM for Solar Photovoltaic Lighting Systems wherein units upto 1000 watt peak can be installed with 30% subsidy. Units upto 270 Watt Peak would get a higher subsidy of 40% of the total financial outlay.

The Government machinery may take necessary steps to propagate the scheme, ensure proper commissioning of the plants, curb misutilisation and assist in the recovery of overdues.

- Encouraging SHGs, which have availed credit for purchase of milch animals, to install biogas plants could be one method for increasing its acceptance.
- There is a need to attract investors through appropriate incentives/subsidies to set up renewable source power generation / biomass / solid waste processing units in the district.
- Technical supervision and maintenance of plants should be carried out periodically.

**Energy From Waste Material:** Every year, about 55 million tonnes of municipal solid waste (MSW) and 38 billion litres of sewage are generated in the urban areas of India. India has had a long involvement with anaerobic digestion and biogas technologies. Waste water treatment plants in the country have been established which produce renewable energy from sewage gas, however there is significant un-tapped potential. Also wastes from the distillery sector are on some sites converted into biogas to run in a gas engine to generate onsite power.

Under National Biogas and Manure Management Programme, KVIC supports construction of Bio-gas units with a subsidy component upto ₹8000/- per unit. The DRDA provides ₹9000-₹11000 subsidy for 'Dheenabandu' model of bio-gas unit which costs ₹25000.

#### 5.3.5 Suggested Action Points

##### Government

- DRDA and TEDA may conduct awareness camps in various parts of the district for popularising solar energy devices like solar cooker, solar lantern, solar pumpsets, etc.
- District Administration may set up a demonstration unit to enable the farmers to get a first hand idea.

##### Banks

- Lead Bank may organize orientation workshop to all Bankers on the GoI Sponsored Schemes on solar lighting and solar pumpsets.
- Financing of bio-gas could be increased by encouraging SHGs who have availed credit for purchase of milch animals, to install bio-gas plants.

## CHAPTER 6

### INFORMAL CREDIT DELIVERY SYSTEM

#### 6.1 Introduction

Inclusive development is one of the critical determinants of national growth and its importance increases manifold in a developing and vast country like India. The poor living in villages represent the country's vulnerability, arising out of their unequal access to financial literacy, products and services. NABARD has been working towards bringing the excluded population into the formal banking system by addressing both demand and supply side constraints through, among others, the Self Help Group - Bank Linkage Programme (SHG-BLP), Joint Liability Groups and other similar initiatives.

The SHG movement, which started as a link between the unbanked and the formal banking system to cater to the credit needs of the poor, now boasts of savings account balance of ₹37,477.61 crore and credit outstanding of over ₹ 1,03,289.71 crore as on 31 March 2021. With more than 5000 channel partners and 112.23 Lakh groups touching nearly 13.8 crore rural households, it is probably the world's most widely participated grassroots oriented microfinance programme.

#### Status of SHG-BLP in Tamil Nadu :

Tamil Nadu has been actively involved in the SHG Bank Linkage Programme, since its inception. The National Rural Livelihood Mission (NRLM), the poverty reduction programme of GoI, is being implemented as Tamil Nadu State Rural Livelihood Mission (TNSRLM) in all the blocks of Tamil Nadu. TNSRLM envisages creation of sustainable livelihoods of the rural poor living below the poverty line within a period of 5 to 7 years. The State and District level units of Tamil Nadu Corporation for Development of Women Limited (TNCDW) is the nodal agency for implementing the NRLM. Regular savings, maintenance of books and accounts, internal lending and credit support from banks are the major factors for spearheading the movement in the State.

The State has 9.03 lakh SHGs with a savings of ₹ 2285.15 crore and loan outstanding of ₹ 9903.75 crore in respect of 4.43 lakh SHGs as on 31 March 2021

#### Agency wise position as on 31.03.2021

Agency	No. of SHGs savings linked	No. of SHGs having loan O/s	Gap between savings and credit linkage	% of credit linked SHGs
Commercial Banks	622866	307077	315789	49.30
RRBs	96594	34722	61872	35.95
Cooperative Banks	183642	100849	82793	54.92
<b>Total</b>	<b>903102</b>	<b>442648</b>	<b>460454</b>	<b>49.01</b>

While continuing with its goal of spreading its outreach, SHG-BLP needs to address issues such as dormancy / disintegration of SHGs, convergence of SHG-BLP with the developmental programmes of government / development agencies, reduction of NPA levels, etc.

#### 6.2 Infrastructure and linkage support available, planned and gaps

Namakkal is one of the districts where the repayments under the Microfinance programme is still high at 95%. The participation from all the bankers, especially, Commercial Banks and Cooperative banks has been commendable. In fact, around 40% of the credit to the SHGs in the district is through the Primary Agricultural Cooperative Credit Societies functioning in the

district. The lendings to SHGs which stood at ₹64.32 crore for the year 2012-13 rose to ₹390 crore during 2019-20. Adequate and timely credit should be ensured to improve credit through financial institution.

### **SHG-Bank Linkage program**

The participation from all the bank in the district has been commendable and during the year 2020-21-20, 12897 SHGs were credit linked to the tune of ₹ 544 crore against the target of ₹ 505 crore.

### **Joint Liability Groups (JLGs)**

Another offshoot of SHG-BLP, the Joint Liability Group (JLGs) Scheme of financing the mid-segment clients among the poor, leverages on social collateral offered by the members. It is a win-win situation for both financing Banks and JLGs - since the loan is extended for economic activity, JLG members are able to come out of debt trap and improve their economic and social status and Banks are able to improve their business portfolio with prompt repayment by JLG members. As on 31 March 2021, more than 134 lakh JLGs have been promoted and extended credit support of ₹213165 crore.

In Tamil Nadu, 13.71 lakh JLGs have been extended credit support to tune of ₹ 34429.29 crore. In addition to the financial support for creating awareness and capacity building of all stakeholders and incentives for the JLG Promoting Institutions, NABARD also extends 100% refinance support to banks on their lending to JLGs. JLGs are being encouraged to federate themselves as Farmer Producer Organisations to reap the economies of scale in procurement of inputs and marketing of their produce / finished products.

Promotion of Business Model for JLGs by Commercial Banks and RRBs through BC network is also another intervention by NABARD, which would give momentum to the Joint Liability Group - Bank Linkage Programme.

### **Micro credit Finance - MFI**

In addition to JLG and TNCDW supporting SHG through Banks, MFIs also involved in credit linkage to the individual and informal group of 4-5 members. Private Banks are also having separate micro finance wing for this purpose. Namakkal has 11 MFIs and 4 small finance banks to cater this. NABFINS, subsidiary of NABARD is operating through NGOs for providing micro credit linkage.

### **Issues related to Micro Finance**

One of the chronic issues is multiple memberships of members in more than one SHG resulting in high level of loans vitiating the recovery atmosphere.

Another issue is the growth in the number of MFIs mushrooming in the district and they are lending to SHG members without assessing their repayment capacity. This results in SHGs defaulting.

### **Livelihood Interventions for SHGs**

- **Micro entrepreneurship Development Programme (MEDP)**

NABARD has been supporting need based skill development programmes under Micro Enterprise Development Programme, which bridges skill deficits and promotes entrepreneurial talents of the members to set up micro enterprises for matured SHGs through appropriate resource NGOs and other support organisations. The constraints in rural enterprise development are primarily low or negligible income, lack of skill and mentoring services and poor access to markets.

During 2020-21, an MEDP on “Beautician Training” for 2 batches was organised in Tiruchengode and Kalappanaickenpatty of Namakkal district.

- **Livelihood and Entrepreneurship Development Programme (LEDP)**

NABARD started the Livelihood and Entrepreneurship Development Programme (LEDP) for providing end-to-end solutions for sustainable livelihoods in the rural areas. The idea is to demonstrate successful replicable models so that it can be scaled up, which requires an equal measure of support from the banking system and government agencies.

In Namakkal District, an LEDP Project on Embroidery and Basic Tailoring has been sanctioned in 2020-21. 3 batches of training have been completed through faculty support from expert Subject Matter Specialists. All beneficiaries are to be credit linked.

### **e-Shakti Project - Pilots on Digitisation of SHGs**

The Eshakti project was initiated by NABARD on a pilot basis for digitization of SHG records to bring transparency and accuracy in SHGs transactions. The project has a dedicated website [eshakti.nabard.org](http://eshakti.nabard.org). The social and financial data of SHGs and their members in the selected districts are digitized. Digitisation brings all the SHGs on to the technology platform and into the fold of Financial Inclusion, thereby helping them to access wider range of financial services. The EShakti project was being implemented in 281 districts across India covering 25 States and 02 Union territories upto 31 March 2021.

EShakti in Tamil Nadu is being piloted by way of migration of SHG data from eMathi portal of TNCDW to EShakti portal of NABARD through an interface. EShakti has been implemented for the year 2021-22 in all 36 districts of Tamil Nadu and one district of Union Territory of Puducherry i.e. Pondicherry. Banks will be able to view the e-loan application of SHGs who have resolved to borrow loan from the concerned bank and can assess the potential for sanctioning the loan to SHGs based on plethora of MIS reports available through EShakti portal. EShakti ensures transparency and the progress is tracked on a real time basis.

### **6.3 Assessment of potential for the FY 2022-23**

SHG credit linked by TNCDW through Banks is ₹373.51 Cr, ₹400 Cr and ₹544 cr during 2018-19, 2019-20 and 2020-21 respectively. TNSRLM has set a provisional target of credit linking 9205 groups to the tune of ₹395 cr during 2021-22. However, final target would be expected to the tune of ₹550 crore. Similarly around 2169 JLGs was financed for an amount of ₹63.77 crore during 2020-21 by Salem DCCB and TNGB. The commercial banks have yet to start lending to JLGs in the district, in a large way though some banks have picked up lending to JLGs.

S.No	Name of the Block	SHGs Credit Linked as on 31.03.2021		SHGs projected to be Credit linked	
		2020-21		2021-22	
		No.	Amount (cr)	No.	Amount (cr)
1	Elachipalayam	847	31.94	870	33.00
2	Erumaipatti	795	36.95	830	37.00
3	Kabilarmalai	767	29.98	825	30.00
4	Kolli Hills	883	29.90	850	30.00
5	Mallasamudram	945	32.39	925	33.00
6	Mohanur	827	31.84	870	32.00
7	Namagiripettai	994	41.21	950	42.00
8	Namakkal	772	39.91	1150	40.00
9	Pallipalayam	742	38.84	850	39.50
10	Paramathi	789	29.28	870	30.50
11	Puduchatram	742	45.22	850	47.00
12	Rasipuram	1268	52.98	1400	52.00
13	Sendamangalam	842	33.99	1150	33.00

14	Tiruchengode	692	34.60	1050	36.00
15	Vennandur	992	34.98	750	35.00
<b>Total</b>		<b>12897</b>	<b>544.01</b>	<b>14190</b>	<b>550.00</b>

The credit disbursement by banks for this sector was ₹ 74261.32 lakh in 2018-19, ₹ 127588.94 lakh in 2019-20 and ₹118603.71 lakh in 2020-21. The ACP target for 2021-22 under this sector is ₹ 125149.89 lakh. Keeping the above factors, the credit for 2022-23 is assessed at ₹141888.50 lakh.

