



संभाव्यता युक्त ऋण योजना

**2021-22**

**Potential Linked Credit Plan**

**2021-22**

मोरबी जिला

**MORBI DISTRICT**

राष्ट्रीय कृषि और ग्रामीण विकास बैंक

**National Bank for Agriculture and Rural Development**

गुजरात क्षेत्रीय कार्यालय, अहमदाबाद

**GUJARAT REGIONAL OFFICE, AHMEDABAD**



## दृष्टि

ग्रामीण समृद्धि के लिए राष्ट्र का 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

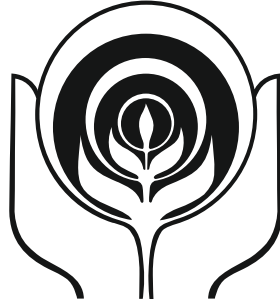
Promote sustainable and equitable agriculture and rural development through participatory financial and non-financial interventions, innovations, technology and institutional development for securing prosperity.

# संभाव्यतायुक्त ऋण योजना POTENTIAL LINKED CREDIT PLAN

2021-22

जिला : मोरबी  
DISTRICT : MORBI

राज्य : गुजरात  
STATE : GUJARAT



**NABARD**

गाँव बढे >> तो देश बढे  
Taking Rural India >> Forward

राष्ट्रीय कृषि और ग्रामीण विकास बैंक  
गुजरात क्षेत्रीय कार्यालय, अहमदाबाद

**National Bank for Agriculture and Rural Development**  
Gujarat Regional Office, Ahmedabad



## प्राक्कथन

बैंक ऋण आर्थिक विकास की प्रक्रिया में उत्प्रेरक की भूमिका निभाते हैं। ऋण अर्थव्यवस्था को एक ऊँचे स्तर पर लाता है और इस प्रक्रिया में विभिन्न क्षेत्रों का विकास होता है। एक अच्छी योजना की शुरुआत सही आकलन से होती है। प्राथमिकता प्राप्त क्षेत्रों के तहत ऋण संवितरण में बैंकों की सहायता के लिए नाबार्ड प्रत्येक वर्ष देश के प्रत्येक जिले के लिए संभाव्यतायुक्त ऋण योजनाएँ (पीएलपी) तैयार करता है। जिले की पीएलपी से वहाँ निहित संभावनाओं के साथ-साथ आधारभूत सुविधा के लिए किए जाने वाले कार्यों की भी जानकारी मिलती है। यह माना जाता है कि बुनियादी सुविधाओं में जो कमियाँ हैं, उन्हें दूर कर लिया जाए तो संभावनाओं को अधिकतम सीमा तक साकार किया जा सकता है। इस दस्तावेज में ग्रामीण अर्थव्यवस्था के विभिन्न क्षेत्रों के सकल विकास के लिए मूल्यवान सुझाव भी दिए गए हैं।

गुजरात के सभी जिलों और तीन केंद्र शासित प्रदेशों की 2021-22 की पीएलपी की थीम “किसानों की आय में वृद्धि के लिए कृषि उपज का समूहीकरण” निर्धारित की गई है। यह थीम चुनने के पीछे हमारा विश्वास है कि ये गतिविधियाँ भारतीय कृषि का परिदृश्य बदल सकती हैं और इनमें विकास के नए आयाम छूने की क्षमता है। पीएलपी संभाव्यताओं का आकलन केंद्र और राज्य सरकारों की प्राथमिकताओं और प्राथमिकता क्षेत्र ऋणों पर भारतीय रिजर्व बैंक के दिशानिर्देशों के अनुसार, जिले के बैंकों और लाइन विभागों के परामर्श से किया गया है।

हमें विश्वास है कि जिले के लिए वार्षिक ऋण योजनाएँ तैयार करते समय और चिह्नित क्षेत्रों / गतिविधियों में ऋण प्रवाह बढ़ाने में ये पीएलपी सहायक सिद्ध होंगी। महत्वपूर्ण आधारभूत कमियों को दूर करने हेतु दिए गए सुझाव विभिन्न सरकारी विभागों के लिए निवेश प्राथमिकताएँ तय करने में सहायक होंगे।

पीएलपी तैयार करने में हमारे जिला विकास प्रबंधकों का सहयोग करने के लिए हम जिला कलेक्टर, अग्रणी जिला प्रबंधकों, राज्य सरकार के लाइन विभागों, भारतीय रिजर्व बैंक, राज्य स्तरीय बैंकर्स समिति, बैंकों और विकास-कार्यों में सहयोग देने वाले अन्य सभी साथियों के आभारी हैं।



( डी के मिश्रा )

मुख्य महाप्रबंधक

## FOREWORD

Bank credit is an enabler in economic development. It aids elevation of economy helping thereby improvements in various segments. The formulation of a good plan starts with right assessment. In order to help banks to plan the credit disbursement under priority sectors, NABARD has been preparing potential Linked Credit Plans (PLPs) for every district. The PLP of a district not only identifies the potential but also the critical gaps in infrastructure availability. It is believed that the infrastructure gaps once bridged, shall aid in realization of potential to its maximum extent. The document also contains valuable suggestions for overall improvement of various sectors of rural economy.

The PLPs 2021-22 with the theme “Collectivization of Agricultural Produce for Enhancing Farmers’ Income” have been finalized in respect of all the districts in the state of Gujarat and 3UTs. The selection of theme is based on our belief that it has the potential to change the agricultural landscape and to create a new growth paradigm. The PLP potentials have been assessed in consultation with the bankers and line departments of the district, keeping in view the priorities of Central and State Governments and the RBI guidelines on Priority Sector Lending.

We are sure the PLPs will help the banks in making realistic Annual Credit Plans for the districts and also in enhancing the credit flow in the potential area/activities identified. The suggestions for bridging the critical infrastructure gaps shall be of help to various Govt. departments in identifying the investment priorities.

We would like to place on record our sincere thanks to the District Collectors, Lead District Managers, line departments of State Government, RBI, SLBC, Banks and other Development Agencies for providing valuable inputs to our District Development Managers for bringing out this document.



(D K Mishra)  
Chief General Manager



## POTENTIAL LINKED CREDIT PLAN 2021-2022

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## EXECUTIVE SUMMARY

### a. Introduction

Potential Linked Credit Plan (PLP) 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.

Morbi district is primarily an agricultural district with cotton, cumin and wheat as its predominant crops. The other major crops cultivated are bajra, sesame, groundnut, etc.

Keeping in tune with Priority Sector guidelines, the potentials are assessed under various sectors viz. Agriculture (Crop loan, Farm credit, Agri Infrastructure and Ancillary Activities), MSME, Export, Education Housing, Renewable Energy and OPS. The total plan under PSL for 2021-22 is placed at ₹659620.34 lakhs. The PLP projection for 2021-22 is higher by ₹78628.81 lakh when compared to the PLP for the year 2020-21 representing an increase of about 11.92%. Further, the current PLP projection is higher by ₹83752.55 lakh in comparison to the ACP target for the year 2020-21. (ACP target for Morbi – 2020-21 (₹575867.79 lakh).

The sector-wise particulars are discussed in the chapters in detail and the summarized status is presented here

### 1. Crop Production, Maintenance and Marketing

The crop loan projections are assessed at ₹181277.20 lakh forming 27.48% of total priority sector. FPOs formation is one of the focus area in district. Adoption of advanced technologies for the restoration of soil health, mechanisation, and cultivation of suitable remunerative crops, effective pest and disease management practices are required to enhance agricultural production.

### 2. Farm Credit

The credit potentials identified under various farm credit are: Water Resources: ₹7258.29 lakhs, Farm Mechanization: ₹22970.00 lakhs, Plantation and Horticulture: ₹4912.64 lakhs, Forestry and Waste Land: ₹693.00 lakhs, AH Dairy: ₹6253.60 lakhs, AH Poultry: ₹964.00 lakhs, AH Sheep Goat Piggery: ₹192.00 lakhs, Fisheries: ₹520.20 lakhs and Others bullocks and camel carts: ₹9998.56 lakhs. The total potential under Farm Credit other than Crop Loan is ₹53762.29 lakhs. These sectors directly contribute to enhance the farmer's income.

### 3. Agriculture Infrastructure and Agri Ancillary Activities

(a) Agriculture Infrastructure consists of Storage – Market Yard, Land Development – Soil Conservation and Other (e-NAM, Tissue Culture, Agri Bio-tech, Seed production etc). The total potential assessed for Agri Infrastructure in the district is ₹37223.57 lakhs. The rural areas of the district have good potential for construction of storage facilities.

(b) Agriculture Ancillary activities comprise of Food and Agro processing and Others – Loans to ACABC inclusive of SHG linkage, the potential for which is assessed at ₹2688.80 lakhs. Working Capital for AH-Dairy, Poultry, Sheep & Goatery and Fisheries is estimated at ₹3918.04 lakhs.

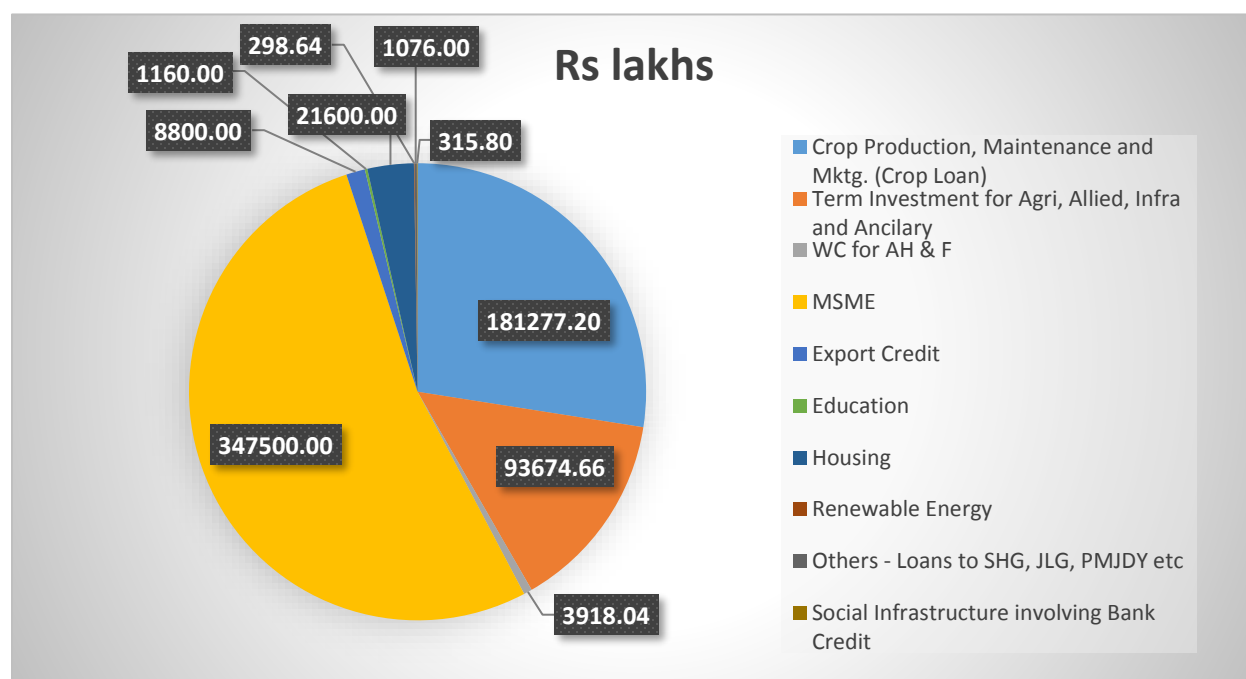
**4. MSME:** The potential under MSME is placed at ₹347500.00 lakhs. MSME comprises (i) Term loan for manufacturing and service sector and (ii) Working Capital for manufacturing and service sector.

**5. Other Priority Sector Lending** comprises Export, Education, Housing, Renewable Energy and Social Infrastructure, the assessment of potentials under these sectors is ₹8800.00 lakhs, ₹1160.00 lakhs, ₹21600.00 lakhs, ₹298.64 lakhs, ₹1076.00 and ₹315.80 lakhs respectively.