(₹lakh)

Sr. No.	Activity	Unit	Unit cost	PLP Projection 2022-23		
				Physical Unit	Financial Outlay	Bank Loan
1	Loans to SHGs	No.	5.50	16257	89413.50	89413.50
2	Loan to JLGs	No.	2.50	19320	48300.00	48300.00
3	PMJDY ODs	No.	0.05	22300	1115.00	1115.00
4	Loan to distressed farmers	No.	1.00	3060	3060.00	3060.00
<b>Total</b>					<b>141888.50</b>	<b>141888.50</b>

The block wise and activity wise physical and financial projections for 2022-23 are furnished in Annexure I

#### 6.4 Critical intervention required for creating a definitive impact

- Formal Banking institution may provide adequate amount of credit without time delay. Steps should be taken to track the status of SHG loan application starts from application received by TNSRLM to Bank disbursal. Another issue is the mushrooming growth of microfinance institutions in the district and resulting in multiple dosages of credit without verifying their active credit linkages with the bank. All these issues will be tackled through EShakti project.
- At the SHG level, maintenance of proper accounts is an issue. TNSRLM is taking steps to conduct both trainings and refresher trainings on account keeping for SHGs across all the blocks.
- As regards the accuracy of data pertaining to SHGs, it is felt that only detailed survey can give us reliable numbers. The LBR formats do not capture the JLG financing by banks though they may be reported as part of the individual sectors depending on the purpose of loan.
- The Community Based Recovery Management System (CBRM) has to be strengthened in the district and Bankers need to take genuine interest in conducting meetings under this programme for early and effective recovery of loans.
- NABARD developed the sustainable livelihood strategy through the Livelihood and Entrepreneurship Development Programme (LEDP) to find ways to bridge the skill, knowledge and resource gap and at the same time maximize on the existing strengths and facilitate market linkages.

#### 6.5 Suggested Action Points

- Bankers must utilize the services of TNSRLM appointed Cluster Level Facilitators, Panchayat Level Facilitator, Community Bank Coordinators, Assistant Project Officers etc in the district effectively in credit disbursement and recovery. Banks may extend credit to SF/MF/landless under JLG mode.
- PMJDY account holders may be sensitized to make transactions in the accounts so that they become eligible for availing the Overdraft facility of 5000/-.

- SHG and JLG members should use their loan amount to start enterprise after getting training provided by various institution like Indian Bank RSETI, NABARD MEDP and LEDP programs and PMKVY.
- While continuing with its goal of spreading its outreach, SHG-BLP needs to address issues such as dormancy / disintegration of SHGs, convergence of SHG-BLP with the developmental programmes of government / development agencies, reduction of NPA levels, etc.

ANNEXURE I																			
ACTIVITY-WISE AND BLOCK-WISE PHYSICAL AND FINANCIAL PROJECTIONS - 2022-23																			
District : Namakkal																			
State : Tamil Nadu																			(₹ in lakh)
Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Mallasamudram	Mohanur	Namagiri pettai	Namakkal	Palipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
I - AGRICULTURE																			
A. FARM CREDIT																			
Crop Production, Maintenance, Marketing																			
Paddy	0.90	Ha	Phy	50	100	1300	1400	250	1500	960	100	2100	400	50	100	700	50	300	9360
			BL	45.00	90.00	1170.00	1260.00	225.00	1350.00	864.00	90.00	1890.00	360.00	45.00	90.00	630.00	45.00	270.00	8424.00
Sorghum	0.44	Ha	Phy	5200	2800	2300	500	5600	4100	4400	3800	2600	4100	4600	2900	3300	3800	4600	54600
			BL	2288.00	1232.00	1012.00	220.00	2464.00	1804.00	1936.00	1672.00	1144.00	1804.00	2024.00	1276.00	1452.00	1672.00	2024.00	24024.00
Maize	0.76	Ha	Phy	50	500	230	20	260	620	1850	360	20	40	780	450	150	30	220	5580
			BL	38.00	380.00	174.80	15.20	197.60	471.20	1406.00	273.60	15.20	30.40	592.80	342.00	114.00	22.80	167.20	4240.80
Minor Millets	0.20	Ha	Phy	10	70	10	320	20	20	150	30	10	10	10	10	30	10	400	1110
			BL	2.00	14.00	2.00	64.00	4.00	4.00	30.00	6.00	2.00	2.00	2.00	2.00	6.00	2.00	80.00	222.00
Pulses	0.44	Ha	Phy	1700	260	150	300	2200	150	1100	140	600	800	2700	600	110	1450	350	12610
			BL	748.00	114.40	66.00	132.00	968.00	66.00	484.00	61.60	264.00	352.00	1188.00	264.00	48.40	638.00	154.00	5548.40
Sugarcane	2.01	Ha	Phy	30	50	4000	0	100	300	100	50	1800	450	30	30	100	2400	100	9540
			BL	60.30	100.50	8040.00	0.00	201.00	603.00	201.00	100.50	3618.00	904.50	60.30	60.30	201.00	4824.00	201.00	19175.40
Turmeric	2.01	ha	Phy	10	90	270	0	0	20	700	10	40	10	50	40	70	10	10	1330
			BL	20.10	180.90	542.70	0.00	0.00	40.20	1407.00	20.10	80.40	20.10	100.50	80.40	140.70	20.10	20.10	2673.30
Tapioca	1.14	Ha	Phy	200	220	1750	1400	430	1300	5600	200	150	1750	620	420	750	1350	560	16700
			BL	228.00	250.80	1995.00	1596.00	490.20	1482.00	6384.00	228.00	171.00	1995.00	706.80	478.80	855.00	1539.00	638.40	19038.00
Onion	1.00	Ha	Phy	100	1100	50	0	350	150	270	30	50	20	400	1350	90	30	550	4540
			BL	100.00	1100.00	50.00	0.00	350.00	150.00	270.00	30.00	50.00	20.00	400.00	1350.00	90.00	30.00	550.00	4540.00

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagiriipettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
Vegetables	0.72	ha	Phy	250	300	300	100	350	300	350	300	250	300	250	350	300	250	250	4200
			BL	180.00	216.00	216.00	72.00	252.00	216.00	252.00	216.00	180.00	216.00	180.00	252.00	216.00	180.00	180.00	3024.00
Groundnut	0.71	Ha	Phy	4600	1200	950	0	3100	800	1520	980	700	2800	2600	1720	850	4400	900	27120
			BL	3266.00	852.00	674.50	0.00	2201.00	568.00	1079.20	695.80	497.00	1988.00	1846.00	1221.20	603.50	3124.00	639.00	19255.20
Other Oilseeds	0.33	Ha	Phy	190	122	130	0	160	220	110	155	80	280	120	30	40	220	110	1967
			BL	62.70	40.26	42.90	0.00	52.80	72.60	36.30	51.15	26.40	92.40	39.60	9.90	13.20	72.60	36.30	649.11
Cotton	0.96	Ha	Phy	70	75	0	0	440	60	250	40	4	55	230	240	160	20	60	1704
			BL	67.20	72.00	0.00	0.00	422.40	57.60	240.00	38.40	3.81	52.80	220.80	230.40	153.60	19.20	57.60	1635.81
Korai Grass	0.39	Ha	Phy	0	0	257	0	0	658	0	0	0	109	0	0	0	0	0	1024
			BL	0.00	0.00	100.23	0.00	0.00	256.62	0.00	0.00	0.00	42.51	0.00	0.00	0.00	0.00	0.00	399.36
Coconut Maint.	0.94	Ha	Phy	250	180	780	10	230	580	250	230	160	720	130	80	300	520	260	4680
			BL	235.00	169.20	733.20	9.40	216.20	545.20	235.00	216.20	150.40	676.80	122.20	75.20	282.00	488.80	244.40	4399.20
PH MAINTENANCE	0.45	Ha	Phy	380	388	238	285	380	242	254	210	265	265	312	315	985	420	264	5203
			BL	171.00	174.60	107.10	128.25	171.00	108.90	114.30	94.50	119.25	119.25	140.40	141.75	443.25	189.00	118.80	2341.35
Crop Husbandry				7511.30	4986.66	14926.43	3496.85	8215.20	7795.32	14938.80	3793.85	8211.46	8675.76	7668.40	5873.95	5248.65	12866.50	5380.80	119589.93
Post Harvest/Household /Consumption requirements (10%)				751.13	498.67	1492.64	349.69	821.52	779.53	1493.88	379.39	821.15	867.58	766.84	587.40	524.87	1286.65	538.08	11958.99
Repairs & Maintenance of Farm Assets (20%)				1502.26	997.33	2985.29	699.37	1643.04	1559.06	2987.76	758.77	1642.29	1735.15	1533.68	1174.79	1049.73	2573.30	1076.16	23917.99
Total Crop Loan - KCC				9764.69	6482.66	19404.36	4545.91	10679.76	10133.92	19420.44	4932.01	10674.90	11278.49	9968.92	7636.14	6823.25	16726.45	6995.04	155466.91
Produce Pledge Loan				220.00	115.00	425.00	425.00	320.00	320.00	425.00	725.00	110.00	320.00	270.00	525.00	320.00	270.00	220.00	5010.00
Agri Others (Jewel loan)			BL	8500.00	6350.00	8500.00	4200.00	8750.00	8900.00	9400.00	5500.00	8800.00	9200.00	9000.00	7400.00	6400.00	9500.00	6500.00	116900.00
<b>CROP LOAN - TOTAL</b>			<b>BL</b>	<b>18484.69</b>	<b>12947.66</b>	<b>28329.36</b>	<b>9170.91</b>	<b>19749.76</b>	<b>19353.92</b>	<b>29245.44</b>	<b>11157.01</b>	<b>19584.90</b>	<b>20798.49</b>	<b>19238.92</b>	<b>15561.14</b>	<b>13543.25</b>	<b>26496.45</b>	<b>13715.04</b>	<b>277376.91</b>
<b>WATER RESOURCES</b>																			
Dugwell	1.69	No	Phy	3	2	2	2	0	0	0	0	4	0	0	0	0	2	0	15

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagiripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
			BL	4.56	3.04	3.04	3.04	0.00	0.00	0.00	0.00	6.08	0.00	0.00	0.00	0.00	3.04	0.00	22.80
Deepening of Well	0.96	No	Phy	3	2	3	0	0	0	0	0	3	0	0	0	0	2	0	13
			BL	2.88	1.92	2.88	0.00	0.00	0.00	0.00	0.00	2.88	0.00	0.00	0.00	0.00	1.92	0.00	12.48
Pumpsets(5 HP)	0.74	No	Phy	350	200	300	100	250	300	300	250	400	300	200	300	300	300	200	4050
			BL	259.00	148.00	222.00	74.00	185.00	222.00	222.00	185.00	296.00	222.00	148.00	222.00	222.00	222.00	148.00	2997.00
Borewell + SPS(5HP)	3.15	No	Phy	11	11	21	21	0	0	0	0	21	0	0	0	0	11	0	96
			BL	31.19	31.19	59.54	59.54	0.00	0.00	0.00	0.00	59.54	0.00	0.00	0.00	0.00	31.19	0.00	272.19
Pipeline	0.58	Ha	Phy	380	380	270	80	370	390	290	330	380	320	370	420	270	320	280	4850
			BL	220.40	220.40	156.60	46.40	214.60	226.20	168.20	191.40	220.40	185.60	214.60	243.60	156.60	185.60	162.40	2813.00
Sprinkler	0.40	Ha	Phy	200	220	270	100	330	180	360	320	330	280	350	450	300	330	250	4270
			BL	80.00	88.00	108.00	40.00	132.00	72.00	144.00	128.00	132.00	112.00	140.00	180.00	120.00	132.00	100.00	1708.00
Drip	1.16	Ha	Phy	370	380	270	150	370	270	420	420	320	270	360	430	280	330	280	4920
			BL	429.20	440.80	313.20	174.00	429.20	313.20	487.20	487.20	371.20	313.20	417.60	498.80	324.80	382.80	324.80	5707.20
Farm pond / Irrigation tank	0.60	1000 CuM.	Phy	55	55	55	55	55	55	55	55	55	55	55	55	55	55	55	825
			BL	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	33.00	495.00
<b>WR Total</b>			<b>BL</b>	<b>1060.23</b>	<b>966.35</b>	<b>898.26</b>	<b>429.98</b>	<b>993.80</b>	<b>866.40</b>	<b>1054.40</b>	<b>1024.60</b>	<b>1121.10</b>	<b>865.80</b>	<b>953.20</b>	<b>1177.40</b>	<b>856.40</b>	<b>991.55</b>	<b>768.20</b>	<b>14027.67</b>
<b>FARM MECHANISATION</b>																			
Tractors	7.35	No	Phy	55	55	40	12	44	55	55	55	55	55	55	55	55	55	55	756
			BL	363.83	363.83	264.60	79.38	291.06	363.83	363.83	363.83	363.83	363.83	363.83	363.83	363.83	363.83	363.83	5001.00
Power Tillers	1.85	No	Phy	115	115	115	115	115	115	115	120	115	115	115	115	105	105	105	1700
			BL	191.48	191.48	191.48	191.48	191.48	191.48	191.48	199.80	191.48	191.48	191.48	191.48	174.83	174.83	174.85	2830.59
Rotovator	1.30	No	Phy	100	100	100	40	100	100	100	100	100	100	100	100	100	100	100	1440
			BL	130.00	130.00	130.00	52.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	1872.00
MultiCropThresher	4.67	No	Phy	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	300

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
			BL	84.06	84.06	84.06	84.06	84.06	84.06	84.06	84.06	84.06	84.06	84.06	84.06	84.06	84.06	84.06	1260.90
Power weeder	1.18	No	Phy	150	125	200	80	200	200	180	180	120	180	120	150	175	150	180	2390
			BL	177.00	147.50	236.00	94.40	236.00	236.00	212.40	212.40	141.60	212.40	141.60	177.00	206.50	177.00	212.40	2820.20
Other farm equipments	2.00	Lumpsum	Phy	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	2400
			BL	288.00	288.00	288.00	288.00	288.00	288.00	288.00	288.00	288.00	288.00	288.00	288.00	288.00	288.00	288.00	4320.00
<b>FM Total</b>			<b>BL</b>	<b>1234.37</b>	<b>1204.87</b>	<b>1194.14</b>	<b>789.32</b>	<b>1220.60</b>	<b>1293.37</b>	<b>1269.77</b>	<b>1278.09</b>	<b>1198.97</b>	<b>1269.77</b>	<b>1198.97</b>	<b>1234.37</b>	<b>1247.22</b>	<b>1217.72</b>	<b>1253.14</b>	<b>18104.69</b>
<b>PLANTATION &amp; HORTICULTURE</b>																			
Mango	1.82	ha	Phy	50	60	60	80	110	80	110	70	70	40	105	135	70	55	55	1150
			BL	81.90	98.28	98.28	131.04	180.18	131.04	180.18	114.66	114.66	65.52	171.99	221.13	114.66	90.09	90.09	1883.70
Arecanut	2.21	ha	Phy	0	20	10	0	0	10	80	0	10	10	0	30	160	0	20	350
			BL	0.00	39.78	19.89	0.00	0.00	19.89	159.12	0.00	19.89	19.89	0.00	59.67	318.24	0.00	39.78	696.15
Sapota	1.65	ha	Phy	50	10	20	10	25	5	15	10	10	15	15	10	5	10	20	230
			BL	82.50	16.50	33.00	16.50	41.25	8.25	24.75	16.50	16.50	24.75	24.75	16.50	8.25	16.50	33.00	379.50
Guava	0.95	ha	Phy	8	12	0	20	3	7	5	5	5	5	5	10	10	15	10	120
			BL	7.60	11.40	0.00	19.00	2.85	6.65	4.75	4.75	4.75	4.75	4.75	9.50	9.50	14.25	9.50	114.00
Banana - Tissue culture	2.55	Ha.	Phy	10	28	149	480	10	420	93	10	70	155	10	18	30	20	5	1508
			BL	25.50	71.40	379.54	1224.00	25.50	1071.00	237.15	25.50	178.50	395.25	25.50	45.90	76.50	51.00	12.75	3844.99
Coffee	2.60	Ha.	Phy	0	0	0	600	0	0	0	0	0	0	0	0	0	0	0	600
			BL	0.00	0.00	0.00	1404.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1404.00
Pepper	0.64	Ha.	Phy	0	0	0	850	0	0	0	0	0	0	0	0	0	0	0	850
			BL	0.00	0.00	0.00	544.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	544.00
Coconut	1.84	Ha.	Phy	25	25	25	35	25	55	55	45	45	55	45	25	35	25	30	550
			BL	41.40	41.40	41.40	57.96	41.40	91.08	91.08	74.52	74.52	91.08	74.52	41.40	57.96	41.40	49.68	910.80
Medicinal Plants	2.27	Ha.	Phy	0	0	0	150	60	0	60	50	0	0	30	0	20	0	0	370

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
			BL	0.00	0.00	0.00	306.45	122.58	0.00	122.58	102.15	0.00	0.00	61.29	0.00	40.86	0.00	0.00	755.91
Flowers - Jasmine	1.87	Ha.	Phy	0	30	0	0	0	0	0	30	0	0	30	30	0	0	0	120
			BL	0.00	50.49	0.00	0.00	0.00	0.00	0.00	50.49	0.00	0.00	50.49	50.49	0.00	0.00	0.00	201.96
Sericulture	5.30	Ha.	Phy	0	0	0	0	0	10	4	0	0	10	5	10	5	0	10	54
			BL	0.00	0.00	0.00	0.00	0.00	47.70	19.08	0.00	0.00	47.70	23.85	47.70	23.85	0.00	47.70	257.58
Mulberry (Musukottai)	0.93	Ha.	Phy	0	0	0	0	0	40	50	0	0	50	30	160	0	0	150	480
			BL	0.00	0.00	0.00	0.00	0.00	37.20	46.50	0.00	0.00	46.50	27.90	148.80	0.00	0.00	139.50	446.40
Betelvine	1.37	Ha.	Phy	0	0	10	0	0	250	0	0	0	10	0	0	0	0	0	270
			BL	0.00	0.00	13.70	0.00	0.00	342.50	0.00	0.00	0.00	13.70	0.00	0.00	0.00	0.00	0.00	369.90
Nursery	11.55	No.	Phy	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	30
			BL	20.79	20.79	20.79	20.79	20.79	20.79	20.79	20.79	20.79	20.79	20.79	20.79	20.79	20.79	20.79	311.85
Rejuvenation of old orchards	1.60	Ha.	Phy	100.00	100.00	100.00	150.00	150.00	150.00	150.00	150.00	150.00	100.00	100.00	150.00	100.00	100.00	100.00	1850
			BL	160.00	160.00	160.00	240.00	240.00	240.00	240.00	240.00	240.00	160.00	160.00	240.00	160.00	160.00	160.00	2960.00
Polyhouse - Vegetables / flowers	19.00	1000 sq ft.		2.00	2.00	2.00	1.00	2.00	3.00	4.00	2.00	2.00	2.00	2.00	4.00	2.00	2.00	2.00	34
				34.20	34.20	34.20	17.10	34.20	51.30	68.40	34.20	34.20	34.20	34.20	68.40	34.20	34.20	34.20	581.40
Bee keeping - 25 Bee Colonies	0.44	Nos.	Phy	100	50	100	300	100	100	200	100	100	100	100	150	100	100	100	1800
			BL	44.00	22.00	44.00	132.00	44.00	44.00	88.00	44.00	44.00	44.00	44.00	66.00	44.00	44.00	44.00	792.00
<b>P&amp;H Total</b>			<b>BL</b>	<b>497.89</b>	<b>566.24</b>	<b>844.80</b>	<b>4112.84</b>	<b>752.75</b>	<b>2111.40</b>	<b>1302.38</b>	<b>727.56</b>	<b>747.81</b>	<b>968.13</b>	<b>724.03</b>	<b>1036.28</b>	<b>908.81</b>	<b>472.23</b>	<b>680.99</b>	<b>16454.14</b>
<b>FORESTRY &amp; WASTELAND DEVELOPMENT</b>																			
Farm Forestry	1.01	ha	Phy	165	200	165	200	165	165	165	200	165	165	200	165	200	165	165	2650
			BL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wasteland Dev	1.01	ha	Phy	105	200	105	170	170	105	130	130	105	105	150	125	140	140	150	2030
			BL	106.05	202.00	106.05	171.70	171.70	106.05	131.30	131.30	106.05	106.05	151.50	126.25	141.40	141.40	151.50	2050.30
<b>Forestry Total</b>			<b>BL</b>	<b>106.05</b>	<b>202.00</b>	<b>106.05</b>	<b>171.70</b>	<b>171.70</b>	<b>106.05</b>	<b>131.30</b>	<b>131.30</b>	<b>106.05</b>	<b>106.05</b>	<b>151.50</b>	<b>126.25</b>	<b>141.40</b>	<b>141.40</b>	<b>151.50</b>	<b>2050.30</b>