## APPENDIX A

### Broad Sector-wise PLP Projections 2021-22

Sr. No.	Particulars	PLP Projections 2021-22 (₹Lakh )
<b>A</b>	<b>Farm Credit</b>	
(i)	Crop Production, Maintenance and Marketing	181277.20
(ii)	Term Loan for agriculture and allied activities	53762.29
	<b>Sub Total</b>	<b>235039.49</b>
<b>B</b>	<b>Agriculture Infrastructure</b>	37223.57
<b>C</b>	<b>Ancillary Activities</b>	2688.80
<b>D</b>	<b>Working Capital – Animal Husbandry &amp; Fisheries</b>	3918.04
<b>I</b>	<b>Credit Potential for Agriculture (A+B+C+D)</b>	<b>278869.90</b>
<b>II</b>	<b>MSME</b>	347500.00
<b>III</b>	<b>Export Credit</b>	8800.00
<b>IV</b>	<b>Education</b>	1160.00
<b>V</b>	<b>Housing</b>	21600.00
<b>VI</b>	<b>Renewable Energy</b>	298.64
<b>VII</b>	<b>Others</b>	1076.00
<b>VIII</b>	<b>Social Infrastructure involving bank credit</b>	315.80
	<b>Total Priority Sector (I to VIII)</b>	<b>659620.34</b>



## APPENDIX B

### Sector-wise, Subsector wise PLP Projections 2021-22

Sr. No	Particulars	PLP projections 2021-22 (₹lakh)
<b>I</b>	<b>Credit Potential for Agriculture</b>	
<b>A</b>	<b>Farm Credit</b>	
I	Crop Production, Maintenance and Marketing	181277.20
i	Water Resources	7258.29
ii	Farm Mechanization	22970.00
iii	Plantation & Horticulture (including sericulture)	4912.64
iv	Forestry & Waste Land Development	693.00
v	Animal Husbandry – Dairy	6253.60
vi	Animal Husbandry – Poultry	964.00
vii	Animal Husbandry – Sheep, Goat, Piggery, etc.	192.00
viii	Fisheries (Marine, Inland, Brackish water)	520.20
ix	Farm Credit -Others – Bullock, Bullock cart, etc.	9998.56
<b>A</b>	<b>Sub Total</b>	<b>235039.49</b>
<b>B</b>	<b>Agriculture Infrastructure</b>	
i	Construction of storage facilities (Warehouses, Market yards, Godowns, Silos, Cold storage units/Cold storage chains)	31060.00
ii	Land development, Soil conservation, watershed development	5699.57
iii	Agri Infrastructure – Others	464.00
	<b>Sub Total</b>	<b>37223.57</b>
<b>C</b>	<b>Ancillary activities</b>	
i	Food and Agro processing	2428.80
ii	Agri Ancillary Activities - Others	260.00
	<b>Sub Total</b>	<b>2688.80</b>
<b>D</b>	<b>Working Capital for AH&amp;F</b>	<b>3918.04</b>
<b>I</b>	<b>Total Agriculture (A+B+C+D)</b>	<b>278869.90</b>
<b>II</b>	<b>Micro Small and Medium Enterprises (MSME)</b>	
i	MSME-Term Loan	245000.00
ii	MSME-Working Capital	102500.00
	<b>Total MSME</b>	<b>347500.00</b>
<b>III</b>	<b>Export Credit</b>	<b>8800.00</b>
<b>IV</b>	<b>Education</b>	<b>1160.00</b>
<b>V</b>	<b>Housing</b>	<b>21600.00</b>
<b>VI</b>	<b>Renewable Energy</b>	<b>298.64</b>
<b>VII</b>	<b>Others</b> (Loans to SHGs/JLGs, loans to distressed persons to prepay non-institutional lenders, PMJDY, loans to state sponsored organizations for SC/ST)	<b>1076.00</b>
<b>VIII</b>	<b>Social Infrastructure involving bank credit</b>	<b>315.80</b>
	<b>Total Priority Sector (I to VIII)</b>	<b>659620.34</b>



## **DISTRICT PROFILE**

Morbi is the nerve centre of Saurashtra region having varied livelihood activities. The district has been created by joining Morbi, Tankara, Maliya-Miyana and Wankaner talukas of Rajkot district, Halvad of Surendranagar district and parts of Jodiya taluka of Jamnagar district. It has tracts of fertile land, a patch of desert and sizeable coastline. It has farming and industrial activities as major economic activities. Agriculture labour mainly consists of people migrating from Panchmahal and Dahod districts of the State. The district has an area of 4939.79 sq kms with population of 9.60 lakh. There are 350 villages in 5 talukas viz. Halvad, Maliya, Morbi, Tankara and Wankaner. Morbi town is the district headquarters. The town is famous for its ceramic industry. There are more than 400 manufacturing units of various types of ceramic tiles and sanitary ware. Morbi is also known for the Ajanta brand of clocks. It has become a global brand of wall-clocks. Orpat, another well-known name in electrical goods, has its origin in Morbi.

Total rainfall in Morbi during the year 2020 is 987 mm (position as 04.09.2020) against an average annual rainfall of 519 mm (1990-2019). The geographical area reported in the district for land utilization is 481958 ha. The major crops grown in Kharif are Groundnut and Cotton and that in Rabi are Wheat and Cumin. During summer, Groundnut, Til and vegetables are the main crops. Gram, Garlic, Onion and Chilly are other crops grown. It has a net sown area of 325781 ha against Gross Cropped Area of 347952 with cropping intensity of 106.68%. Groundnut, cotton, wheat and cumin are the major commercial crops and Mango, Chiku, Lemon, Ber, Pomegranate are the major horticulture crops grown in the district.

### **Emerging sectors**

Morbi has been a centre for trade and industry. Moreover, these industries have also given rise to many ancillary industries such as packaging industry, export houses etc. Together, they have created a vibrant and sustainable economy in this region. Further the farmers have shifted to cultivation of Cotton, Castor and plantation of Pomegranate horticulture crops. There has been huge demand for construction of rural godowns as the production of Cotton, Castor, Groundnut and Onion is on the rise in the district.

### **NABARD in Morbi district**

NABARD has gradually penetrated in to rural areas through its various developmental schemes. NABARD, through its various programmes, viz., RIDF, SHG-BLP scheme, JLG, assistance to Producers' organizations', formation of Farmers clubs, preparation of Potential Linked Credit Plans (PLP), implementation of various subsidy schemes of Govt. of India, etc. is relentlessly working for development of agriculture and rural areas in the district.

There is good scope for agro/ food/ fruit processing activities, high tech projects, marine products processing etc. There is also scope for fish culture.

As per the Gujarat Panchayats Act. 1961, three tier Panchayat Raj Institution is in existence in Morbi District viz. (i) Gram Panchayat at the village level (ii) Taluka Panchayat at taluka level and (iii) District Panchayat at district level.

The district administration, RBI, NABARD, banks and other stakeholders are making efforts to achieve overall development of the district.

District Profile								
District - Morbi		State - Gujarat	Division - Saurashtra					
1. PHYSICAL & ADMINISTRATIVE FEATURES			2. SOIL & CLIMATE					
Total Geographical Area (Sq.km)	4950	Agro-climatic Zone Morbi comes under ACRF region No. 6						
No. of Sub Divisions	nil	Climate Dry and Sub Humid						
No. of Blocks	5	Soil Type Black & Loamy, Slaty, Shallow Sandy Loamy						
No. of Villages (Inhabited)	350							
No. of Panchayats	350							
3. LAND UTILISATION [Ha]			4. RAINFALL & GROUND WATER					
Total Area Reported	495000	Rainfall [in mm]	Normal	2018	2019	2020		
Forest Land	28700		501	228	973	987		
Area Net Available for Cultivation & non agri	72500		Variation from Normal	-273	472	486		
Permanent Pasture and Grazing Land	68400	Availability of Ground Water [Ham]	Net annual recharge	Net annual draft		Balance		
Land under Miscellaneous Tree Crops	42000		NA	NA		NA		
Cultivable Wasteland	16500							
Current Fallow	12800	5. DISTRIBUTION OF LAND HOLDING						
Other Fallow	7100	Classification of Holding	Holding	% to Total	Area Ha.	% to		
Net Sown Area	325400	<= 1 Ha	32806	23	23479	7		
Total or Gross Cropped Area	367100	>1 to <=2 Ha	54980	38	80152	25		
Area Cultivated More than Once	41700	>2 Ha	57742	40	216237	68		
Cropping Intensity [GCA/NSA]	112.81	Total	145528	100	319868	100		
6. WORKERS PROFILE [in '000]			7. DEMOGRAPHIC PROFILE [in '000]					
Cultivators	91	Category	Total	Male	Female	Rural	Urban	
Of the above, Small/Marginal Farmers	40	Population	960	495	465	602	358	
Agricultural Labourers	54	Scheduled Caste	66	34	32	21	20	
Workers engaged in Household Industries	2	Scheduled Tribe	5	3	2	4	1	
Workers engaged in Allied Agro-activities	30	Literate	640	366	274	384	256	
Other workers	65	BPL	375	192	182	235	140	
8. HOUSEHOLDS [in '000]			9. HOUSEHOLD AMENITIES [Nos. in '000 Households]					
Total Households	189	Having brick/stone/concrete houses	NA	Having electricity supply	NA			
Rural Households	115	Having source of drinking water	NA	Having independent toilets	NA			
BPL Households	73	Having access to banking services	NA	Having radio/tv sets	NA			
10. VILLAGE-LEVEL INFRASTRUCTURE [Nos]			11. INFRASTRUCTURE RELATING TO HEALTH & SANITATION [Nos]					
Villages Electrified	312	Anganwadis	761	Dispensaries	40			
Villages having Agriculture Power Supply	na	Primary Health Centres	30	Hospitals	2			
Villages having Post Offices	133	Primary & High Schools	1041	Hospital Beds (Govt Hosp)	470			
Villages having Banking Facilities	na	12. INFRASTRUCTURE & SUPPORT SERVICES FOR AGRICULTURE						
Villages having Primary Schools	na	Fertiliser/Seed/Pesticide Outlets [Nos]	na	Agriculture Pumpsets[Nos]	na			
Villages having Primary Health Centres	na	Total N/P/K Consumption [MT]	na	Pumpsets Energised [Nos]	na			
Villages having Potable Water Supply	na	Certified Seeds Supplied [MT]	na	Agro Service Centres [Nos]	19			
Villages connected with Paved Approach Roads	na	Pesticides Consumed [MT]	na	Soil Testing Centres [Nos]	na			
13. IRRIGATION COVERAGE [ha]			Agriculture Tractors [Nos]	3762	Plantation nurseries [Nos]	na		
Total Area Available for Irrigation (NIA + Fallow)	na	Power Tillers [Nos]	na	Farmers' Clubs [Nos]	7			
Irrigation Potential Created	na	Threshers/Cutters [Nos]	na	Krishi Vigyan Kendras[Nos]	1			
Net Irrigated Area(Total area irrigated at least once)	na	14. INFRASTRUCTURE FOR STORAGE, TRANSPORT & MARKETING						
Area irrigated by Canals / Channels	na	Rural/Urban Mandi/Haat [Nos]	na	Wholesale Market [Nos]	na			
Area irrigated by Wells	na	Length of Pucca Road [Km]	1476	Godown [Nos]	417			
Area irrigated by TANKS	na	Length of Railway Line [Km]	186	Godown Capacity[MT]	158817			
Area irrigated by other sources	na	Public Transport Vehicle [Nos]	105688	Cold Storage [Nos]	3			
Irrigation Potential Utilized (Gross Irrigated Area)	na	Goods Transport Vehicle [Nos]	5828	Cold Store Capacity[MT]	10052			
15. AGRO-PROCESSING UNITS			16. AREA, PRODUCTION & YIELD OF MAJOR CROPS					
Type of Processing Activity	No of units	Cap.[MT]	Crop	2018-19		2019-20		Avg. Yield [Kg/Ha] Yield(Kg /Ha)
				Area (Lakh Ha)	Prod. (00'MT)	Area (Lakh Ha)	Prod. (00'MT)	
Food (Ground nut/Flour/Dal/Oil/Tea/Coffee)	na	na						
Sugarcane (Gur/Khandsari/Sugar)	na	na	Til	7698	2069	13982	6514	na
Fruit (Pulp/Juice/Fruit drink)	na	na	Groundnut	34945	40196	41294	112225	na
Spices (Masala Powders/Pastes)	na	na	Cotton	157132	92464	186172	245983	na
Dry-fruit (Cashew/Almond/Raisins)	na	na	Castor	14984	14665	22878	49284	na
Cotton (Ginning/Spinning/Weaving)	na	na	Wheat	13290	41339	26665	118427	na
Milk (Chilling/Cooling/Processing)	2	100000						
Meat (Chicken/Motton/Pork/Dryfish)	na	na						
Animal feed (Cattle/Poultry/Fishmeal)	na	na						
17. ANIMAL POPULATION AS PER 36 Survey Report			18. INFRASTRUCTURE FOR DEVELOPMENT OF ALLIED ACTIVITIES					
Category of animal	Total	Male	Female	Veterinary Hospitals/Dispensaries [Nos]	32	Animal Markets [Nos]	na	
Cow - Cross bred	140476	-	-	Disease Diagnostic Centres [Nos]	17	Milk Collection Centres [Nos]	na	
Cow - indigenous	-	-	-	Artificial Insemination Centers [Nos]	2	Fishermen Societies [Nos]	6	
Buffaloes	173285	-	-	Animal Breeding Farms [Nos]	1	Fish seed farms [Nos]	na	
Buffaloes - Non descript	-	-	-	Animal Husbandry Tng Centres [Nos]	1	Fish Markets [Nos]	na	
Sheep - Indigenous	93747	-	-	Dairy Cooperative Societies [Nos]	270	Poultry hatcheries [Nos]	na	
Goat	65880	-	-	Sheep Breeding Farm	2	Slaughter houses [Nos]	na	
Pig - Cross bred	-	-	-	19. MILK, FISH, EGG PRODUCTION AVAILABILITY				
Pig - Indigenous	-	-	-	Egg	Production [MT]			
Horse/Donkey/Camel	-	-	-		Production [Lakh Nos]	na	na	
Poultry - Cross bred	-	-	-	Milk	Production [ooo MT]	na	na	
Poultry - Indigenous	-	-	-		Production ooo [MT]	2188	MT	
Sources (if not mentioned against the respective item):			Item Nos. 1, 6, 7, 9 & 10 - Census 2011; Item Nos. 2, 3, 5, 12, 13 & 14 - Dept. of Agr./Dir. of Eco. & Stat Dept.; Item No. 4 - GSWDA website; Item No. 8 - Census 2011; Item No. 15 - District Ind Centre/Dir. of Eco. & Stat.; Item No. 16 - DACNET; Item No. 17 - 36th Survey Report 2019; Item Nos. 18 & 19 - Dir. of Animal Hus./Dir. of Eco. & Stat.					

## **Banking Profile**

### **Bank and branch network**

There are 33 banks operating in Morbi district with 171 branches. State Bank of India with 28 functions as the Lead Bank of the district. As on 31.3.2020, out of total 171 branches, there were 79 branches in rural areas, 43 branches in semi urban areas, 49 branches in urban areas. As Morbi district was formed with 3 blocks of Rajkot district, 1 block of Jamnagar and 1 block of Surendranagar district. there are three cooperative banks operating in the district, viz., Rajkot DCCB, Surendranagar DCCB and Jamnagar DCCB. There are 35 branches of Rajkot DCCB and one branch of Surendranagar and 2 branches of Jamnagar DCCBs. In addition to the above, there are 173 PACS operating in the district (Rajkot DCCB – 131, Surendranagar DCCB – 32 and Jamnagar DCCB – 10).