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
<b>AH - DAIRY DEVELOPMENT</b>																			
Cows	1.26	2	Phy	820	815	915	315	920	920	920	920	920	920	920	920	920	920	920	12985
			BL	1033.20	1026.90	1152.90	396.90	1159.20	1159.20	1159.20	1159.20	1159.20	1159.20	1159.20	1159.20	1159.20	1159.20	1159.20	16361.10
Buffaloes	1.37	2	Phy	410	410	410	410	410	410	410	410	410	410	410	410	410	410	410	6150
			BL	561.70	561.70	561.70	561.70	561.70	561.70	561.70	561.70	561.70	561.70	561.70	561.70	561.70	561.70	561.70	8425.50
Calf Rearing	10.19	20	Phy	3	3	0	0	2	0	3	2	1	2	0	3	3	2	2	26
			BL	27.51	27.51	0.00	0.00	18.34	0.00	27.51	18.34	9.17	18.34	0.00	27.51	27.51	18.34	18.34	238.42
Mini Dairy	7.35	10	Phy	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	150
			BL	66.15	66.15	66.15	66.15	66.15	66.15	66.15	66.15	66.15	66.15	66.15	66.15	66.15	66.15	66.15	992.25
Private Veterinary clinic - Mobile	2.73	1 No.	Phy	4.00	4.00	3.00	1.00	4.00	1.00	3.00	1.00	4.00	3.00	4.00	4.00	3.00	2.00	2.00	43
			BL	9.83	9.83	7.37	2.46	9.83	2.46	7.37	2.46	9.83	7.37	9.83	9.83	7.37	4.91	4.91	105.66
KCC (dairy)	0.14	no.	Phy	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	1500
			BL	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	210.00
<b>Dairy Total</b>			<b>BL</b>	<b>1712.39</b>	<b>1706.09</b>	<b>1802.12</b>	<b>1041.21</b>	<b>1829.22</b>	<b>1803.51</b>	<b>1835.93</b>	<b>1821.85</b>	<b>1820.05</b>	<b>1826.76</b>	<b>1810.88</b>	<b>1838.39</b>	<b>1835.93</b>	<b>1824.30</b>	<b>1824.30</b>	<b>26332.93</b>
<b>POULTRY DEVELOPMENT</b>																			
Layers + Feed Mixing Unit	37.80	5000	Phy	102	92	52	0	77	52	52	102	77	27	77	100	75	95	50	1030
			BL	3470.04	3129.84	1769.04	0.00	2619.54	1769.04	1769.04	3470.04	2619.54	918.54	2619.54	3402.00	2551.50	3231.90	1701.00	35040.60
Broilers	2.35	1000	Phy	110	110	110	70	110	110	150	150	115	115	115	115	115	80	110	1685
			BL	232.65	232.65	232.65	148.05	232.65	232.65	317.25	317.25	243.23	243.23	243.23	243.23	243.23	169.20	232.65	3563.80
Breeding farms (low input technology birds)	33.00	No.	Phy	2	1	1	0	2	0	3	2	1	2	2	4	1	2	1	24
			BL	59.40	29.70	29.70	0.00	59.40	0.00	89.10	59.40	29.70	59.40	59.40	118.80	29.70	59.40	29.70	712.80
Central grower Unit	42.00	16000	Phy	2	2	1	0	2	1	2	2	1	2	2	2	2	2	1	24
			BL	75.60	75.60	37.80	0.00	75.60	37.80	75.60	75.60	37.80	75.60	75.60	75.60	75.60	75.60	37.80	907.20
Opencage transport vehicles	8.80	No.	Phy	0.00	10.00	25.00	0.00	20.00	20.00	20.00	30.00	20.00	20.00	20.00	25.00	20.00	30.00	25.00	285

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
			BL	0.00	79.20	198.00	0.00	158.40	158.40	158.40	237.60	158.40	158.40	158.40	198.00	158.40	237.60	198.00	2257.20
KCC (Hybrid Layer Units)	4.00	no.	Phy	5	5	5	0	5	5	5	10	3	5	7	5	5	5	5	75
			BL	20.00	20.00	20.00	0.00	20.00	20.00	20.00	40.00	12.00	20.00	28.00	20.00	20.00	20.00	20.00	300.00
<b>Poultry Total</b>			<b>BL</b>	<b>3857.69</b>	<b>3566.99</b>	<b>2287.19</b>	<b>148.05</b>	<b>3165.59</b>	<b>2217.89</b>	<b>2429.39</b>	<b>4199.89</b>	<b>3100.67</b>	<b>1475.17</b>	<b>3184.17</b>	<b>4057.63</b>	<b>3078.43</b>	<b>3793.70</b>	<b>2219.15</b>	<b>42781.60</b>
<b>SHEEP/GOAT/PIGGERY DEVELOPMENT</b>																			
Sheep / Goat Breeding farms	10.50	(100+5)	Phy	30	35	25	20	28	25	35	35	30	30	35	35	30	30	30	453
			BL	283.50	330.75	236.25	189.00	264.60	236.25	330.75	330.75	283.50	283.50	330.75	330.75	283.50	283.50	283.50	4280.85
Goat	0.63	(10+1)	Phy	450	370	350	200	360	340	450	420	380	280	450	460	410	350	320	5590
			BL	255.15	209.79	198.45	113.40	204.12	192.78	255.15	238.14	215.46	158.76	255.15	260.82	232.47	198.45	181.44	3169.53
Piggery	1.05	(3+1)	Phy	15	15	12	300	15	15	15	30	15	15	15	15	15	15	15	522
			BL	15.75	15.75	12.60	315.00	15.75	15.75	15.75	31.50	15.75	15.75	15.75	15.75	15.75	15.75	15.75	548.10
KCC (10+1 goat)	0.18	no.	Phy	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	1500
			BL	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	270.00
<b>SGP Total</b>			<b>BL</b>	<b>572.40</b>	<b>574.29</b>	<b>465.30</b>	<b>635.40</b>	<b>502.47</b>	<b>462.78</b>	<b>619.65</b>	<b>618.39</b>	<b>532.71</b>	<b>476.01</b>	<b>619.65</b>	<b>625.32</b>	<b>549.72</b>	<b>515.70</b>	<b>498.69</b>	<b>8268.48</b>
<b>FISHERIES DEVELOPMENT</b>																			
Ornamental fish breeding -medium size unit	4.20	No	Phy	0	0	1	0	0	2	0	0	0	1	0	1	0	0	1	6
			BL	0.00	0.00	3.78	0.00	0.00	7.56	0.00	0.00	0.00	3.78	0.00	3.78	0.00	0.00	3.78	22.68
<b>Fisheries Total</b>			<b>BL</b>	<b>0.00</b>	<b>0.00</b>	<b>3.78</b>	<b>0.00</b>	<b>0.00</b>	<b>7.56</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.78</b>	<b>0.00</b>	<b>3.78</b>	<b>0.00</b>	<b>0.00</b>	<b>3.78</b>	<b>22.68</b>
<b>AGRI. OTHERS</b>																			
Bullocks	0.74	Pair of bullocks	Phy	12	12	12	12	20	12	12	15	15	15	12	15	12	12	8	196
			BL	8.88	8.88	8.88	8.88	14.80	8.88	8.88	11.10	11.10	11.10	8.88	11.10	8.88	8.88	5.92	145.04

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
Bullock cart	0.63	Nos.	Phy	7	8	7	2	8	7	7	7	7	7	7	7	5	5	5	96
			BL	4.41	5.04	4.41	1.26	5.04	4.41	4.41	4.41	4.41	4.41	4.41	4.41	3.15	3.15	3.15	60.48
Others Total			BL	13.29	13.92	13.29	10.14	19.84	13.29	13.29	15.51	15.51	15.51	13.29	15.51	12.03	12.03	9.07	205.52
Integrated Farming system (IFS)																			
Animal Husbandry based IFS	2.50	No	Phy	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	75
			BL	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	168.75
IFS Total				11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	11.25	168.75
TOTAL FARM CREDIT				27539.00	21748.41	35944.29	16509.55	28405.73	28236.17	37901.55	20974.20	28227.77	27805.47	27894.61	25676.07	22173.19	35465.08	21123.86	405793.67
B. AGRICULTURE INFRASTRUCTURE																			
STORAGE FACILITIES																			
Storage Godown	60.00	1000MT	Phy	2	2	1	0	2	1	2	2	2	2	2	2	1	2	1	24
			BL	108.00	108.00	54.00	0.00	108.00	54.00	108.00	108.00	108.00	108.00	108.00	108.00	54.00	108.00	54.00	1296.00
Cold storage	10.00	100 MT	Phy	1	0	0	1	1	2	1	1	1	1	1	1	1	2	1	15
			BL	9.00	0.00	0.00	9.00	9.00	18.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	18.00	9.00	135.00
Cold storage facilities for milk and milk products	33.00		Phy	1	2	2	1	2	1	2	2	1	1	2	2	1	1	1	22
			BL	29.70	59.40	59.40	29.70	59.40	29.70	59.40	59.40	29.70	29.70	59.40	59.40	29.70	29.70	29.70	653.40
Storage Total			BL	146.70	167.40	113.40	38.70	176.40	101.70	176.40	176.40	146.70	146.70	176.40	176.40	92.70	155.70	92.70	2084.40
Land Development, Soil Conservation, Watershed Development																			
Land Development	0.30	ha	Phy	80	70	80	50	70	80	70	80	70	80	70	80	70	80	70	1100
			BL	24.00	21.00	24.00	15.00	21.00	24.00	21.00	24.00	21.00	24.00	21.00	24.00	21.00	24.00	21.00	330.00
Farm bunding	0.15	Nos	Phy	150	150	150	200	150	150	150	150	150	150	150	150	150	150	150	2300
			BL	22.50	22.50	22.50	30.00	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	22.50	345.00
Farm Ponds	1.72	Nos	Phy	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	900