### **Deposits**

The total bank deposit in the district as on 31<sup>st</sup> March 2020 stood at ₹8816 cr. In comparison to previous year 2018-19 share of State Bank of India, Private Banks and District Co-operative Banks increased by 16.31%, 43.88% and 25.25% respectively, while that of other Nationalised Banks and Saurashtra Gramin Bank increased by 7.26% and 0.66% respectively.

### **Advances**

The total outstanding advances as on 31<sup>st</sup> March 2020 stood at 14954 crore having a growth of 3.88% over the previous year, DCCBs, RRB, Private Sector banks and SBI increased by 13.51%, 6.02%, Private sector banks 15.15%. respectively. The CD ratio of the district stood at 169.61%.

### **Status of SAMIS**

The LBR submission rate is about 42.86% and that too by the constant sensitization efforts initiated by Lead Bank. Review of submission of LBRs is a regular agenda in all BLBC/ DCC/ DLRC meetings. Reports based on the LBRs are reviewed in all the above meetings. Sensitisation of branch managers and controlling officers of concerned banks would pave the way for timely and accurate submission of data.

### **The status relating to financial inclusion and social security schemes is given as under.**

- As per lead bank data as on 31.3.2020, 201907 accounts were opened under PMJDY, out of which 164564 were Aadhaar seeded and Rupay KCC were issued to 116417 accounts.
- The enrolment under Social Security schemes as on 31.3.2020 stood at 114366, 42661 and 9444 accounts under PMSBY, PMJJBY and APY respectively. The Government agencies are sponsoring candidates for Government Sponsored Schemes and the response from the bankers is encouraging. However, under Self Help Group-Bank Linkage Programme, efforts need to be strengthened in view of low level of SHG financing by the banks.
- Progress under Pradhan Mantri Mudra Yojana was good as all the Banks together had disbursed ₹4493.56 lakh as on 31.03.2019 under 4211 accounts.
- Under Stand up India, ₹264.50 lakh was disbursed under 14 accounts.
- 1 FLC centre established by SBI is operating and has conducted 89 camps during the year.
- R-SETI sponsored by State Bank of India, is functioning from Rajkot district. During the year 2019-20, 2 training programmes conducted and 45 persons were given training. The RSTETI is ranked AA by Ministry of Rural Development, Government of India.

Banking Profile											
District - Morbi		State Gujarat				Lead Bank -	State Bank of India				
1. NETWORK & OUTREACH (As on 31/03/2020)											
Agency	No. of Banks/Soc.	No. of Branches				No. of non-formal agencies assoiated			Per Branch Outreach		
		Total	Rural	Semi-urban	Urban	mFIs/mFOs	SHGs/JLGs	BCs/BFs	Villages	Households	
Commercial Banks	19	87	36	22	29	na	na	na	na	na	
Regional Rural Bank	1	11	7	3	1	na	na	na	na	na	
District Central Coop. Bank	3	38	26	7	5	na	na	na	na	na	
Coop. Agr. & Rural Dev. Bank	1	4	0	3	1	na	na	na	na	na	
Primary Agr. Coop. Society	0	177	na	-	0	na	na	na	na	na	
Others (Pvt sector)	9	31	10	8	13	na	na	na	na	na	
All Agencies	33	348	79	43	49	na	na	na	na	na	
2. Deposits outstanding											
Agency	No. of accounts					Amount of Deposit [ Rs in 000]					
	31-Mar-18	31-Mar-19	31-Mar-20	Growth(%)	Share(%)	31-Mar-18	31-Mar-19	31-Mar-20	Growth(%)	Share(%)	
Commercial Banks	na	na	na	na	na	38278692	43092738	43581846	1.14	49.43	
Regional Rural Bank	na	na	na	na	na	2256800	1367600	2392600	74.95	2.71	
Cooperative Banks	na	na	na	na	na	8449569	9502888	10563784	11.16	11.98	
Others	na	na	na	na	na	19094021	25591671	31628073	23.59	35.87	
All Agencies	na	na	na	na	na	68079082	79554897	88166303	110.84	100.00	
3. Loan Disbursement											
Agency	No. of accounts					Amount of Loan outstanding [Rs.'000]					
	31-Mar-18	31-Mar-19	31-Mar-20	Growth(%)	Share(%)	31-Mar-18	31-Mar-19	31-Mar-20	Growth(%)	Share(%)	
Commercial Banks	na	na	na	na	na	79031605	88660226	83485500	-5.84	55.83	
Regional Rural Bank	na	na	na	na	na	6810587	9322100	9756000	4.65	6.52	
Cooperative Banks	na	na	na	na	na	9137774	10044626	12475736	24.20	8.34	
Others	na	na	na	na	na	29345385	38451343	43823451	13.97	29.31	
All Agencies	0	na	na	na	na	124325351	146478295	149540687	2.09	100.00	
4. CD-RATIO					5. PERFORMANCE UNDER FINANCIAL INCLUSION (No. of A/cs)						
Agency	CD Ratio				Agency	During 2018-19		Cumulative			
	31-Mar-18	31-Mar-19	31-Mar-20			Deposit	Credit	Deposit	Credit		
Commercial Banks	188.64	205.74	386.55		Commercial Banks	43581846	83485500	na	na		
Regional Rural Bank	285.39	681.64	407.76		Regional Rural Bank	2392600	9756000	na	na		
Cooperative Banks	129.89	105.54	346.08		Cooperative Banks	10563784	12475736	na	na		
Others	179.86	150.25	138.56		Others	31628073	43823451	na	na		
All Agencies	182.58	184.12	169.61		All Agencies	88166303	149540687	na	na		
6. PERFORMANCE TO FULFILL NATIONAL GOALS (As on 31/03/2019)											
Agency	Priority Sector Loans		Loans to Agr. Sector		Loans to Weaker Sections		Loans under DRI Scheme		Loans to Women	% of Total Loans	
	Amount [Rs.'000]	% of Total Loans	Amount [Rs.'000]	% of Total Loans	Amount [Rs.'000]	% of Total Loans	Amount [Rs.'000]	% of Total Loans	Amount [Rs.'000]		
Commercial Banks	5655610	37.82	11519279	7.70	4699117	3.14	-	-	na	na	
Regional Rural Bank	6789100	4.54	1286500	0.86	828100	0.55	-	-	na	na	
Cooperative Banks	9075927	6.07	8428525	5.64	2940511	1.97	-	-	na	na	
Others	19134554	12.80	4258054	2.85	1333006	0.89	-	-	na	na	
All Agencies	91556091	61.22	25492358	17.05	9800734	6.55	-	-	na	na	
7. AGENCY-WISE PERFORMANCE UNDER ANNUAL CREDIT PLANS											
Agency	2017-18			2018-19			2019-20			Average Ach[%] in last 3 years	
	Target [Rs.'000]	Ach'ment [Rs.'000]	Ach'ment [%]	Target [Rs.'000]	Ach'ment [Rs.'000]	Ach'ment [%]	Target [Rs.'000]	Ach'ment [Rs.'000]	Ach'ment [%]		
Commercial Banks	24469735	30899300	126.28	25083700	45990500	183.35	27637677	29726294	107.56	na	
Regional Rural Bank	2199675	3931500	178.73	4005300	8687800	216.91	4444919	4910801	110.48	na	
Cooperative Banks	7482450	8162200	109.08	9070600	10341100	114.01	9732127	9790900	100.60	na	
Others	4608265	6411300	139.13	8087700	10855700	134.22	9011985	11892398	131.96	na	
All Agencies	38760125	49404300	127.46	46247300	75875100	164.06	50826708	56320393	110.81	na	
8. SECTOR-WISE PERFORMANCE UNDER ANNUAL CREDIT PLANS											
Broad Sector	2016-17			2017-18			2019-20			Average Ach[%] in last 3 years	
	Target [Rs.'000]	Ach'ment [Rs.'000]	Ach'ment [%]	Target [Rs.'000]	Ach'ment [Rs.'000]	Ach'ment [%]	Target [Rs.'000]	Ach'ment [Rs.'000]	Ach'ment [%]		
Crop Loan	13570000	14230200	104.87	14600000	15811500	108.30	16060000	15163453	94.42	na	
Term Loan (Agr)	5984000	5169800	86.39	6000000	6786600	113.11	6600888	5772166	87.45	na	
Total Agri. Credit	19554000	19400000	99.21	20600000	22598100	109.70	22660888	20935619	92.39	na	
Non-Farm Sector	17018000	28320400	166.41	24051800	48781400	202.82	26402869	33766910	127.89	na	
Other Priority Sector	2188125	1684100	76.97	1595600	4474800	280.45	1763840	1617857	91.72	na	
Total Priority Sector	38760125	49404300	127.46	46247300	75854300	164.02	50827597	56320386	110.81	na	
9. RECOVERY POSITION											
Agency	2017-18			2018-19			2019-20			Average Rec. [%] in last 3 years	
	Demand [Rs.'000]	Recovery [Rs.'000]	Recovery [%]	Demand [Rs.'000]	Recovery [Rs.'000]	Recovery [%]	Demand [Rs.'000]	Recovery [Rs.'000]	Recovery [%]		
Commercial Banks	na	na	na	3764000.00	na	na	6679500.00	273000.00	na	na	
Regional Rural Bank	na	na	na	7418000.00	na	na	733000.00	na	na	na	
Cooperative Banks	na	na	na	0.00	na	na	0.00	na	na	na	
Others	na	na	na	0.00	na	na	0.00	na	na	na	
All Agencies	8586400.00	273000.00	3.18	77944000.00	273000.00	0.35	7412500.00	273000.00	3.68	na	
Sources :					Lead Bank returns & SLBC						



## 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 prioritize 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 year. 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	Collection of data on Gross Cropped Area for a period of 10 years and data on land holdings Distribution of Gross Cropped Area between Small Farmer/Marginal farmers and Other farmers based on the total land occupied by small and marginal farmers on one hand and other farmers on the other.

S. No.	Sector	Methodology of estimation of credit potential
		<p>Make assumption to cover 100% of Small/Marginal Farmers and 20% to 50% of Other Farmers;</p> <p>Study the cropping pattern</p> <p>Estimation of credit potential taking into account Scale of Finance and also the KCC guidelines in vogue</p> <p>Block-wise allocation of potential taking into account credit absorption capacity in a particular block, cropping pattern, etc.</p>
2	Water Resources	<p>MI potential is the area that can be brought under irrigation by ground and surface water;</p> <p>Collection of data on ultimate irrigation potential, area already brought under irrigation and balance potential available under groundwater and surface water for the district</p> <p>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;</p> <p>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.</p> <p>Preference of farmers for different MI structures like dug wells, bore wells, DCBW, etc. is to be taken into account.</p> <p>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.</p>
3	Farm Mechanization	<p>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 draught animal power/power tiller by using conversion factors;</p> <p>Calculation of requirement of number of tractors assuming one tractor per 30 acres and 45 acres of irrigated and unirrigated cropped area;</p> <p>Adjustment of tractor potential with land holdings</p> <p>Based on the cropping pattern and topography etc. similar assessment is made for power tillers, combine harvesters etc.</p>
4	Plantation and Horticulture	<p>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;</p> <p>Feasibility and possibility of shifting from food crops to plantation crops</p> <p>Estimation of replanting by taking into account approximate economic life of a few plantation crops;</p>

S. No.	Sector	Methodology of estimation of credit potential
		Estimation of potential for rejuvenation of existing plantation
5	Animal Husbandry – Dairy	Collection of data on number of milch animals as per the latest census; 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; 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.

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

##### 1.1.1 Following important announcements have been made in Union Budget 2020-21 for agriculture and farmers' welfare:

- For the year 2020-21, the target set for agriculture credit is ₹15.00 lakh crore.
- Comprehensive measures for 100 water-stressed districts proposed.
- The government allocated ₹2.83 lakh crore for agriculture and allied activities, irrigation and rural development.
- Government transferred ₹5,125 crore under PM Kisan Scheme to farmers amid covid-19 Relief Package.
- **Blue Economy**
  - i. Fisheries exports worth ₹1 lakh Cr by 2024-25.
  - ii. 200 lakh tonnes of fish production by 2022-23.
  - iii. 3,477 Sagar Mithras and 500 Fish Farmer Producer Organisations.
- **Kisan Rail**
  - i. Kisan Rail to be setup by Indian Railways through PPP.
  - ii. To build a seamless national cold supply chain for perishables (milk, meat, fish, etc).
  - iii. Express and Freight trains to have refrigerated coaches.
- **Krishi Udan**
  - i. Krishi Udaan to be launched by the Ministry of Civil Aviation.
  - ii. Both international and national routes to be covered.
- **Measures for organic, natural, and integrated farming**
  - i. Organic products market to be strengthened through Jaivik Kheti Portal.
  - ii. Integrated Farming Systems in rain-fed areas to be expanded.
  - iii. Zero-Budget Natural Farming to be included.
  - iv. Multi-tier cropping, bee-keeping, solar pumps, solar energy production in non-cropping season to be added.
- **Expansion of PM-KUSUM**
  - i. Target of 20 lakh farmers for setting up stand-alone solar pumps.
  - ii. Another 15 lakh farmers to be helped to solarise their grid-connected pump sets.
  - iii. Scheme to enable farmers to set up solar power generation capacity on their fallow/barren lands and to sell it to the grid.
- **Village Storage Scheme**
  - i. Will be run by the SHGs to provide farmers a good holding capacity and reduce their logistics cost.