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagiriipettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
			BL	51.60	51.60	51.60	51.60	51.60	51.60	51.60	51.60	51.60	51.60	51.60	51.60	51.60	51.60	51.60	774.00
Sub-Total				98.10	95.10	98.10	96.60	95.10	98.10	95.10	98.10	95.10	98.10	95.10	98.10	95.10	98.10	95.10	1449.00
Others																			
Vermicompost 100 TPA	4.00	No	Phy	12	12	12	1	12	12	12	12	12	12	12	12	12	12	12	169
			BL	43.20	43.20	43.20	3.60	43.20	43.20	43.20	43.20	43.20	43.20	43.20	43.20	43.20	43.20	43.20	608.40
Biofertiliser / Pesticide Unit	100.00	No	Phy	2	1	2	0	2	2	2	2	2	1	2	3	2	3	1	27
			BL	180.00	90.00	180.00	0.00	180.00	180.00	180.00	180.00	180.00	90.00	180.00	270.00	180.00	270.00	90.00	2430.00
Seed Processing unit	20.00	No	Phy	2	2	2	0	2	2	2	2	2	2	2	3	2	2	2	29
			BL	36.00	36.00	36.00	0.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	54.00	36.00	36.00	36.00	522.00
Tissue Culture (Banana)	100.00	No.	Phy	0	1	3	3	0	4	4	0	2	3	1	1	1	1	0	24
			BL	0.00	90.00	270.00	270.00	0.00	360.00	360.00	0.00	180.00	270.00	90.00	90.00	90.00	90.00	0.00	2160.00
Sub-Total			BL	259.20	259.20	529.20	273.60	259.20	619.20	619.20	259.20	439.20	439.20	349.20	457.20	349.20	439.20	169.20	5720.40
Agri Infra - Total				504.00	521.70	740.70	408.90	530.70	819.00	890.70	533.70	681.00	684.00	620.70	731.70	537.00	693.00	357.00	9253.80
C. OTHERS																			
FOOD & AGRO PROCESSING																			
F&AP - Investment Credit																			
Sago Modernisation	25.00	no	Phy	0	1	0	0	0	0	3	4	2	0	4	4	0	3	3	24
			BL	0.00	22.50	0.00	0.00	0.00	0.00	67.50	90.00	45.00	0.00	90.00	90.00	0.00	67.50	67.50	540.00
Oil Mills	8.45	no	Phy	5	4	3	0	4	3	4	6	4	5	3	5	3	5	1	55
			BL	38.04	30.43	22.82	0.00	30.43	22.82	30.43	45.65	30.43	38.04	22.82	38.04	22.82	38.04	7.61	418.42
Jaggery Units	3.50	no	Phy	0	0	4	0	2	4	2	2	2	2	0	2	0	1	0	21
			BL	0.00	0.00	12.60	0.00	6.30	12.60	6.30	6.30	6.30	6.30	0.00	6.30	0.00	3.15	0.00	66.15
Other Agro based	15.00	no	Phy	2	1	2	0	2	1	2	4	1	1	1	2	1	2	1	23
			BL	27.00	13.50	27.00	0.00	27.00	13.50	27.00	54.00	13.50	13.50	13.50	27.00	13.50	27.00	13.50	310.50

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
Meat processing unit	20.00	No	Phy	0	1	0	0	1	0	1	3	1	1	1	2	0	1	0	12
			BL	0.00	18.00	0.00	0.00	18.00	0.00	18.00	54.00	18.00	18.00	18.00	36.00	0.00	18.00	0.00	216.00
Milk Products	13.00	no	Phy	2	1	2	0	1	1	1	2	1	1	0	2	1	2	1	18
			BL	23.40	11.70	23.40	0.00	11.70	11.70	11.70	23.40	11.70	11.70	0.00	23.40	11.70	23.40	11.70	210.60
Working capital for existing units			BL	200.00	200.00	200.00	0.00	100.00	150.00	150.00	250.00	150.00	100.00	100.00	200.00	100.00	250.00	100.00	2250.00
<b>F&amp;AP - TOTAL</b>			<b>BL</b>	<b>288.44</b>	<b>296.13</b>	<b>285.82</b>	<b>0.00</b>	<b>193.43</b>	<b>210.62</b>	<b>310.93</b>	<b>523.35</b>	<b>274.93</b>	<b>187.54</b>	<b>244.32</b>	<b>420.74</b>	<b>148.02</b>	<b>427.09</b>	<b>200.31</b>	<b>4011.67</b>
<b>OTHERS</b>																			
Loans to Coops - Produce Loan	50.00	No.	Phy	3	2	2	2	2	3	3	2	3	3	2	3	2	3	2	37
			BL	90.00	60.00	60.00	60.00	60.00	90.00	90.00	60.00	90.00	90.00	60.00	90.00	60.00	90.00	60.00	1110.00
ACABC Loans	20.00	No.	Phy	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	90
			BL	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	108.00	1620.00
Loans to PACS for Onlending	100.00	No.	Phy	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	30
			BL	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00	180.00	2700.00
Loans to MFIs for Onlending	1000.00	No.	Phy	0	0	0	0	0	0	0	10	0	0	0	0	0	0	0	10
			BL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6000.00
Loans to FPO	40.00	No.	Phy	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	15
			BL	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	540.00
Two Wheelers for Agri Operations	0.58	Nos	Phy	150	125	125	175	150	150	125	150	150	150	125	175	125	150	125	2150
			BL	87.00	72.50	72.50	101.50	87.00	87.00	72.50	87.00	87.00	87.00	72.50	101.50	72.50	87.00	72.50	1247.00
Custom Hiring centre	25.00	Nos	Phy	1.00	2.00	2.00	1.00	3.00	2.00	3.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00	31
			BL	22.50	45.00	45.00	22.50	67.50	45.00	67.50	45.00	45.00	45.00	67.50	45.00	45.00	45.00	45.00	697.50
<b>Sub-Total</b>				<b>523.50</b>	<b>501.50</b>	<b>501.50</b>	<b>508.00</b>	<b>538.50</b>	<b>546.00</b>	<b>554.00</b>	<b>6516.00</b>	<b>546.00</b>	<b>546.00</b>	<b>524.00</b>	<b>560.50</b>	<b>501.50</b>	<b>546.00</b>	<b>501.50</b>	<b>13914.50</b>
<b>OTHERS - Sub-total</b>				<b>811.94</b>	<b>797.63</b>	<b>787.32</b>	<b>508.00</b>	<b>731.93</b>	<b>756.62</b>	<b>864.93</b>	<b>7039.35</b>	<b>820.93</b>	<b>733.54</b>	<b>768.32</b>	<b>981.24</b>	<b>649.52</b>	<b>973.09</b>	<b>701.81</b>	<b>17926.17</b>
<b>TOTAL AGRICULTURE</b>				<b>28854.94</b>	<b>23067.74</b>	<b>37472.31</b>	<b>17426.45</b>	<b>29668.36</b>	<b>29811.79</b>	<b>39657.18</b>	<b>28547.25</b>	<b>29729.70</b>	<b>29223.01</b>	<b>29283.63</b>	<b>27389.01</b>	<b>23359.71</b>	<b>37131.17</b>	<b>22182.67</b>	<b>432973.64</b>

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
II - MICRO, SMALL & MEDIUM ENTERPRISES SECTOR																			
MSME- INVESTMENT CREDIT																			
Handloom Units	2.10	Nos	Phy	45	45	45	0	60	0	45	120	140	40	60	60	40	140	80	920
			BL	70.88	70.88	70.88	0.00	94.50	0.00	70.88	189.00	220.50	63.00	94.50	94.50	63.00	220.50	126.00	1449.02
Powerloom / Autoloom Units	15.75	Nos	Phy	50	50	50	0	60	0	50	110	140	35	40	60	40	170	60	915
			BL	590.63	590.63	590.63	0.00	708.75	0.00	590.63	1299.38	1653.75	413.44	472.50	708.75	472.50	2008.13	708.75	10808.47
Brick units	5.78	Nos	Phy	12	15	15	3	15	15	10	15	15	10	10	12	11	12	10	180
			BL	52.02	65.03	65.03	13.01	65.03	65.03	43.35	65.03	65.03	43.35	43.35	52.02	47.69	52.02	43.35	780.34
Mat weaving	5.07	Nos	Phy	4	4	4	4	8	50	12	10	9	12	9	14	5	5	5	155
			BL	15.21	15.21	15.21	15.21	30.42	190.13	45.63	38.03	34.22	45.63	34.22	53.24	19.01	19.01	19.01	589.39
Artisan units	9.77	Nos	Phy	9	9	9	2	9	10	9	25	9	9	10	15	9	10	9	153
			BL	65.95	65.95	65.95	14.66	65.95	73.28	65.95	183.19	65.95	65.95	73.28	109.91	65.95	73.28	65.95	1121.15
Coir Manufacture	8.40	Nos	Phy	4	4	4	0	3	4	2	5	4	2	5	5	6	6	4	58
			BL	25.20	25.20	25.20	0.00	18.90	25.20	12.60	31.50	25.20	12.60	31.50	31.50	37.80	37.80	25.20	365.40
Garments	10.50	Nos	Phy	4	4	4	4	8	10	12	50	30	13	10	20	5	15	5	194
			BL	31.50	31.50	31.50	31.50	63.00	78.75	94.50	393.75	236.25	102.38	78.75	157.50	39.38	118.13	39.38	1527.77
Internet Browsing Centre	7.88	No.	No.	15	15	15	15	15	15	15	25	16	16	18	20	18	20	16	254
			BL	88.65	88.65	88.65	88.65	88.65	88.65	88.65	147.75	94.56	94.56	106.38	118.20	106.38	118.20	94.56	1501.14
DTP & Photocopying	11.03	No.	No.	15	15	15	15	15	15	15	18	15	15	15	18	15	15	15	231
			BL	124.09	124.09	124.09	124.09	124.09	124.09	124.09	148.91	124.09	124.09	124.09	148.91	124.09	124.09	124.09	1910.99
Tailoring Units	3.41	No.	No.	18	15	20	18	25	25	18	30	15	15	20	25	20	20	15	299
			BL	46.04	38.36	51.15	46.04	63.94	63.94	46.04	76.73	38.36	38.36	51.15	63.94	51.15	51.15	38.36	764.71
Beautician Centre	2.63	No.	No.	18	15	20	18	25	25	18	30	15	15	20	25	20	20	15	299
			BL	35.51	29.59	39.45	35.51	49.31	49.31	35.51	59.18	29.59	29.59	39.45	49.31	39.45	39.45	29.59	589.80

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
Vehicle Service Centres	5.25	No.	No.	15	20	15	15	15	20	15	28	15	17	25	30	15	18	15	278
			BL	59.06	78.75	59.06	59.06	59.06	78.75	59.06	110.25	59.06	66.94	98.44	118.13	59.06	70.88	59.06	1094.62
Lorry Body Service Centre	31.50	No.	No.	5	5	5	0	5	5	5	28	5	5	5	8	5	25	5	116
			BL	118.13	118.13	118.13	0.00	118.13	118.13	118.13	661.50	118.13	118.13	118.13	189.00	118.13	590.63	118.13	2740.56
Small Road and Transport operators	21.00	No.	No.	15	15	5	15	15	15	15	50	50	15	15	50	16	50	15	356
			BL	236.25	236.25	78.75	236.25	236.25	236.25	236.25	787.50	787.50	236.25	236.25	787.50	252.00	787.50	236.25	5607.00
Professional Self Employed	15.75	No.	No.	15	15	15	15	15	15	15	50	50	15	15	50	16	50	15	366
			BL	177.19	177.19	177.19	177.19	177.19	177.19	177.19	590.63	590.63	177.19	177.19	590.63	189.00	590.63	177.19	4323.42
Education coaching Institution	15.75	No.	No.	15	20	15	15	15	20	15	25	16	17	25	30	15	16	15	274
			BL	177.19	236.25	177.19	177.19	177.19	236.25	177.19	295.31	189.00	200.81	295.31	354.38	177.19	189.00	177.19	3236.64
Other Micro Enterprises	10.50	Nos	Phy	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	750
			BL	393.75	393.75	393.75	393.75	393.75	393.75	393.75	393.75	393.75	393.75	393.75	393.75	393.75	393.75	393.75	5906.25
Other Small and Medium Enterprises	315.00	Nos	Phy	4	4	3	0	4	5	6	15	12	8	8	9	5	9	5	97
			BL	945.00	945.00	708.75	0.00	945.00	1181.25	1417.50	3543.75	2835.00	1890.00	1890.00	2126.25	1181.25	2126.25	1181.25	22916.25
<b>MSME - IC Total</b>				3252.25	3330.41	2880.56	1412.11	3479.11	3179.95	3796.90	9015.14	7560.57	4116.02	4358.24	6147.42	3436.78	7610.40	3657.06	67232.92
<b>MSME - Working Capital</b>																			
Handloom/Powerloom			BL	330.00	125.00	320.00	0.00	330.00	115.00	550.00	1050.00	825.00	550.00	900.00	1400.00	550.00	2200.00	800.00	10045.00
Artisan			BL	60.00	70.00	65.00	40.00	75.00	55.00	80.00	145.00	95.00	70.00	75.00	105.00	85.00	90.00	60.00	1170.00
Medium Enterprises			BL	1650.00	1450.00	1350.00	125.00	1550.00	1650.00	2250.00	3000.00	2450.00	1750.00	2250.00	3150.00	2100.00	3200.00	1100.00	29025.00
Village/ cottage Industries			BL	95.00	70.00	83.00	55.00	70.00	90.00	75.00	130.00	100.00	75.00	75.00	110.00	95.00	95.00	50.00	1268.00
Tiny Industries			BL	280.00	275.00	170.00	110.00	240.00	240.00	210.00	480.00	275.00	175.00	165.00	380.00	190.00	275.00	90.00	3555.00
<b>MSME WC Total</b>				2415.00	1990.00	1988.00	330.00	2265.00	2150.00	3165.00	4805.00	3745.00	2620.00	3465.00	5145.00	3020.00	5860.00	2100.00	45063.00
<b>TOTAL MSME (IC + WC)</b>				5667.25	5320.41	4868.56	1742.11	5744.11	5329.95	6961.90	13820.14	11305.57	6736.02	7823.24	11292.42	6456.78	13470.40	5757.06	112295.92

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarmalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
<b>EXPORT CREDIT</b>																			
Pre-shipment/ packing credit	150.00	No.	No.	4.00	2.00	2.00	0.00	2.00	0.00	0.00	12.00	4.00	0.00	4.00	8.00	0.00	8.00	0.00	46
			BL	600.00	300.00	300.00	0.00	300.00	0.00	0.00	1800.00	600.00	0.00	600.00	1200.00	0.00	1200.00	0.00	6900.00
Post-shipment credit	100.00	No.	No.	1.00	1.00	1.00	0.00	0.00	0.00	0.00	3.00	3.00	0.00	3.00	5.00	0.00	5.00	0.00	22
			BL	100.00	100.00	100.00	0.00	0.00	0.00	0.00	300.00	300.00	0.00	300.00	500.00	0.00	500.00	0.00	2200.00
<b>Total Export Credit</b>				<b>700.00</b>	<b>400.00</b>	<b>400.00</b>	<b>0.00</b>	<b>300.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2100.00</b>	<b>900.00</b>	<b>0.00</b>	<b>900.00</b>	<b>1700.00</b>	<b>0.00</b>	<b>1700.00</b>	<b>0.00</b>	<b>9100.00</b>
<b>EDUCATION</b>																			
Engineering Courses	2.00	No.	No.	150	100	150	40	180	180	180	450	180	180	180	450	180	450	180	3230
			BL	300.00	200.00	300.00	80.00	360.00	360.00	360.00	900.00	360.00	360.00	360.00	900.00	360.00	900.00	360.00	6460.00
Medical courses	5.00	No.	No.	5	6	5	2	4	4	3	8	5	4	5	8	3	8	3	73
			BL	25.00	30.00	25.00	10.00	20.00	20.00	15.00	40.00	25.00	20.00	25.00	40.00	15.00	40.00	15.00	365.00
Other Courses	0.75	No.	No.	125	125	125	100	100	130	100	150	80	100	80	150	100	150	80	1695
			BL	93.75	93.75	93.75	75.00	75.00	97.50	75.00	112.50	60.00	75.00	60.00	112.50	75.00	112.50	60.00	1271.25
Study Abroad	15.00	No.	No.	4	4	4	1	4	4	4	15	15	4	4	20	4	20	4	111
			BL	51.00	51.00	51.00	12.75	51.00	51.00	51.00	191.25	191.25	51.00	51.00	255.00	51.00	255.00	51.00	1415.25
<b>Total Education Loans</b>				<b>469.75</b>	<b>374.75</b>	<b>469.75</b>	<b>177.75</b>	<b>506.00</b>	<b>528.50</b>	<b>501.00</b>	<b>1243.75</b>	<b>636.25</b>	<b>506.00</b>	<b>496.00</b>	<b>1307.50</b>	<b>501.00</b>	<b>1307.50</b>	<b>486.00</b>	<b>9511.50</b>
<b>HOUSING LOANS</b>																			
<b>New Units</b>	26.25	No.	No.	165	120	165	50	120	170	170	380	270	220	215	325	160	355	145	3030
			BL	3248.44	2362.50	3248.44	984.38	2362.50	3346.88	3346.88	7481.25	5315.63	4331.25	4232.81	6398.44	3150.00	6989.06	2854.69	59653.15
<b>House Repairs</b>	2.20	No.	No.	70	60	60	25	60	65	65	125	75	75	80	120	60	160	80	1180
			BL	77.00	66.00	66.00	27.50	66.00	71.50	71.50	137.50	82.50	82.50	88.00	132.00	66.00	176.00	88.00	1298.00
<b>Total Housing Loans</b>				<b>3325.44</b>	<b>2428.50</b>	<b>3314.44</b>	<b>1011.88</b>	<b>2428.50</b>	<b>3418.38</b>	<b>3418.38</b>	<b>7618.75</b>	<b>5398.13</b>	<b>4413.75</b>	<b>4320.81</b>	<b>6530.44</b>	<b>3216.00</b>	<b>7165.06</b>	<b>2942.69</b>	<b>60951.15</b>

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarimalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
SOCIAL INFRASTRUCTURE INVOLVING BANK CREDIT																			
Schools / Colleges	400.00	No.	Phy	1	1	1	1	1	2	1	2	2	1	2	2	1	2	1	21
			BL	300.00	300.00	300.00	300.00	300.00	600.00	300.00	600.00	600.00	300.00	600.00	600.00	300.00	600.00	300.00	6300.00
Sanitation	0.20	No.	Phy	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	4500
			BL	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	900.00
Hospitals / Clinics	200.00	No.	Phy	1	1	1	1	1	1	1	2	1	1	1	2	1	1	1	17
			BL	150.00	150.00	150.00	150.00	150.00	150.00	150.00	300.00	150.00	150.00	150.00	300.00	150.00	150.00	150.00	2550.00
TOTAL Social Infra				510.00	510.00	510.00	510.00	510.00	810.00	510.00	960.00	810.00	510.00	810.00	960.00	510.00	810.00	510.00	9750.00
RENEWABLE ENERGY																			
Bio Gas	0.60	No	Phy	20	30	20	30	30	20	25	25	25	35	30	20	30	20	20	380
			BL	12.00	18.00	12.00	18.00	18.00	12.00	15.00	15.00	15.00	21.00	18.00	12.00	18.00	12.00	12.00	228.00
Rooftop Solar PV	1.00	No	Phy	300	300	300	300	300	300	300	300	300	300	300	300	320	350	300	4570
			BL	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	320.00	350.00	300.00	4570.00
Solar pumpsets - 5 HP	5.00	No	Phy	15	10	15	5	15	15	10	15	5	10	8	15	10	10	10	168
			BL	67.50	45.00	67.50	22.50	67.50	67.50	45.00	67.50	22.50	45.00	36.00	67.50	45.00	45.00	45.00	756.00
Renewable Energy Total			BL	379.50	363.00	379.50	340.50	385.50	379.50	360.00	382.50	337.50	366.00	354.00	379.50	383.00	407.00	357.00	5554.00
OTHERS																			
Loans to SHGs	5.50	No.	Phy	940	980	1120	680	951	949	950	1725	1175	971	1040	1400	1126	1400	850	16257
			BL	5170.00	5390.00	6160.00	3740.00	5230.50	5219.50	5225.00	9487.50	6462.50	5340.50	5720.00	7700.00	6193.00	7700.00	4675.00	89413.50
Loans to JLGs	2.50	No.	Phy	925	1025	1025	150	1050	1050	1050	3050	2550	1250	1050	1550	625	2350	620	19320
			BL	2312.50	2562.50	2562.50	375.00	2625.00	2625.00	2625.00	7625.00	6375.00	3125.00	2625.00	3875.00	1562.50	5875.00	1550.00	48300.00
PMJDY Ods	0.05	No.	Phy	1200	1000	1200	1000	1500	1200	2000	2500	1200	1200	1500	2000	1200	2000	1600	22300
			BL	60.00	50.00	60.00	50.00	75.00	60.00	100.00	125.00	60.00	60.00	75.00	100.00	60.00	100.00	80.00	1115.00