- ii. NABARD to map and geo-tag agri-warehouses, cold storages, reefer van facilities, etc.
- iii. Viability Gap Funding for setting up such efficient warehouses at the block/taluk level.
- iv. Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) to undertake such warehouse building.
- v. Financing on Negotiable Warehousing Receipts (e-NWR) to be integrated with e-NAM.

➤ **State governments who undertake implementation of model laws (issued by the Central governments) to be encouraged.**

- i. Model Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2017.
- ii. Model Agricultural Produce and Livestock Contract Farming and Services (Promotion and Facilitation) Act, 2018.

➤ **Livestock** – Doubling of milk processing capacity to 108 MMT from 53.5 MMT by 2025.

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

The worldwide outbreak of Covid-19 has not only posed severe threat to human health but also to the economy and disrupted agriculture supply chain in both, urban and rural areas. The immediate challenge that Covid-19 has posed to agricultural sector and various mitigative measures initiated in the country to ensure a sustainable food system are described as under:

- 1. The Government of India has announced the payment of first instalment of PM-Kisan Yojana payment to farmers @ ₹2,000 upfront to farmers, benefitting over 8.7 crore Indian farmers.
- 2. GoI has also announced that the wages under MGNREGS will be raised from ₹182 to ₹202 per day.
- 3. The Reserve Bank of India (RBI) has announced a moratorium on agricultural term loans (including crop loans) till August 31, 2020. The extension of the six-month moratorium on repayment of term loans means that borrowers would not have to pay the loan EMI instalments during the moratorium period.
- 4. The Indian Railways has been roped in to ease transport logistics of agricultural produce.

**1.1.3 Govt. of India Package for Agriculture and Allied Sectors**

- 1. An Agri Infrastructure Fund of ₹1 lakh crores for creation of farm-gate infrastructure for farmers, Primary Agricultural Cooperative Credit Societies, Farmers' Producer Organisations (FPOs), agriculture entrepreneurs, start-ups, etc. has been announced.
- 2. A Central Sector scheme of ₹10,000 crore for the formalisation of Micro Food Enterprises (MFE) under 'Vocal for Local with Global outreach' vision of Hon'ble Prime Minister, has been initiated. This will help 2 lakh MFEs attain technical up-gradation, FSSAI food standards, build brands and marketing
- 3. The government will also provide ₹20,000 crore for fishermen through the Pradhan Mantri Matsya Sampada Yojana for the development of marine and inland fisheries. Of this, ₹11,000 crore will be earmarked for activities in marine, inland fisheries and aquaculture while ₹9,000 crore for infrastructure creation such as fishing harbours, cold chain and markets.
- 4. Animal Husbandry Infrastructure Development Fund of ₹15,000 crore has been envisaged to support private investment in dairy processing, value addition and cattle feed infrastructure.

5. In order to promote herbal cultivation in about 10 lakh hectares of area, a fund of ₹4,000 crore has been earmarked to help the farmers generate additional income. Along the bank of Ganga, a corridor of medicinal plants will be developed over 800 hectares' area.
6. ₹500 crore has been earmarked for beekeeping initiatives, helping 2 lakh beekeepers.
7. The government extended the 'Operation Greens' from tomato, onion and potato to cover all fruits and vegetables by providing an additional fund of ₹500 crore. This money would go into providing subsidy on transportation from surplus to deficient markets as well as on storages including cold storages.
8. The Government of India has brought three ordinances aimed at strengthening marketing ecosystem for farmers by removing restrictions and bringing in enabling measures.

#### **1.1.4 New Definition of MSMEs**

- **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;
- **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;
- **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.

#### **1.1.5 ₹3 lakh Crore Collateral-free Loans for Businesses, MSMEs**

- Emergency Credit Line to MSMEs from Banks & NBFCs upto 20% of entire outstanding credit as on 29.02.2020
- Borrowers with upto ₹25 crore outstanding & ₹100 crore turnover to be eligible
- 45 lakh units to resume business activity & safeguard jobs; scheme can be availed till 31 October 2020
- Loans to have 4 year tenor with moratorium of 12 months on Principal repayment
- Interest to be capped. No guarantee fee, no fresh collateral. 100% credit guarantee cover to Banks & NBFCs on principal & interest.

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

The Hon'ble Union Finance Minister, while presenting the budget for 2020-21 announced the 'One-District One-Product' initiative 'for better marketing and export of horticulture crops' and to foster coordinated development for enhancement of income of farmers. In order to enhance mobility and access to market, special rail and flight services for transportation of farm produce will also be initiated. These initiatives are expected to contribute towards doubling of farmers' income by 2022.

(For detailed paper 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 RBI:

RBI has issued revised guidelines vide their circular No. RBI/FIDD/2020-21/72 dated 04<sup>th</sup> September 2020 so as to align them with emerging national priorities and bring sharper focus on inclusive development with an aim to achieve Sustainable Development Goals. Some of the major changes in the guidelines are as under:-

- a. To address regional disparities in the flow of priority sector credit at the district level, it has been decided to rank districts on the basis of per capita credit flow to priority sector and build an incentive framework for districts with comparatively lower flow of credit and a disincentive framework for districts with comparatively higher flow of priority sector credit. Accordingly, from FY 2021-22 onwards, a higher weight (125%) would be assigned to the incremental priority sector credit in the identified districts where the credit flow is comparatively lower (per capita PSL less than ₹6000), and a lower weight (90%) would be assigned for incremental priority sector credit in the identified districts where the credit flow is comparatively higher (per capita PSL greater than ₹25,000). The districts which do not fall under both the categories as mentioned above will continue to get 100% weightage as hitherto.
- b. The targets for lending to Small and Marginal Farmers to be revised from the present 8% to 10% in a phased manner from 2020-21 onwards and that for Weaker Sections to be revised from 10% to 12% in a phased manner.
- c. Bank credit extended to registered NBFC-MFIs and other MFIs (Societies, Trusts etc.) which are members of RBI recognized SRO for the sector, for on-lending to individuals and also to members of SHGs / JLGs will be eligible for categorization as priority sector advance under respective categories of agriculture subject to certain conditions.
- d. Bank finance to start-ups upto ₹50 crore, loans to farmers for installation of solar power plants for solarisation of grid connected agriculture pumps and loans for setting up Compressed Bio Gas plants have been included as fresh categories under Priority sector.
- e. Loans upto 5 crore per borrowing entity to FPOs/ FPCs undertaking farming with assured marketing of their produce at a pre-determined price, classified as Priority Sector Lending.
- f. Loan limits eligible for priority sector classification for renewable energy have been increased under the revised guidelines.

#### **Other RBI initiatives:**

- In order to boost credit to the needy segment of borrowers, bank credit to registered NBFCs (other than MFIs) for on-lending will be eligible for classification as priority sector under respective categories vide circular dated 13 August 2019.
- RBI extending KCC facility to animal husbandry farmers and fisheries for their working capital requirements and conveying Government's approval to extend the benefits of Interest Subvention at 2% and Prompt Repayment Incentive (PRI) at 3% to fisheries and animal husbandry farmers to meet their working capital needs under the KCC scheme and issued the operational guidelines of the Interest Subvention Scheme for Kisan Credit Card facility to fisheries and animal husbandry farmers for a period of two years i.e. **2018-19 and 2019-20**, vide circular dated 26 August 2019. (Stands extended upto 31<sup>st</sup> August 2020 vide RBI - FIDD circular no. RBI/2019-20/250 dated 4<sup>th</sup> June 2020).
- In order to boost credit to export sector, the following changes have taken place vide circular dated 20 September 2019.
  - a. Enhance the sanctioned limit, for classification of export credit under PSL, from ₹250 million per borrower to ₹400 million per borrower.
  - b. Remove the existing criteria of '*units having turnover of up to ₹1 billion*'
- Banks and other stakeholders have been seeking clarity on provision of credit facilities to InvITs. The matter has been examined and it has been decided that banks may be permitted to lend to InvITs vide circular dated 14 October 2019.

- Priority sector classification extended for bank loans to NBFCs for on-lending for FY 2020-21. Further, existing loans disbursed under the on-lending model will continue to be classified under Priority Sector till the date of repayment/maturity vide circular dated 23 March 2020.
- Detailed instructions issued vide circular dated 27 March 2020 on Covid-19 Regulatory Package.
- Instructions issued, vide circular dated 30 March 2020, on amalgamations of Oriental Bank of Commerce and United Bank of India with Punjab National Bank; Andhra Bank and Corporation Bank with Union Bank of India; Syndicate Bank with Canara Bank and Allahabad Bank with Indian Bank have been notified vide the Gazette of India Notifications G.S.R. 153(E), G.S.R. 154(E), G.S.R. 155(E) and G.S.R. 156(E) dated March 4, 2020, respectively. The abovementioned notifications have come into force on April 1, 2020
- Circular dated 31 March 2020 issued to all Public and Private Sector Scheduled Commercial Banks, that the banks may convert the existing Short Term Crop Loans including agriculture gold loans into KCC loans by June 30, 2020 with commensurate extension of Interest Subvention (IS) and Prompt Repayment Incentive (PRI) benefit against such accounts till June 30, 2020.

(For detailed paper 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 agriculture sector, NABARD provides refinance to the cooperative banks and RRBs out of Long Term Rural Credit Fund, at a reasonable rate of interest. An amount of ₹15,000 crore was allocated for the year 2019-20. An amount of ₹15,000 crore has been allocated for the year 2020-21.

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

Short Term Cooperative Rural Credit - STCRC (Refinance) Fund has been set up in NABARD to provide Short Term refinance to Cooperatives for their crop loan lending. The allocation for the year 2020-21 is ₹45,213 crore

Short Term RRB (Refinance) Fund has been set up in NABARD to provide Short Term refinance to RRBs for their crop loan lending. The allocation for the year 2020-21 is ₹10,047 crore

#### **1.3.3 Rural Infrastructure Development Fund (RIDF)**

The major policy changes and initiatives during 2019-20 were as under:

##### **i. Revision in the parameters of State-wise Normative Allocation under RIDF**

- Allocation of corpus under Rural Infrastructure Development Fund (RIDF) to different states/UTs is based on a set of parameters
- In order to further align the objective of RIDF support with emerging national and state level priorities and also based on the recommendation of Internal Working Group of RBI, the parameters for state wise normative allocation have recently been fine-tuned which are expected to incentivize prioritization of more projects on irrigation, agriculture and rural drinking water supply.



## **ii. Review of Sectoral cap for Social Sector**

- Projects of Rural Drinking Water Supply (RDWS) has been excluded from the purview of Social Sector Cap under RIDF and the revised Social Sector Cap has been fixed at 15% of the total allocation under a particular Tranche.

## **iii. Defect Liability Period for rural road projects**

Defect Liability Period of at least 5 years made mandatory for all rural road projects under RIDF from 01 April 2020.

## **iv. Interventions in Post Covid Scenario**

- The time limit for obtaining Administrative Approval and Technical Sanction has been extended up to 30 September 2020, as a one-time measure, in respect of projects sanctioned under RIDF XXV.
- It has been decided to allow extension of phasing of projects sanctioned under RIDF XX up to 30 Sept 2020 where the disbursements under the Tranche would be allowed up to 31 December 2020.

## **V. Important Funds**

### **A. Micro Irrigation Fund (MIF)**

MIF with a corpus of ₹5,000 crore operationalized in NABARD from 2019-20 with Ministry of Agriculture and Farmers Welfare (MoA & FW), GoI as 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 Pradhan Mantri Krishi Sinchayee Yojana-Per Drop More Crop.

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

Operationalized in NABARD in 2016-17 for fast tracking completion of the identified Medium and Major Irrigation projects. Under LTIF, NABARD provides loan towards Central Share as well as State Share.

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

PMAY-G aims at providing a pucca house, with basic amenities, to all households and those households living in kutcha and dilapidated house, by 2022.

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

SBM-G was launched by Govt. of India with effect from 2<sup>nd</sup> October 2014 with the goal to achieve universal sanitation coverage in rural areas. Under the scheme, NABARD extends loans towards part funding of Central share.

## **1.3.4 Digitization of SHGs under EShakti project**

The coverage of EShakti has been extended and at present EShakti is in operation in 254 districts spread over 26 States and two UTs. As on 31 March 2020, a total of 6.54 lakhs SHGs were digitized involving 71.94 lakhs members, across the country.

### 1.3.5 Financial Inclusion

**Differentiated Strategy under FIF:** NABARD has adopted a differentiated strategy in 2019-20 to provide focused FI interventions comprising 14 schemes on tap, in order to address regional and institutional inadequacies and bring about inclusive and equitable financial inclusion across the country. The 14 schemes on tap cover the following areas:

1. Financial Literacy Programmes
2. Banking Technology Adoption
3. Regulatory Infrastructure Support
4. Support for Connectivity and Power Infrastructure
5. State Level Technical Committees have been formulated to develop and monitor the post CBS Technology Adoption by the RCBs.
6. Higher engagement with partner banks especially Small Finance Banks (SFBs), Payment Banks (PBs) has been taken up.