Blocks	Unit Cost	Unit Size		Elachipalayam	Erumaipatti	Kabilarmalai	Kolli Hills	Malasamudram	Mohanur	Namagripettai	Namakkal	Pallipalayam	Paramathi	Puduchatram	Rasipuram	Sendamangalam	Tiruchengodu	Vennandur	TOTAL
Loan to distressed Farmers	1.00	No.	Phy	220	320	100	50	120	300	200	300	200	180	200	300	250	200	120	3060
			BL	220.00	320.00	100.00	50.00	120.00	300.00	200.00	300.00	200.00	180.00	200.00	300.00	250.00	200.00	120.00	3060.00
TOTAL Others			BL	7762.50	8322.50	8882.50	4215.00	8050.50	8204.50	8150.00	17537.50	13097.50	8705.50	8620.00	11975.00	8065.50	13875.00	6425.00	141888.50
TOTAL PRIORITY SECTOR				47669.38	40786.90	56297.06	25423.69	47592.97	48482.62	59558.46	72209.89	62214.65	50460.28	52607.68	61533.86	42491.99	75866.13	38660.42	782024.71

**Annexure II**  
**An overview of Ground Level Credit Flow- Agency wise and Sector-wise**

**District : Namakkal**  
**State : Tamil Nadu**

**(₹ in lakh)**

Sr No	Agency/Type of loan	2018-19		2019-20		2020-21		2021-22
		Target	Achievement	Target	Achievement	Target	Achievement	Target
<b>1</b>	<b>Crop Loan</b>	<b>223442.35</b>	<b>244690.12</b>	<b>228319.84</b>	<b>251767.48</b>	<b>236825.56</b>	<b>261907.82</b>	<b>254500.00</b>
	CBs	163811.43	186634.61	166276.56	177203.98	170370.5	184897.55	185413.00
	SCB	50400	45391.3	50400.00	47912.54	54760	45803.80	56924.05
	SCARDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	RRB	9230.92	12664.21	11643.28	26650.96	11695.06	31206.47	12162.95
	Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>2</b>	<b>Term Loan (MT+LT)</b>	<b>110921.51</b>	<b>113072.09</b>	<b>111675.06</b>	<b>81068.96</b>	<b>120358.51</b>	<b>76226.27</b>	<b>124910.00</b>
	CBs	101996.49	83331.23	102190.101	67479.99	102786.37	59725.47	106698.95
	SCB	3600	12923.42	4140	7018.79	10540	8746.82	10961.67
	SCARDB	0.00	0.00	0.00	67.87	0.00	0.00	0.00
	RRBs	4628.2	16817.44	4641.159	6502.31	7032.14	7753.98	7249.38
	Others	696.82	0.00	703.8	0.00	0.00	0.00	0.00
<b>3</b>	<b>Total Agricultural Credit (1+2)</b>	<b>334363.86</b>	<b>357762.21</b>	<b>339994.90</b>	<b>332836.44</b>	<b>357184.07</b>	<b>338134.09</b>	<b>379410.00</b>
	CBs	265807.92	269965.84	268466.66	244683.97	273156.87	244623.02	292111.95
	SCB	54000.00	58314.72	54540.00	54931.33	65300.00	54550.62	67885.72
	SCARDB	0.00	0.00	0.00	67.87	7032.14	0.00	0.00
	RRBs	13859.12	29481.65	16284.44	33153.27	11695.06	38960.45	19412.33
	Others	696.82	0.00	703.80	0.00	0.00	0.00	0.00
<b>4</b>	<b>Non-Farm Sector</b>	<b>96917.45</b>	<b>91644.78</b>	<b>103613.43</b>	<b>72270.31</b>	<b>93468.31</b>	<b>89087.64</b>	<b>99290.00</b>
	CBs	71155.2	69169.65	76960.85	62790.52	76695.13	80852.43	82246.39
	SCB	20278	20094.19	8292.85	0.00	11692.55	0.00	12271.47
	SCARDB	0.00	0.00	0.00	0.00	107.45	0.00	0.00
	RRBs	1284.25	1671.46	1509.00	5890.89	1735.45	7242.83	1804.89
	Others	4200	709.48	16850.73	3588.9	3237.73	992.38	2967.25
<b>5</b>	<b>Other Priority Sector</b>	<b>146305.37</b>	<b>132666.35</b>	<b>164107.04</b>	<b>179355.59</b>	<b>195478.58</b>	<b>167306.81</b>	<b>205300.00</b>
	CBs	62559.6	79028.2	83302.94	70785.59	84020.51	153129.42	92554.32
	SCB	80729.76	46051.54	77716.11	108424.8	107243.85	10460.12	109253.30
	SCARDB	0.00	0.00	0.00	0.00	856.15	0.00	0.00
	RRBs	2370.38	6942.8	1392.62	145.2	2708.85	187.75	2817.22
	OTHERS	645.63	643.81	1695.37	0.00	649.22	3529.52	675.16
	<b>GRAND TOTAL (3+4+5)</b>	<b>577586.68</b>	<b>582073.34</b>	<b>607715.37</b>	<b>584462.34</b>	<b>646130.96</b>	<b>594528.54</b>	<b>684000.00</b>
	CBs	399522.72	418163.69	428730.45	378260.08	433872.51	478604.87	466912.66
	SCB	155007.76	124460.45	140548.96	163356.13	184236.40	65010.74	189410.49
	SCARDB	0.00	0.00	0.00	67.87	7995.74	0.00	0.00
	RRBs	17513.75	38095.91	19186.06	39189.36	16139.36	46391.03	24034.44
	OTHERS	5542.45	1353.29	19249.90	3588.90	3886.95	4521.90	3642.41

Annexure III

Sector-wise details of Ground Level Credit disbursements under Agriculture and allied activities

District : Namakkal  
State : Tamil Nadu

(₹ in lakh)

Sl.	Particulars	2018-19					2019-20					2020-21					2021-22 (Target)				
No.	Activities / Agencies	CBs	RRB	Co-ops	Others	Total	CBs	RRB	Co-ops	Others	Total	CBs	RRB	Co-ops	Others	Total	CBs	RRB	Co-ops	Others	Total
1	I Crop Loans	186634.61	12664.21	45391.3	0.00	244690.12	177203.98	26650.96	47912.54	0.00	251767.48	184897.55	31206.47	45803.80	0.00	261907.82	185413.00	12162.95	56924.05	0.00	254500.00
2	II. Term Loans																				
a	Water Resources	6955.32	830.32	2418.31	0.00	10203.95	4502.51	456.1	701.95	0.00	5660.56	4638.65	711.46	830.90	0.00	6181.01	12176.11	102.73	645.74	0.00	12924.58
b	Land Development	2579.6	0.00	0.00	0.00	2579.60	2141.87	0.00	2593.05	0.00	4734.92	1354.65	0.00	2795.62	0.00	4150.27	2660.38	1658.99	4576.00	0.00	8895.37
c	Farm Mechanisation	5715.52	470.73	833.4	0.00	7019.65	4227.43	461.22	318.15	0.00	5006.80	2665.76	282.56	522.02	0.00	3470.34	15032.56	408.75	489.30	0.00	15930.61
d	P & H (including Sericulture)	12482.17	1318.99	3734.13	0.00	17535.29	12040.29	1757.87	1304.56	0.00	15102.72	7048.86	1766.72	1662.46	0.00	10478.04	12952.17	496.60	726.80	0.00	14175.57
e	Dairy Development	18609.87	958.54	1014.78	0.00	20583.19	19102.20	2507.86	1323.71	0.00	22933.77	20191.50	3116.14	1728.68	0.00	25036.32	15102.68	779.38	766.32	0.00	16648.38
f	Poultry	19080.81	908	1699.48	0.00	21688.29	12028.86	1130.66	764.00	0.00	13923.52	13310.46	1165.88	783.33	0.00	15259.67	35281.57	1661.86	3636.41	0.00	40579.84
g	Sheep / Goat / Piggery	6405.98	478.96	365.05	0.00	7249.99	3768.78	188.6	81.24	0.00	4038.62	6585.86	711.22	423.81	0.00	7720.89	2341.43	545.67	121.10	0.00	3008.20
h	Fishery	4.03	0.00	0.00	0.00	4.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.89	0.00	0.00	0.00	15.89
i	Forestry / Wasteland Dev	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31.56	0.00	0.00	0.00	31.56
j	Storage Godown / Mrkt Yard	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k	Renewable Source of Energy	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	370.83	0.00	0.00	0.00	370.83
m	Others	11497.93	11851.9	2858.27	0.00	26208.10	9668.05	0.00	0.00	0.00	9668.05	3929.73	0.00	0.00	0.00	3929.73	10733.77	1595.40	0.00	0.00	12329.17
	Sub-Total - II (a to m)	83331.23	16817.44	12923.42	0.00	113072.09	67479.99	6502.31	7086.66	0.00	81068.96	59725.47	7753.98	8746.82	0.00	76226.27	106698.95	7249.38	10961.67	0.00	124910.00
	Agriculture - Grand Total (I + II)	269965.84	29481.65	58314.72	0.00	357762.21	244683.97	33153.27	54999.20	0.00	332836.44	244623.02	38960.45	54550.62	0.00	338134.09	292111.95	19412.33	67885.72	0.00	379410.00
3	Non-Farm Sector Loans	69169.65	1671.46	20094.19	709.48	91644.78	62790.52	5890.89	0	3588.90	72270.31	80852.43	7242.83	0.00	992.38	89087.64	82246.39	1804.89	12271.47	2967.25	99290.00
4	Other Priority Sector Loans	79028.2	6942.8	46051.54	643.81	132666.35	70785.59	145.2	108424.8	0.00	179355.59	153129.42	187.75	10460.12	3529.52	167306.81	92554.32	2817.22	109253.30	675.16	205300.00
	TOTAL Priority Sector Loans	418163.69	38095.91	124460.45	1353.29	582073.34	378260.08	39189.36	163424.00	3588.90	584462.34	478604.87	46391.03	65010.74	4521.90	594528.54	466912.66	24034.44	189410.49	3642.41	684000.00
5	Non-Priority Sector Loans	27864.57	1285.15	51496.25	0.00	80645.97					0.00	12623.07	1512.01	74137.41	0.00	88272.49	39038.42	660.79	57300.79	0.00	97000.00
	TOTAL CREDIT FLOW	446028.26	39381.06	175956.70	1353.29	662719.31	378260.08	39189.36	163424.00	3588.90	584462.34	491227.94	47903.04	139148.15	4521.90	682801.03	505951.08	24695.23	246711.28	3642.41	781000.00