### 1.3.6 Farm Sector Policy – Important Initiatives

- A new Central Sector Scheme for promotion of FPOs was finalized for formation and nurturing of 10,000 FPOs over a period of 5 years during 2019-20 to 2023-24. Grant assistance towards Management and Incubation per FPO will be ₹25 lakh or actual, whichever is less, which would be provided for 5 years from the year of formation.
- For FPO financing, a Credit Guarantee Fund of ₹1,000 crore, for providing credit guarantee cover (CGC) to all eligible Lending Institutions, was created. Eligible lending institutions can avail Credit Guarantee cover, ranging from 75% to 85% of the quantum of loan, with a maximum ceiling of ₹1.50 crore per FPO.
- Revised WDF guidelines for Integration of climate proofing interventions with enhanced unit cost of ₹18,000/ha in plain areas and ₹22,500/ha in hilly/difficult areas were issued.
- Operational guidelines were issued for implementation of pilot project on reclamation of Saline & Alkali Soils in Punjab & Haryana covering an area of 3,000 ha with a financial outlay of approx. ₹20 cr.
- Financial Agreement with KfW, Germany, worth €4.5 million was finalized for 48 climate proofing projects in Bihar, Maharashtra and TN.
- TDF guidelines were revised based on recommendation of NAC; guidelines now allow non-wadi based livelihood activities under TDF
- Grant assistance for conduct of exposure visits under FSPF enhanced and further, funding scope enlarged to cover AI, IOT, Machine Learning, Start-ups, etc. with enhanced capital cost for such projects.
- Five pilot projects on Zero Budget Natural Farming were sanctioned for implementation in the State of Assam, Andhra Pradesh, Odisha, Maharashtra and Uttarakhand
- Five new Model Bankable Projects (MBPs) namely; Kiwi cultivation, Re-circulatory Aquaculture System (RAS) with vegetable farming, Composite fish culture, Spirulina cultivation and Backyard poultry farming of Kadaknath were prepared and hosted in NABARD website and NABNET in bilingual version. Further, 12 existing MBPs (seven animal husbandry, two fisheries, two agricultural engineering and one water resources activities) were updated and hosted in NABARD website and NABNET.

### 1.3.7 Off Farm Sector Initiatives

- **Setting up of Catalytic Capital Fund:** NABARD has set up “Catalytic Capital Fund of ₹100 crore for supporting Rural and Agri Start-ups”. The catalytic capital support is positioned to act as a bridge between two stages viz. development and commercialization of innovative technologies / products / services in agriculture for start-ups through Incubation Centres/Subsidiaries of NABARD. The maximum support for an eligible start-up is ₹1 crore.
- **Policy to set up Rural Business Incubation Centre:** This policy circular outlines the various interventions that NABARD can support to set up new/existing Incubation Centres thereby supporting start-ups and similar entities for addressing the challenges in rural sector.
- **Promotion of GI Products:** A new policy and operational guidelines for supporting pre and post registration activities of Geographical Indication was issued.
- **Skill Initiatives :** Support to Skill initiatives were enabled through skill portal **NABSKILL ([www.nabskillnabard.org](http://www.nabskillnabard.org))**. Partnered with Corporates/CSRs for outcome based skill initiatives. A few of the partners in addition to the usual skill partners during the year are Pipal Tree Ventures Private Limited, Tata Community Initiative Trust, Santhigiri Trust, United Nations Development Programme (UNDP) etc.
- **Marketing:** In order to support rural artisans & producers to market their products effectively financial assistance is provided for setting up Rural Haats and Rural Marts as also sponsoring Exhibitions. As on 31 March 2020, 563 Rural Haats with grant assistance of ₹34.21 Crore and 904 Rural Marts with grant assistance of ₹15.65 Crore have been supported.

#### 1.3.7.1 Agri- Market Infrastructure Fund (AMIF)

- A dedicated Agri Market Infrastructure Fund (AMIF) with a corpus of ₹2,000 crore established with NABARD.
- AMIF envisages providing 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 Collectivization of Agricultural Produce for enhancing Farmer’s Income

#### 1.4.1 Current Scenario

1. Collectivization of agricultural produce, value addition and collective marketing through organizing farmers into Farmer Producers’ Organization (FPO) is one of the plausible solutions for increasing income of the farmers
2. Around 7,000 FPOs promoted by various agencies exist in the country, of which NABARD has promoted 4,484 FPOs.
3. Considering the average membership of around 2,500 per matured FPOs including the future expansion needs in the membership, there exists a scope of promoting around 50,000 FPOs in the country

4. Reduction in the cost of production, crop diversification, reduction of marketing cost due to aggregation and bulk transport, improved bargaining power for better price, reduction in post-harvest losses, etc. are the few benefits of FPOs

#### **1.4.2 Important initiatives of the Govt. of India**

- Launching of Equity Grant and Credit Guarantee scheme for facilitating collateral-free lending to FPCs
- “Operation Greens” initiative for onion, potato and tomato crops for the benefit of farmers and consumers by promoting FPOs and creating agri-logistics, processing facilities and professional management system
- Granting 100% tax exemption to FPOs and
- Announcing scheme for promotion of 10,000 new FPOs over next 5 years

#### **1.4.3 Important initiatives of NABARD**

- Setting up of Producers’ Organization Development Fund for promotion, capacity building, market facilitation, other accompanying measures to FPOs & digitization through dedicated web portal
- Facilitating life cycle-based credit flow to FPOs through its subsidiary i.e. NABKISAN Finance Ltd.
- Supporting establishment of two incubation centers for providing business incubation services to emerging FPOs/ agri-entrepreneurs at Haryana Agricultural University(HAU), Hissar and Tamil Nadu Agricultural University (TNAU), Madurai and
- Supporting Govt. of India in policy formulation for promotion of 10,000 new FPOs.

#### **1.4.4 Critical issues & challenges in building sustainable FPOs**

- Inadequate technical skills and lack of awareness about the business model of FPO and regulatory compliances
- Non-availability of experienced, trained and professionally qualified CEOs
- Inadequate availability of affordable credit facility matching with life cycle needs of FPO
- Poor market connect between FPOs and consumers/ agri-industry, market players, large retailers, processors, etc. on account of inadequate agri-logistics in rural areas.

#### **1.4.5 Suggested policy measures**

- Govt. of India may support for creation of basic infrastructure facilities and strengthen the Gramin Agriculture markets
- Interest subvention facility on working capital & term loan requirement for FPOs may be considered
- Small land to FPOs may be allocated for creation of storage and other facilities for aggregation and value addition
- Single window licensing for FPOs may be adopted by the states
- Banks may develop/ innovate loan products to meet the credit needs of FPOs, SLBC may consider incorporating FPO financing as a separate sub-target and the progress may be monitored

#### **1.4.6 Way Forward**

- Complete value chain may be developed for major commodities with FPOs as back-end enabler for production, aggregation, value addition and marketing of produce
- Govt. may establish FPO Incubation Centres in each cluster with technical support of the Agricultural Universities/ ICAR Institutions
- Digital linking of FPOs with buyers, sellers and transport agencies for real time and online marketing of farm produce for better price realization may be encouraged
- Ministry of Corporate Affairs (MCA) may consider incorporating suitable relaxation in the Companies Act for improved compliances by the FPOs

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

## **1.5 Policy Initiatives – State Government**

### **Budget Initiatives**

State Government has presented the budget of **₹2,17,287 crore**, with an overall surplus of ₹275.27 crore without any fresh taxes. It is higher by ₹12,472 crore over the previous Budget in 2019-20. Budget lays special thrust on “education, health, agriculture, water management, energy, rural and urban development and also social development.”

Major highlights of the budget are:

### **Agriculture, Horticulture & Animal Husbandry**

- A Provision of ₹1190 crore for the payment of crop insurance premium to assist farmers.
- A provision of ₹300 cr. for providing assistance to the farmers of ₹30,000 per unit for development of small godowns.
- A provision of ₹50 cr. for Cow Based Natural Farming new scheme for providing assistance of ₹900 per month, i.e. ₹10,800 per year.
- A provision of ₹30 cr. to provide of ₹50000 to ₹75000 for procuring light load bearing vehicle under Kisan Parivahan Yojana.
- A provision of ₹10 cr. for providing subvention to provide transportation of their production to railway station or airport.
- A provision of ₹12 cr. for setting up Gujarat Organic Agricultural University, the first in the country, at Halol in Panchmahal district.
- Mukhya Mantri Pashudan Sahay Yojana to assist lakhs of farmers. A provision of ₹200 cr. to provide the farmer 150 kg. cattle feed at 50% concessional rate for one month when cow or buffalo give birth to a calf.
- A provision of ₹100 cr. for new scheme providing benefit of infrastructural facilities for cow sheds, godown for fodder storage, tubewell facility for water, solar rooftop installation, micro irrigation in the fodder plot, sprinkler etc. as one time subvention for upgrading Panjara Pols.
- A provision of ₹43 cr. for setting up a new veterinary college at Rajpur Nava, New Himmatnagar, a center for post graduate study in fisheries, veterinary institutes and construction of Intensive livestock conservation offices.

- A provision of ₹25 cr. for FPO based infrastructural facilities to be developed on pilot basis in Banaskantha, Jamnagar, Kutch, Navasari and ChhotaUdepur for linking Horticulture productions with E- NAM and take them to national- international markets.
- A provision of ₹6 cr. to give training for skill enhancement of horticulture crops.
- A provision of ₹2 cr. to establish a new Centre of Excellence in Jamnagar district.
- A provision of ₹50 cr. to provide market committee subvention to construct godowns upto 5000 MT capacity.

### **Water resources**

- Government of India has allocated ₹757 cr. for a period of five years under Atal Bhujal Yojana for improving the quality of ground water. 24 talukas of Kutch and North Gujarat have been included under this scheme.
- A provision of ₹750 cr. for micro irrigation scheme.
- For enhancing the scope of Micro Irrigation System in the State and ensure efficient use of irrigation water, 50% concession in the existing irrigation rate will be given to the farmer group.
- A provision of ₹1084 cr. for completion of the remaining works of Kutch branch canal, undertaking the works of Dudhai sub-branch canal and its distributaries. Education Department.

### **Education, Health & Labour Welfare.**

- 500 of the state schools will be developed as “School of Excellence for which provision of ₹250 cr. made.
  - A provision of ₹650 cr. for construction of 7000 class rooms of primary schools.
  - A provision of ₹935 cr. for subsidy for tuition fee, lodging and boarding facilities are also provided under Mukhya Mantri Yuva Swavalamban Yojana.
  - Scheme of starting one Urban Health Centre for population of 10,000. Various health care services will be provided in this center through an M.B.B.S. or AYUSH doctor. A provision of ₹80 cr. made for setting up such Urban Health Centres.
  - The construction work of Indian Institute of Skills at NASMED, Gandhinagar has started on 20 acre land for industrial demand based world class skill development.
- Capital investment of ₹30 cr. will be made for the establishment of Gujarat Skill Development Corporation on the lines of National Skill Development Corporation for strengthening Skill Eco System.
- Health related facilities are being given to the construction workers under Dhanvantari Aarogya Rath Yojana for which provision of ₹25 cr. made.

### **Panchayat and Rural Development**

- Under Madre Vatan Yojana, State Government shall contribute a matching amount of donation given by such donor for developing facilities like schools, class rooms, smart classes, Anganvadi, cemetery, dispensary, Roads, water tank, village pond, sewer system, community toilets, library, community halls, panchayat Ghar, etc. in the village. For this, a provision of ₹200 cr. made.

- Mukhya Mantri Mahilla Utkarsh Yojana- Under this scheme, if a Mahila Utkarsh Juth consisting of women from urban and rural area is formed and it secures loan up to ₹1 lakh, the interest thereon will be paid by State Government directly to the bank. Thus, the Mahilla Utkarsh Juth will receive loan at zero percent interest and women will find new strength for self-employment. A provision of ₹193 cr. to provide interest subsidy under this scheme.
- Mukhyamantri Gramya Svanirbhar Yojana - women who are member of self-help groups will be provided subvention to purchase mills to grind grains and spices. Total provision of ₹7 cr. made.
- A provision of ₹100 cr. for connecting Gram Panchayats with high speed internet and making every Gram Panchayat e-enabled by equipping it with manpower including necessary hardware.

### **Environment & Climate Change**

- Assistance will be given to farmers for purchasing mini solar powered tractors and for installing charging points in cities for electric vehicles.
- Provision of ₹250 cr. under Compensatory Afforestation Fund Management and Planning Authority (CAMPA) for undertaking forestation, conservation of forests, land and soil conservation, management of wild animals and biological resources management.
- Provision of ₹24 cr. for construction of 40 new godowns to increase capacity of grass storage.
- Provision of ₹15 cr. to give subvention to cattle keepers by developing grass land in Kutch district.

### **Others**

- To provide power supply to the farmers during day-time to satisfy their long standing demand under the new Dinkar Yojna to strengthen transmission network and install new sub-station in 3 years at the cost of ₹3500 cr. For this purpose a provision of ₹500 cr. made.
- For resurfacing of rural roads provision of ₹1436 cr. made.
- Pradhanmantri Gram Sadak Yojna to widen rural roads with initial provision of ₹100 cr. towards the state share.

### **Other developments in the State**

#### **a. Aatma Nirbhar Gujarat Sahay Yojana**

- ₹1,00,000/- Loan provided by Co-Operative Bank, Credit Society & District Bank
- Only Based on written Application done to bankers
- Unsecured Collateral Free Loan
- Although the total interest rate is 8% eligible people need to pay only 2% as the remaining 6% will be paid by the State government.
- 6-month Moratorium – No interest + Principal payable during that period
- 3 Years Loan Period
- Quantum of Assistance: ₹5000 Crore
- Beneficiaries are Small businessmen, skilled workers, autorickshaw owners, electricians, among others whose economic activities have been disrupted due to the prevailing COVID-19 lockdown.

## **b. Mukhya Mantri Kisan Sahay Yojana**

The Gujarat Government's new scheme for farmers facing crop losses will replace the Pradhan Mantri Fasal Bima Yojana (PMFBY) for this year only. The new scheme, called Mukhya Mantri Kisan Sahay Yojana, will grant compensation to farmers facing crop losses due to drought, excess rain or unseasonal rain, without collecting any premium. Unlike the Centre's crop insurance scheme, farmers are not required to pay any premium under this new state government's scheme to get protection against natural risks like drought, excess or unseasonal rain this kharif season in 2020-21.

The compensation will be given only if the loss of crop is more than 33 percent either due to drought, or excess rain, or due to unseasonal rainfall. A farmer is eligible to get compensation for maximum four hectares of land. For crop loss between 33 and 66 percent, a farmer will get a compensation of ₹20,000 per hectare for maximum four hectares. For crop loss above 60 percent, a farmer will get ₹25,000 per hectare for maximum four hectares.

Apart from the compensation paid under this scheme, farmers are also eligible to get additional compensation under the State Disaster Response Fund in case of crop loss due to natural calamities. Tribal farmers registered under the Forest Rights Act are also eligible for this scheme.

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

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

The details of major State Government Sponsored Programmes with Bank Credit are enumerated in brief:

- **Gujarat State Government Scheme for Assistance to Establish 12 Milch animals farm for self-employment**

In this scheme subsidies will be made available for purchase of 12 milch animals (cow/buffalo) and new construction of dairy farm. Interest subsidy will be available @ 8.50% to SC/ST/Women beneficiaries and @ 7.50% to others for 5 years on finance extended by banks for purchase of milch animals. For construction of dairy farm as per prescribed criteria, subsidy will be provided @ 50% of the cost or ₹1.50 lakh whichever is lower. In addition to these, capital subsidies will also be available for electric chaf cutter, fogger system, milking machine and cattle insurance. Assistance for renovation and repair purpose is not eligible under this scheme.

- **Vajpayee Bankable Scheme (VBS)**

A scheme for providing financial assistance to the craftsmen of Cottage Industries through Nationalised Banks, Co-operative banks, Public sector Banks or Private Banks. This scheme aims to supply self-employment to the unemployed persons in urban and rural areas. Disabled and blind persons are also eligible to take benefits under this scheme.

- **Jyoti Gramodyog Vikas Yojana**

Jyotigram Yojana is an initiative of the Government of Gujarat to ensure availability of 24-hour three phase quality power supply to rural areas of the state and to supply power to farmers residing in scattered farm houses through feeders having specially designed transformers.

- **Gujarat Scheduled Caste Development Corporation (GSCDC)**

To provide financial assistance to Scheduled caste/ Scheduled Tribe beneficiaries living below poverty line. Subsidy of 50% of the Project Cost subject to Max. ₹10000/-.



- **Gujarat Backward Classes Development Corporation**

To provide financial assistance to backward classes, people living below poverty line and minorities. Subsidy of 50% of the Project Cost subject to Max. ₹10000/- for BPL and backward classes and Subsidy of 33.33% of the Project Cost subject to Max. ₹3000/-for minority.

- **Dattopant Thengadi Artisan Interest Subsidy Scheme**

A scheme for providing required amount of finance for machinery or working capital at low interest rate with ease to the workmen registered as artisans in the urban as well as rural areas of the State. A beneficiary can avail a maximum credit limit of ₹1.00 lakh for purchase of machinery or working capital (for purchase of raw materials) or both under this Scheme.

- **Subsidy scheme for Salt Producers for Purchase of Solar Pump Set**

A new subsidy scheme for purchase of solar pump by salt producers. On purchase of solar pump system by salt producers, subsidy @ 80% of the cost of the solar pump is being provided.

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

## 1.7 Collectivization of Agricultural Produce for enhancing Farmer's Income in the State

### Present Status of FPOs in Gujarat

As on 31 March 2020, the total no. of farmers' collectives/ Producer Organizations promoted by various organizations in Gujarat stood at 275. Of these, majority of FPO have been promoted through NABARD support under PRODUCE Fund & PODF, respectively.

Agency-wise FPOs promoted as on 31 March 2020			
S. No.	Promoting Agency	FPOs formed (No.)	
		State Level	Morbi District
1	NABARD	214	0
2	SFAC	25	0
3	CSR Foundations/ Others	36	2
	<b>Total</b>	<b>275</b>	<b>2</b>

Considering the merits of taking collective actions in agri-business, knowledge and information sharing and taking actions for policy reforms, a state level federation of FPOs, viz., GUJPRO, registered as a State Level Producer Company (SLPC), was formed in 2012, with the mission of advancing the business and policy interests of Farmers Producer Organizations (FPOs) of Gujarat and aimed at increasing their business competitiveness and creating sustainable social enterprises.

### NABARD's Support to Farmer Producers' Organizations

- In Gujarat, 117 FPOs were promoted by NABARD under PRODUCE Fund. In Morbi District no FPOs has been sanctioned so far.
- During FY 2019-20, 51 new FPOs were sanctioned by NABARD in various districts of Gujarat taking the total tally to 97 FPOs under PODF. Also, a Business Development Assistance (BDA) of ₹5 lakh has been sanctioned to Rajeshvar FPCL. In Morbi District no FPOs has been sanctioned under PODF-ID fund.
- NABARD's Credit Guarantee Scheme is to provide Credit Guarantee cover to Subsidiaries of NABARD (NABKISAN, NABSAMRUDHI and NABFINS) to enable collateral free direct loans

to FPO/OFPO to the extent of 50% of the eligible sanction amount or ₹50 lakh per FPO/OFPO, whichever is less, for their business development.

- Presently in Gujarat, NABKISAN has sanctioned credit assistance of ₹14.39 crore to 26 FPOs and disbursed ₹11.18 crore.
- Considering the need for a **centralized database** on FPOs, NABARD has launched a dedicated web portal ([www.nabfpo.in](http://www.nabfpo.in)) and digitized the data in respect of all its FPOs including profile of the shareholder members and uploaded on its website for use by the stakeholders.
- A **Performance Measurement (grading) Tool**, has been developed in consultation with key stakeholders, for the assessment and monitoring of overall performance of FPOs. The tool serves as an aid in designing need based nurturing interventions for building robust organization and facilitating credit linkages.
- With a view to supplementing the efforts of the Govt. of India, particularly in 115 Aspirational districts for holistic development, NABARD is implementing “**Integrated Water Management Scheme** through watershed approach’, covering more than 40 such districts to address issues relating to availability and efficient usage of water through FPO/ community participation. Besides, NABARD through its State offices has launched a massive awareness campaign on the role of FPOs in building farmers’ resilience against climate change, increasing agricultural productivity and bringing optimal efficiency in the agri-value chain through achieving the economy of scale for ensuring enhanced income to the farmers, particularly small producers. Presently, there are 09 on-going watershed projects in Sabarkantha, Aravalli, Dahod, Chhotaudepur, Rajkot, Bhavnagar and Jamnagar districts.
- NABARD, with support of BIRD has designed three separate training modules for capacity building/ training of Board of Directors and CEOs of FPO and for the capacity building of POPIs. In order to provide direct marketing opportunities to the FPOs and Artisans, various initiatives like Buyer-Seller meet, Sahyog Mela, Capacity Building Programs of CEOs and BODs etc were organized during the previous year.
- NABARD has been regularly following up with Govt. of Gujarat to come out with a FPO Policy for the State. Some of the measures suggested for consideration of the State Govt. were; (i) Constituting an Equity Contribution Fund (to enhance quantum of credit) with a lending agency, such as NABKISAN or the nodal department of the State Govt. dealing with FPOs. This agency shall ‘invest’ in the corpus of the FPOs in the form of cumulative redeemable long-term capital/ debentures at nominal rates; (ii) Instituting a Working Capital Fund with a lending agency such as SFAC, NABKISAN, Lead Bank, etc. This fund shall be in the nature of a revolving fund from a blended corpus that may be constituted with the lending agency, with contribution from lending agency as well as State Govt. This will reduce the rate of interest on these loans for the FPOs; and (iii) Enabling an annual budgetary provision by the State Govt. or instituting a Credit Guarantee Fund with the State Agriculture Department, for enabling full coverage of the credit availed by the FPOs. FPOs can avail either 100% guarantee under the State Govt. Fund or can avail for the portion not covered under the SFAC/NABARD schemes.

### Promotion of FPOs in Seed Sector

Quality seed is a vital input in agriculture and farmer’s access to superior quality of seed is key to increase agricultural productivity and production. The pace of progress in food production is largely dependent on the progress of seed programme with which country is able to multiply and market good quality seed of high yielding varieties.

India has achieved considerable expertise in seed production. According to an estimate, the Indian seed industry is worth Rs 18000 crore and growing. Currently, India's seed exports is less than Rs10000 crore per annum, while global seed trade is \$14 billion. India has the potential to capture a 10 per cent share which is about Rs 10000 crore by 2028. Gujarat is major seed producer state in groundnut, Green gram, cotton and castor.

### **Informal Seed System - FPO Model**

Informal Seed System, if strengthened with IT, Agriculture and brought under the ambit of FPO framework, can offer solutions to overcome the constraints of both informal and formal seed system. In other words, it also brings in "Paradigm shift" in the way seed village programme being implemented and also enable establishing a robust seed traceability system assuring consumers' a quality product.

### **Road Map for forming FPOs in Seed Production**

Considering the emerging opportunities, Seed Production as a business activity for FPOs is suggested. There is a need for preparing FPO centric seed production plan in the district. The following process is suggested to achieve this objective.

- Identify Seed Production Clusters in the State.
- Information on District wise and Crop wise SRR
- Assess Demand and Supply Gaps –Crop wise and District wise based on SRR data
- Identify and map VRR of the Varieties to be replaced with newly notified Varieties
- Map the existence of ICAR Institutes, Regional Stations of SAUs, KVKs, Seed Producer Groups/ existence of an on- going seed village programme, private companies, FPOs (if any) and Seed Certifying Agency and delineate their roles and services to seed producers and assess the potential for forming FPOs/strengthening existing FPOs
- Information on existing schemes of GoI/ State Govt. including special schemes implemented through RKVY and explore convergence, especially for capital investments like seed godown, seed processing machinery etc as also explore the utilization of the existing infrastructure created by the States in the potential districts
- Arrive at the number of seed producing potential FPOs in the State, duly bifurcated into District-wise along with potential Crop (s) for seed production
- Prepare/ enable Business plans, through FPO/ sponsorer of FPO for assessing financial viability and bankability of the Seed Production Plan. As far as possible, Seed Production Plan should cover all major crops in the command area of the FPO in a gradual fashion, beginning with a major crop and gradually to vegetables, (ICAR released varieties) pulses, oilseeds and also contractual farming with Private sector.
- Identify crop specific promotional interventions across the value chain
- Preparation of an operational Plan for Formation/Strengthening FPOs
- Converge with NABARD's Promotional Programmes, including FSPF, FPOs, WDF etc for grant components
- Estimate the credit requirements of FPOs with regard to capital investments (if convergence is not possible with state schemes) and also working capital requirement.
- Incorporate the details of potential FPOs along with the strategy in the PLPs/ State Focus Paper

- Convene a stakeholders meeting to launch the Seed Production Plan for FPOs in the State.
- Monitor the progress through a suitable institutional mechanism at District/State level.

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

## Chapter -2 Credit Potential for Agriculture 2021-22

### 2.1 Farm Credit

#### 2.1.1 Crop Production, Maintenance and Marketing

Morbi district was formed by bifurcation of Halvad taluka from Surendranagar district and four talukas namely Tankara, Morbi, Maliya and Wankaner from Rajkot district. It came into existence on 15th August, 2013. Morbi is surrounded by Kutch district on Northern side, Rajkot on Southern side, Surendranagar on Eastern, and Jamnagar district on Western side. Based on information available in the statistical abstract prepared by Statistical department of Rajkot / Morbi Zilla Panchayat, 3 blocks of Morbi district viz; Halvad, Maliya and Morbi has saline soil and 2 blocks viz; Tankara and Wankaner have partially sandy soil. The district falls in Zone 5 Agro Climatic Zone. Climate of the district is dry and sub humid and Soil Type is generally medium black.

Average rain fall is 519 mm (1990-2019). The rainfall was in excess during Monsoon Season 2019.

The major crops grown in Kharif are Groundnut and Cotton and that in Rabi are Wheat and Cumin. During summer, Groundnut, Til, Fodder and Vegetables are the main crops. Chana, Garlic, Onion and Chilly are the other crops grown.

##### 2.1.1.1 Introduction

Morbi is a diversified agricultural economy. The district agriculture economy has witnessed a shift towards high value crops like cotton, groundnut, fruits and vegetables and condiments and spices from low value cereals and other crops.

Farm Credit includes Crop Loans, Medium Term Loans for agriculture and allied activities, Loans for pre and post-harvest expenses, etc. expended to individual farmers & corporates directly engaged in agriculture and allied activities.

##### 2.1.1.2 Land Holding Pattern

As per Agriculture Census 2015-16, the number and area of Operational Holdings by Size Group in this district is as follows:

Category	Number (‘000)	Area (‘000 Hect.)
Marginal Farmer (With agricultural land holding up to 1 hectare (2.5 acres))	32806	23479
Small Farmer (With agricultural land holding more than 1 hectare and up to 2 hectares)	54980	80152
Semi Medium (With agricultural land holding 2-4 ha)	41295	113510
Medium (With agricultural land holding 4-9.99 ha)	15615	86706
Large (With agricultural land holding More than 6 Ha )	832	16021
Total holdings	<b>145528</b>	<b>319868</b>

Source: Agriculture census 2015-16

##### 2.1.1.3 Area and Production:

The climatic condition of the district is suitable for cultivation of Cotton, Groundnut, Til, Wheat and Castor. Details of area and production of principal food crops and non-food crops raised in the district during last two years are given below.