### Annexure IV

### Indicative Unit Cost for major activities as fixed for NABARD for its internal use

Item of Investment	Unit Size	2021 - 22 Unit Cost (₹)
Dugwell	Nos	160600
Deepening of Well	Nos	91000
Pumpsets(5 HP)	Nos	70000
Borewell (900') + SPS(5HP)	Nos	300000
Pipeline	Ha	55000
Sprinkler	Nos	38500
Drip (Cotton, ginger, vegetable, Rose)	Nos	110500
Tractors (45 HP)	Nos	700000
Power Tillers with attachments	Nos	176000
Combine Harvestors	Nos	2300000
Laser Leveller	Nos	370000
Rotovator	Nos	124000
Paddy Transplanter (6 row transplanter)	Nos	1275000
MultiCrop Thresher	Nos	445000
Seed cum Fertiliser Drill	Nos	61000
Self-propelled power weeder	Nos	112000
Mango	Ha	173000
Lime	Ha	152000
Sapota	Ha	156700
Aonla (Nelli)	Ha	102600
Guava	Ha	90400
Pomegranate	Ha	203400
Arecanut	Ha	210200
Coffee	Ha	247300
Pepper	Ha	61100
Coconut	Ha	175400
Medicinal Plants	Ha	216000
Flowers - Jasmine	Ha	177700
Sericulture	Ha	505000
Bee keeping (25 Bee Colonies)	Nos.	41500
Farm Forestry	Ha	95900
Wasteland Dev	Ha	95900
Bamboo	Ha	95300
Nursery	Nos	1100000
Cows	2 Nos.	120000
Buffaloes	2 Nos.	130000
Calf Rearing	20 Nos.	970000
Mini Diary	10 Nos.	700000
Private Veterinary Clinic - Mobile	Nos	260000
Layers	5000 Birds	2000000
Feed Mixing Unit (1 Ton per hour)	Nos	1600000
Broilers	1000 Birds	224000
Country chicken (500 bird per unit)	500	300000
Central grower unit	16000	4000000
Sheep	(40+2)	200000
Goat	(40+2)	200000
Sheep / Goat Breeding Farm	(100+5)	1000000
Sheep/Goat Rearing Unit	(10+1)	60000
Piggery	(3+1)	100000
Ornamental fish culture	Nos	400000
Bullocks	Pair of bullocks	70000
Bullock cart	Nos	60000
Tilting Carts	Nos	63000
Two Wheelers for Agri Operations	Nos	55000
Farm pond	30 * 30 * 2 m	163800
Land Levelling & shaping/ha (Slope 2-3%)	per Ha	28500
Farm Bunding (upto 4% field slope medium soil)	150 CuM	14330
Vermicompost pits	Nos	25200

**Annexure V**

**Scale of Finance for Major Crops fixed by District Level Technical Committee (DLTC) for 2021-22**

<b>Sl.No.</b>	<b>Crop</b>	<b>₹ per Acre</b>	<b>₹ per Ha</b>
1	Paddy	34600	85462
2	Tapioca	44100	108927
3	Ragi (kezhvaraghu)	14250	35197.5
4	Bajra (Kambu)	13550	33468.5
5	Sorghum (Cholam)	16800	41496
6	Maize	29300	72371
7	Pulses	17095	42224.65
8	Groundnut	27350	67554.5
9	Other Oilseeds (Gingely)	12800	31616
10	Castor	10650	26305.5
11	Coconut Maintenance	36200	89414
12	Cotton (BT)	36850	91019.5
13	Betelvine 1st year	52800	130416
14	Turmeric	77375	191116.3
15	Onion	38400	94848
16	Banana (Tissue – irrigated)	98150	242430.5
17	Sugarcane	77500	191425
18	Vegetables	27800	68666
19	Korai Grass	15025	37111.75
20	Minor Millets (samai, varagu, thinai)	7900	19513
21	<b>PH Maintenance</b>	17400	42978
22	Fodder Cholam	7950	19636.5
23	<b>Other crops</b>	2500	6175
24	Pepper (hills)	19800	48906
25	Mulberry	35990	88895.3



## NABVENTURES Limited

Wholly owned subsidiary of NABARD

### Investment Focus

- › Sector Focus – Food/foodtech, Agritech, Agri/rural fintech and Rural enablers (Edutech, Health-tech, Ecommerce, etc.).
- › Stage- Pre-Series A (INR 5-20 crore) and Series A (INR 20-50 crore).
- › Pre-Series A deals have strong focus on Agtech, Healthtech & Edutech.
- › Sector of interest in Series A include consumer food brands, financial services, rural asset, light tech businesses.
- › The fund takes significant minority / minority positions.

**Registered Office:** NABARD, 2nd Floor A Wing,  
Plot No. C-24, G Block, BKC, Bandra (East), Mumbai 400051. India

✉ e-mail : nabventure@nabard.org

☎ Phone: 91-22-26539357



## NABSAMRUDDHI FINANCE Limited

A Subsidiary of NABARD

"The objective of NABSAMRUDDHI is to provide credit facilities to individuals and legal entities in the off farm sector, microfinance, MSME and for the promotion, expansion, commercialization and modernization of agriculture and allied activities."

### Corporate Office:

NABARD, Gr. Floor, D Wing,  
C-24, G Block, BKC, Bandra East,  
Mumbai-400051  
Ph: 022- 26539486/9693

✉ e-mail: nabsamruddhi@nabard.org

› **MSME**

› **Microfinance**

› **Small Business**

› **Transportation**

› **Housing**

› **Education**

› **Livelihoods**

› **Agriculture**

### Registered Office:

NABARD, Regional Office  
1-1-61, RTC 'X' Road, P.B. No. 1863  
Hyderabad- 500020, Telangana  
Ph: 040- 23241155

🌐 Website: www.nabsamruddhi.in



## NABFOUNDATION

NABFOUNDATION is a wholly owned, not for profit, subsidiary of NABARD, established under Sec 8 of Companies Act, 2013. The young organization draws its strength and experience from the thousands of development projects grounded by its parent body, NABARD, in multiple domains over nearly last four decades.

### What does NABFOUNDATION want from you ?

#### IF YOU ARE AN INDIVIDUAL

Reach out to us with your ideas about development projects which you believe need to be implemented. We really look forward to your fresh ideas.

#### IF YOU ARE A CSR UNIT

Of a corporate and believe that there is a scope for collaborating with us to have access to the vast network of resources of NABARD in a structured manner, just give us a call.

#### IF YOU ARE A CIVIL SOCIETY ORGANIZATION/NGO

With an idea whose time you think has come and have not been able to find willing partners, reach out to us.

#### IF YOU ARE WITH THE GOVERNMENT

And believe that there is a need for reimagining implementation of your Central or State government projects, allow us to be a part of your vision.

**Registered Office:** NABARD, 2nd Floor, B Wing, BKC, Bandra East, Mumbai-400051

✉ e-mail:nabfoundation@nabard.org

☎ Phone:(+91)-22-2653 9404/9054/9204



## NABKISAN Finance Limited

A subsidiary of NABARD

- › Largest lender in FPO space.
- › Present in 20+ States.
- › 700+ FPOs credit linked.
- › Collateral free lending at affordable rates.
- › Need Based Grant support.
- › Financing FPOs through.
  - Working Capital ■ Term loan
  - Pledge Financing (eNWR)
- › Term lending for Corporates/ NBFCs/ MFIs.
- › Soft loans for Agri Startups.

### Corporate Office

C/o NABARD, Mumbai

✉ e-mail:corporate@nabkisan.org

☎ Phone:022- 26539620/26539415

🌐 Website- www.nabkisan.org

### Registered Office

C/o NABARD, Tamil Nadu RO, Chennai

✉ e-mail:finance@nabkisan.org

☎ Phone:044- 28270138/28304658

🌐 Web-portal- krishimanch.nabkisan.org



## NABARD Consultancy Services Private Limited [NABCONS]

Wholly owned subsidiary of NABARD

ISO-9000:2015 & ISO-27001:2013

### OFFERS CONSULTANCY AND ADVISORY SERVICES

Pan India  
Presence with  
offices in 31  
States/UTs

### 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 Development
- › Infrastructure Monitoring
- › Climate Change

### Registered Office

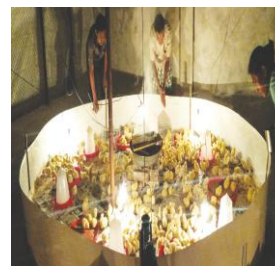
NABARD, C-24, G Block  
BKC, Bandra East, Mumbai-400051  
Ph: 022- 26539396

✉ e-mail:headoffice@nabcons.in

### Corporate Office

NABARD Tower, 24 Rajendra Place,  
Nabard Building, New Delhi-110125  
Ph: 011- 25745101

🌐 Website:www.nabcons.com



## NABFINS Limited

A Subsidiary of NABARD

- › A Non Deposit taking Systemically Important NBFC – MFI with a vision to become a model MFI in the country.
- › 63% of shares held by NABARD, with other shareholders being Government of Karnataka and Public Sector Banks.
- › Mission - To be a trusted client centric financial institution advancing hassle free services to the low income households and the unorganised sector.
- › The company has a range of financial products and services including financing of SHGs in partnership with NGOs and JLGs directly through its branches.
- › Operating across in 16 States of India and touching lives of more than 5.50 lakh households with a commitment towards their socio-economic empowerment and furthering the cause for financial inclusion.

**Registered Office:** #3072, 14th Cross, K R Road, Banashankari 2nd stage, Bengaluru - 560 070, Karnataka, India

✉ e-mail: ho@nabfins.org

☎ Phone: 080 2697 0500

🌐 www.nabfins.org



Trustee Private Limited

### Corporate Office

NABARD C-24,  
G Block, BKC, Bandra East,  
Mumbai-400051

Ph:022-26539410/26537039

- › Established to manage various credit guarantee funds of Government of India, State Government etc.
- › NABSanrakshan and multiple credit guarantee funds under its management housed in separate Trusts.
- › The Eligible Lending Institutions will extend formal credit to the borrowers and

e-mail:ho@nabsanrakshan.org

NABSanrakshan through various schemes of the Trusts will provide credit guarantee against a nominal fee.

- › NABSanrakshan manages Credit Guarantee Fund under Animal Husbandry Infrastructure Development Fund (AHIDF).