Crop	Area (hectares)		Production (oo MT)	
	2018-19	2019-20	2018-19	2019-20
Wheat	13290	26665	41339	118427
Bajra	2362	456	1191	373
<b>Total Foodgrains</b>	<b>15652</b>	<b>27121</b>	<b>42530</b>	<b>118800</b>
Chana	1751	5045	1284	9618
Other Pulses	1651	2389	1400	1586
<b>Total Pulses</b>	<b>3402</b>	<b>7434</b>	<b>2684</b>	<b>11204</b>
Cumin	13793	14480	8970	11013
Variyali	1052	1490	1521	2640
<b>Total Spices</b>	<b>14845</b>	<b>15970</b>	<b>10491</b>	<b>13653</b>
Cotton	157132	186172	92464	245983
Groundnut	34945	41294	40196	112225
Til	7698	13982	2069	6514
Castor	14984	22878	14665	49284
<b>Total Oilseeds</b>	<b>214759</b>	<b>264326</b>	<b>149394</b>	<b>414006</b>

Source: (Area, production, Director of Agriculture-3rd Advance estimate 2019-20)

#### 2.1.1.4 Assessment of credit potential for the financial year 2021-22 (In both Physical and Financial terms)

Keeping in view developments of the district, Scale of Finance, discussion with stake-holders etc., potential for 2021-22 has been estimated at ₹298367.20 lakh as per the details given below. The ground level disbursements for 2019-20 were ₹218912.00 lakh under agriculture. Activity wise block wise details are given in Annexure I.

(₹ in lakh)

Sl. No.	Name of the crop	Unit	Scale of Finance	Assessment of Potential 2021-22	
				Phy. units	Bank Loan
1	Cotton (irrigated)	Ha.	0.67	138000	92460.00
2	Cotton (non-irrigated)	Ha.	0.50	50000	25000.00
3	Cumin (Jeera)	Ha.	0.40	4000	1600.00
4	Groundnut	Ha.	0.52	20700	10764.00
5	Til	Ha.	0.30	7500	2250.00
6	Castor	Ha.	0.35	10200	3570.00
7	Wheat	Ha.	0.40	9500	3800.00
	Farm credit			239900	139444.00
	Add: 10% for post-harvest				13944.40
	Add: 20% for maintenance of farm assets/ household consumption				27888.80
	<b>Grand Total (Crop Production, Maintenance and Marketing)</b>				<b>181277.20</b>

Note: The Scale of finance is as per the DLTC

#### **2.1.1.5 Critical interventions required for creating a definitive impact:**

**PMFBY:** GOI vide notification dated 22.4.2020 has revamped PMFBY scheme and has made it Voluntary for all the farmers, including loanee farmers. The GOI has formulated the detailed guidelines regarding the operational procedure to be followed by banks for implementation of PMFBY, especially for opting out and opting in of the farmers for the crop insurance scheme. In this district 45664 farmers were covered under Prime Minister Fasal Bima Yojana (PMFBY).

During Kharif 2019, 86747 applications were received from 86649 loanee farmers and 98 non-loanee farmers. The crop area thus covered was 186660.04 ha with sum insured of ₹95308.82 lakh and total premium received was ₹3290.96. (source: PMFBY portal)

#### **1. Interest Subvention:**

- a) Interest Subvention of 2% p.a. to Banks, on their own funds used for short term loans (crop loans and WC loans for animal husbandry and fisheries activities) upto ₹3.00 lakhs per farmer (subject to maximum of ₹2.00 lakh per farmer for WC loan for AH&F activities) will be available provided the lending institutions make available short term credit to farmers @ 7% p.a. Interest subvention @2% will be calculated on the crop loan/WC loan amount from the date of its disbursement/drawl up to the date of actual repayment of the crop loan by the farmer or up to the due date of the loan fixed by the Banks, whichever is earlier, subject to a maximum period of one year.
- b) An additional interest subvention @ 3% will be available to the prompt payee farmers from the date of disbursement of the short term loan up to the actual date of repayment by farmers or up to the due date fixed by the Bank for repayment of crop loan/WC loan, whichever is earlier, subject to a maximum period of one year from the date of disbursement. This also implies that the prompt payee farmers would get short term loans @ 4% p.a. during the year 2020-21. This benefit would not accrue to those farmers who repay after one year of availing such loans.
- 3) **Soil Health Card:** State Government has launched an innovative programme to provide every farmer a Soil Health Card in a Mission mode for keeping readymade information on fertility of their soil for fertilizers recommendation and for crop planning in succeeding year. The card will carry crop wise recommendations of nutrients/fertilizers required for farms, making it possible for farmers to improve productivity by using appropriate inputs. Soil health being an important factor in agriculture production, productivity and quality of production. The soil testing laboratories working in the state covering all the districts, provide free of charge, soil testing facilities along with testing of soil micronutrient to the farmers of all the districts of the state. The Soil Health Card is valid for three years. About 1505 farmers have got the soil health card in the district during the year 2019-20.
- 4) **Seeds:** Gujarat State Seed Corporation Ltd. has made production of ₹2.96 lakh quintal seeds during 2017-18. The Corporation has constructed its own scientific storage godown having capacity of 1.84 lakh quintals of seeds at various district/taluka places of the State. Gradually the farmers are switching to the certified seeds available from Govt and private companies. The seed replacement ratio in Morbi is 100% for cotton and 20% for other crops and as such there is good scope to improve the SRR in district.
- 5) **Post-Harvest Facilities:** In Gujarat the regulated market yards have made satisfactory progress. Gujarat State Agriculture Marketing Board is organizing training programmes for various Govt. functionaries in the district and also providing computer network connection to APMCs under “Agmarknet” scheme of GOI. There are 8 APMCs. There are facilities of grading

and sorting through private players in the district. Good number of MSME units are situated in the district to absorb the goods produced by the farmers by way of value addition.

**6) RuPay Cards to farmers:** There are 91000 cultivators in the district out of which 116417 farmers are covered under Rupay KCC. The cards are being given by the banks to farmers.

**7) Implementation of PM-KISAN and KCC saturation status:**

Pradhan Mantri Kisan Samman Nidhi (PM-Kisan) is an initiative by the Government of India in which all farmers will get up to ₹6,000 per year as minimum income support. The initiative was announced in the Interim Union Budget of India on 1 February 2019. The scheme will come in effect from December 2018. ₹6,000 per year will be paid to each eligible farmer in three instalments and will be deposited directly to their bank accounts.

Govt of India vide their letter dated 04 February 2019 had launched a drive to saturate all eligible farmers with Kisan Credit Card(KCC). Further Govt of India vide their letter dated 26 August 2019 had included Animal Husbandry and Fisheries farmers for KCC benefits. 15day special drive was started from 06 February 2020.

**2.1.1.6 Suggested action Points**

**i. State Govt:**

- All APMCs need to move towards e-NAM platform of “One Nation One Market”
- There is need to increase number of rural godowns for storage of agriculture commodities and avoid the distress sale of produce.
- Preliminary processing like grading, sorting, cleaning, etc., of the produce should be taken up by farmer or a group of farmers, so that the farmer can get higher prices for their produce.
- Post-harvest Credit will discourage distress sale of produce by farmers and encourage them to store their produce in warehouses against warehouse receipts. It ultimately increases income of farmers.
- Quick transformation and adoption of e-NAM by APMCs for offering better markets to farmers. Collection, procurement and marketing of agriculture produce through Farmers’ Producer Organization. Need to promote more FPOs in the district.



**2.1.2 Water Resources****2.1.2.1 Introduction**

- The total geographical area of Morbi is 495000 ha, the Gross Cropped Area(GCA) is 367100 ha, the Net Sown Area (NSA) is 325400 ha. (Source: District Statistical Abstract) Source: District Irrigation Plan 2016-20
- There are no major rivers flowing through the district. Canal Irrigation from SSNL is the major source of surface irrigation and by canals from Machhu dam are the other sources of surface irrigation.
- Water available in the district is mostly sourced from surface water rather than ground water. The availability of water through surface is 519.04 mcm and the availability of ground water for irrigation is 463.37 mcm. (Source: District Irrigation Plan 2016-20)
- 34% of the total agricultural land falls in Halvad block, however it has only 13% of the total irrigated land in the district, whereas Wankaner has the highest irrigated area of 30%. (Source: District Irrigation Plan 2016-20)
- Morbi has the maximum command area under canal irrigation whereas Maliya has the least area under command irrigation. Wankaner block has the majority of the ponds in the district.
- Total area developed through canal command is 96403.77 ha in the district. In Halvad block, 44,519 ha of land is irrigated through canal command. (Source :District Irrigation Plan 2016-20)

Name of Block	Information of Canal Command		
	Total Area (Ha)	Developed Area (Ha)	Undeveloped Area (Ha)
Wankaner	6334.39	5468.00	2285.76
Tankara	7617.10	5157.66	2580.65
Morbi	43885.92	28893.38	15810.54
Maliya	16992.65	12365.60	5179.65
Halvad	62583.65	44519.50	18063.70
<b>Total</b>	<b>137413.71</b>	<b>96404.14</b>	<b>43920.3</b>

(Source: District Irrigation Plan 2016-20)

*Ground Water Resources Potentials as on 2017 in this district is as given below*

1	Annual Ground Water Level (Ham)	58595.41
2	Natural discharge during non-monsoon(Ham)	2929.77
3	Net Annual available ground water (Ham)	55665.64
4	Existing draft for domestic and industrial water supply (Ham)	1136.66
5	Ground water draft for irrigation (Ham)	32588.80
6	Existing gross draft for all uses (Ham)	21193.45
7	Stage of Ground Water Extraction	60.58

Source: Dynamic Ground Water Resources of India, 2017, published by CGWB in July 2019,

As per the Ground Water Resource Estimation (GWRE), 2017, all the blocks in the district except Maliya were declared safe. The ground water of Maliya block was reported to be saline.

Government of India has been according lot of importance to irrigation through the Pradhan Mantri Krishi Sinchai Yojana (PMKSY) with the vision of 'Har Khet Ko Pani' (water to every farm)

i.e. extending the coverage of irrigation and 'Per Drop More Crop' i.e. improving water use efficiency. The scheme is to be implemented in a focused manner with end to end solution on source creation, distribution, management, field application and extension activities. The Gujarat Green Revolution Company (GGRC) has been pioneering promotion of micro irrigation with special interest in the NABARD project areas and would be covering majority of the farmers. GGRC has also initiated plans for promoting Solar pumping systems in combination with the micro irrigation systems. This would help farmers in saving precious resources of water & power and also their hard earned money.

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

- The net ground water availability in the district is 55665.64 Ham which is sufficient for existing irrigation wells.
- Expenditure of ₹103265 Lakh upto the year 2020 is envisaged under PMKSY to create additional irrigation facilities to cover 146248 ha. The irrigation facilities planned include water requirements for domestic, agriculture, industrial and for power purposes. Under the DIP, the additional irrigation facilities are proposed to be created through Repair, Renovation and Restoration (RRR) of existing Irrigation network, watershed programmes, etc.
- The Gujarat Green Revolution Company (GGRC) has been pioneering promotion of micro irrigation with special interest in the NABARD project areas and would be covering majority of the farmers GGRC has also initiated plans for promoting solar pumping systems in combination with the micro irrigation systems. This would help farmers in saving precious resources of water & power and also their hard earned money.
- As per the District Irrigation Plan (2016-20) Morbi block has the highest area planned to be brought under irrigation by PMKSY (31660 ha) and Wankaner has the lowest at 9939.53 ha.
- In Morbi 2175 farmers with 4265 ha has been covered under Minor Irrigation system. Cumulatively since 2005-06 to March 2019, 18878 farmers with 31978 ha has been covered.

#### 2.1.2.3 Assessment of credit potential for the financial year 2021-22 (In both physical and financial terms)

The credit potential is estimated at ₹7528.29 lakh for 2021-22. The projections are made for activities such as Dug Well, Drip Irrigation, Sprinkler Irrigation and Shallow Tube Well:

(₹ in lakh)

Sr. No	Activity	Unit	Phy. Unit	Unit cost	TFO	Bank Loan
1	Dug well	No	1215	2.32	2818.80	2255.04
2	Drip Set (1 unit= 1 ha) Spacing (1 x 0.6) in m ( <i>Lateral size 16</i> )	Ha	4600	1.20	5520.00	4421.93
3	Sprinkler Set(1 unit= 2 ha) HDPE Pipe coupler size 90 mm - 5 ha)	Ha	650	0.46	299.00	236.92
4	Shallow tube well (depth 150 meters)	Ha	410	1.05	430.50	344.40
	<b>TOTAL</b>		<b>6875</b>		<b>9068.30</b>	<b>7258.29</b>

The above assessment is based on the following:

- The major objective of PMKSY is to bring additional area under irrigation and in the district, the plan is for four years to bring an additional 101230.41 ha under irrigation.
- Total PMKSY for this district has been fixed at ₹103265.88 lakh.

- Morbi block has the highest area planned to be brought under irrigation, 31660 ha while Wankaner has the least 939.53 ha.
- The per drop more crop component of the programme plans to bring additional areas under micro irrigation, which is mainly undertaken in Gujarat by Gujarat Green Revolution Company (GGRC).
- This component has one sub-component namely Micro Irrigation through DRIP and Sprinkler.
- Har Khet KO Pani component is ₹63381.26 lakh to be executed mainly by SSNNL and Panchayat Irrigation departments.
- Accelerated Irrigation Benefit Programme (AIBP) has the second largest allocation with ₹26586.99 lakh to be executed by SSNNL Ltd and State Irrigation Department.
- The Watershed component is implemented by Gujarat State Watershed Management Agency (GSWMA)
- The credit flow under Minor Irrigation was ₹1990.00 lakh, & ₹3282.35 lakh and ₹1812.47 lakh during 2017-18, 2018-19 & 2019-20 respectively.

#### **2.1.2.4 Critical interventions required for creating a definitive impact:**

- The construction of check dams have helped in increasing the ground water. This has encouraged farmers to cultivate multiple crops in a year and has resulted in increased demand for bank loan for MI activities as well as crop loan.
- A good number of private bore well contractors are operating in the district. Skilled labour for digging and construction along with the required machinery are available. Cement pipes are locally manufactured.
- There is a good network of dealers for the supply of quality agricultural pumping system with BIS Mark and Drip and Sprinkler irrigation system. These dealers undertake installation and also provide after sales service. Department of Agriculture in association with Gujarat Agro Industries Corporation acts as a nodal agency in implementing and monitoring of the programme and extends necessary technical advice to the borrowers/beneficiaries.
- All the villages in the district are electrified. However, power supply to the agriculture sector needs to be regular and adequate, particularly during agricultural season for optimum use of irrigation potential.

#### **2.1.2.5 Suggested Action Points**

- The CGW Board, State Ground Water Integration Board/Directorate may periodically reassess the availability of Ground Water in all the talukas to facilitate flow of institutional credit for MI activities.
- Sprinkler and drip irrigation methods need to be propagated vigorously. Banks to consider financing for generator sets, drip, sprinkler, etc., ensuring coverage of at least 10% of the new command area under drip/sprinkler sector.
- Implementation of the MNRE scheme of Solar Pumpsets, Solar pumping clubbed with Drip irrigation systems will automatically facilitate doubling of farmers' income by 2022 and also decrease the effect of global warming.

### **2.1.3 Farm Mechanization**

#### **2.1.3.1 Introduction**

Farm mechanization means the use of machines and technology in the agriculture sector to increase productivity of land and labour through timeliness of operations, efficient use of inputs, improvement in quality of produce, safety & comfort of farmers, reduce loss of produce & drudgery of farmer and even helps in fighting against climate change. Due to intensive involvement of labour in different farm operations, the cost of production of many crops is quite high. In the present scenario farm mechanization has become a necessity due to higher costs, paucity of farm labour and ever-increasing demand for agri products.

#### **Scope of Farm Mechanization**

As in the rest of India, there has been a steady shift from animal power to electro-mechanical sources of power in Gujarat although the rate of change has been slower than that of the leading agricultural States. There is a linear relationship between availability of farm power and farm yield. Therefore, there is a need to increase the availability of farm power from 2.02 kW per ha (2016-17) to 4.0 kW per ha by the end of 2030 to cope up with increasing demand of food grains. About 90% of power comes from tractors, engines and motors.

The sale of tractors is on the rise and there are a good number of manufacturers making good quality farm implements. Although, the sale of tractors in India cannot be taken as the only measure of farm mechanization but largely it reflects the level of mechanization. There is a good scope to set up custom hiring among farmers having land holdings less than 4 ha in general and SF/MF in particular. There is huge potential for introducing improved equipments for performing various farm operations for cultivation of rice, wheat, pulses and cotton in Gujarat. Use of improved implements has potential to increase productivity up to 30 per cent and reduce the cost of cultivation up to 20 per cent. Effective use of agriculture machinery helps to increase productivity & production of output, undertake timely farm operations and enable the farmers to quickly rotate crops on the same land. By raising a second crop or multi-crops from the same land, there is improvement in the cropping intensity and making agricultural land commercially more viable. Mechanization also helps in animal husbandry, dairying and fisheries.

#### **2.1.3.2 Availability of Infrastructure, critical gaps and interventions required.**

As per report published by Directorate of Economics and Statistics Govt. of Gujarat, total 7,73,221 Nos. of tractors were registered and kept for use in the state as on 31 March 2019. Government of India is implementing “Sub Mission on Agricultural Mechanization (SMAM)” to promote the usage of farm mechanization and increase the ratio of farm power to cultivable unit area up to 2.50 kW/ ha from National average of 2.02 kW/ha. Financial assistance is provided under SMAM to the farmers for purchase of different agriculture machinery. State government is also supporting for purchase of farm machinery. To avail the benefits of these schemes, the farmers need to apply through the i-khedut portal (<https://ikhedut.gujarat.gov.in/>). State sponsored subsidy schemes are given below.

1. AGR 50 Assistance to purchase Tractors
  - a. Upto 40 PTO HP Model Tractors: 25% of expense or ₹45,000/-, whichever is less
  - b. Above 40 PTO HP and upto 60 PTO HP Model Tractors: 25% of expense or ₹60,000/- whichever is less
  - c. AGR 2 (Farm Mechanization) for other than SC/ST Farmers
  - d. AGR 3 (Farm Mechanization) for ST Farmers

e. AGR 4 (Farm Mechanization) for SC Farmers

- The demand for small tractors is huge due to operational convenience and less maintenance costs especially among small and marginal farmers.
- There are a good number of manufacturers making good quality farm implements
- Gujarat State Financial Corporation (GSFC) provides financial support to State Agro Industries Corporation for purchase of tractors/power tillers for providing custom hire and after sale services.
- Gujarat Agro Industries Corporation (GAIC) has network of 19 Agro Service Centers & 58 Agriculture Business Centers in the State.
- Government of Gujarat, through its Departments of Agriculture, Farmers Welfare & Co-operation provides financial assistance to farmers for farm mechanization. The detail of financial assistance is as follows: Tractor Up to 35 PTO HP - Financial assistance @ 25% of cost of tractor up to ₹30,000 per beneficiary.

**2.1.3.3 Assessment of Credit Potential for financial year 2021-22 (Both Physical and Financial)**

- As per the District Agriculture Office, the gross cropped area of the district is 3.67 lakh ha., net sown area is 3.25 lakh ha., with cropping intensity of 112.81%.
- The number of tractors registered as on 31.03.2019 was 3762. The usage of tractors basically depends on land holding pattern.
- As per the district statistical abstract 2018-19 the total number of operational land holdings in the district was 1.45 lakh
- About 39.67% of the farmers have land holding above 2 ha and their share in the land is 68%. These farmers are potential clients for Farm Mechanization activities and hold good scope for bank financing in the state.
- Taking into account the various techno-economic parameters as well as the cropping pattern, cropping intensity, irrigated and unirrigated areas the estimated gap in availability of tractors in the district is around 1000.
- The block wise, item-wise potential credit requirement during the year 2021-22 has been assessed ₹22970.00 lakh which is indicated in Annexure I

Sr. No	Activity	Unit (No)	PLP (2021- 22)			
			Unit Cost (₹ lakh)	No. of units	Total Financial Outlay	Bank Loan (₹ lakh)
1	Tractor	No	7.15	2750	19662.50	15730.00
2	MB Plough Hydraulic Reversible	No	0.65	3000	1950.00	1560.00
3	Rotavator	No	1.00	7100	7100.00	5680.00
<b>Total</b>				<b>12850</b>	<b>28712.50</b>	<b>22970.00</b>

**2.1.3.4 Critical interventions required for creating a definitive impact:**

- One custom hiring centre in each Gram panchayat.

- Dealers of tractors, power tillers, combine harvesters and other farm machinery in and around the district, facilities for repair and service and Skilled manpower for operation and maintenance of the machines.
- PACS to procure farm equipments/implements using own resources or bank finance and conduct business of custom hiring.
- Awareness and Delivery of subsidy under Government of Gujarat schemes in a time bound manner.

### **2.1.3.5 Suggested Action Points**

- a) Establishment of Custom hiring centers from farmers group, agri entrepreneurs, FPO, PACS may be promoted **(Action: Banks, Agriculture Department)**
- b) Technical know-how should be provided to the farmers with respect to appropriateness of farm machinery for the situation and its proper use. **(Action: Agri Dept, KVK, Agri University)**
- c) Service units should be encouraged and mobile service units should be started. **(Action: Agri Dept, banks)**
- d) Training needs to be imparted to farmers and artisans in handling farm machinery and equipments, and ensure their optimum utilization, etc. **(Action: KVKs, RSETIs).**
- e) Due to the seasonal nature of the agriculture, there is a possibility for the farm machinery to remain idle for longer periods of time. Thus, there is a need to educate farmers on proper alternate use of such machinery in the off-season to avoid defaults in loan repayment and ensure proper utilization of the asset. **(Action: KVKs, RSETIs).**
- f) The 'Make in India' initiative launched by the Government can be used to support the manufacture of inputs and farm implements currently being imported. Promote business under MSME sector for manufacturing the agriculture implements. **(Action: Govt., Banks)**
- g) Encourage and guide the youth for start-up industries in development and production of innovative agriculture machinery and equipments. **(Action: Agri Incubation centers, Agri Dept, KVK, Agri University)**

### **2.1.4 Plantation and Horticulture**

#### **2.1.4.1 Introduction**

Horticulture sector that includes production, postharvest management, processing, marketing and export of wide range of crops such as fruits, vegetables, flowers, spices, plantation crops, medicinal and aromatic plants 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 markets 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 district are conducive for development of horticulture crops.

- The predominant horticulture crops of the district are, Fruit crops like Pomegranate, Citrus, Ber, Anola, Date Palm, Guava, Papaya and Custard Apple; Vegetables like Onion, Brinjal, Cabbage, Okhra, Tomato, Cauliflower, Cowpea, Cluster Bean, and Cucurbits; Spices like Cummin, Fengureek, Fennel, Coriander and Chilly and Flowers like Rose and Marigold.

Area and production of major horticulture crops in the district during last three years is presented below:

(Area in ha; Production & Productivity in MT)

Crop/ Activity	2017-18			2018-19			2019-20		
	Area	Production	Productivity	Area	Production	Productivity	Area	Production	Productivity
Mango	159	1020	6.41	95	609	6.41	88	564	6.41
Sapota	96	920	9.58	96	920	9.58	96	920	9.58
Citrus(Lime)	2111	27190	12.88	2350	31020	13.20	2515	33198	13.20
Ber	140	1504	10.74	105	1127	10.73	109	1170	10.73
Pomegranate	1726	22605	13.09	2480	34274	13.80	3020	41827	13.85
Aonla	40	295	7.37	25	184	7.36	24	176	7.33
Papaya	170	13256	77.97	75	3150	42.00	35	1470	42.00
Guava	63	489	7.76	75	590	7.86	108	849	7.86
Date Palm	104	619	5.95	115	684	5.94	124	738	5.95
<b>Total Fruits</b>	<b>4609</b>	<b>67898</b>	<b>14.73</b>	<b>5416</b>	<b>72558</b>	<b>13.39</b>	<b>6119</b>	<b>80912</b>	<b>13.22</b>
Brinjal	900	17012	18.90	810	15309	18.90	870	16443	18.90
Cucurbits	727	10113	13.91	930	12936	13.90	890	12385	13.92
Clusterbean	485	3104	6.40	450	3195	7.10	450	3195	7.10
Tomato	790	19750	25.00	545	13636	25.02	632	15813	25.02
Onion	280	6942	24.79	1080	27000	25.00	550	13750	25.00
Okhra	810	7209	8.90	870	7743	8.90	886	7885	8.90
Cauliflower	120	2250	18.75	132	2478	18.77	128	2403	18.77
Cabbage	700	15645	22.35	602	13461	22.36	585	13081	22.36
Cowpea	250	2356	9.42	225	2120	9.42	230	2167	9.42
<b>Total Vegetables</b>	<b>14280</b>	<b>220177</b>	<b>15.41</b>	<b>5644</b>	<b>97878</b>	<b>17.34</b>	<b>3011</b>	<b>87122</b>	<b>28.93</b>
Cummin	1590	17173	10.80	13793	15034	1.08	14480	15783	1.09
Fennel	2150	4622	2.15	1052	2262	2.15	1490	3204	2.15
Coriander	310	546	1.76	560	952	1.70	530	901	1.70
Garlic	5303	49506	9.33	1300	12233	9.41	852	8017	9.41
Chilly	500	925	1.85	80	148	1.85	120	222	1.85
Fengureek	652	1434	2.19	50	109	2.18	180	392	2.18
Ajwain	625	656	1.04	0	0	0	3430	3945	1.15
Suwa	1249	1511	1.20	0	0	0	200	192	0.96
<b>Total Spices</b>	<b>12379</b>	<b>76373</b>	<b>6.16</b>	<b>16835</b>	<b>30738</b>	<b>1.82</b>	<b>21282</b>	<b>32656</b>	<b>1.53</b>
Rose	16	155	9.68	12	116	9.66	13	126	9.69
Marigold	30	320	10.66	28	298	10.06	32	340	10.63
<b>Total Flowers</b>	<b>46</b>	<b>475</b>	<b>10.32</b>	<b>40</b>	<b>414</b>	<b>10.35</b>	<b>45</b>	<b>466</b>	<b>10.35</b>
<b>Grand Total</b>	<b>27114</b>	<b>364923</b>	<b>10.37</b>	<b>27935</b>	<b>201588</b>	<b>7.10</b>	<b>35993</b>	<b>536390</b>	<b>14.90</b>

(source: doh.gujarat.gov.in)

- There has been a steady increase in area and production of Horticulture crops since the year 2017-18 to 2019-20.
- The area and production under fruits has shown a steady increase from the year 2017-18 to 2019-20.
- The area and production under vegetables has shown a steady decrease from the year 2017-

18 to 2019-20, which indicates the farmers are going in for more remunerative fruit and spice crops.

- Area and production under flowers has marginally increased in 2019-20, as compared to the year 2018-19, however there is no change in productivity.

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

##### **Availability of Infrastructure and Critical Gaps/Interventions required**

- With a view to giving focused attention for horticultural development in the country, Government of India has launched a Centrally Sponsored Scheme namely **Mission for Integrated Development of Horticulture (MIDH)** for the growth of horticulture sector.
- **National Horticulture Mission (NHM)** is one of the sub schemes of Mission for Integrated Development of Horticulture (MIDH) which is being implemented by State Horticulture Missions (SHM) in selected districts of 18 States and four Union Territories.
- **National Horticulture Board (NHB)** is implementing various schemes under Mission for Integrated Development of Horticulture (MIDH).
- In the district, there is no organized marketing infrastructure for the horticulture produce.
- Subsidy schemes available from Department of Horticulture for Production of planting Material, establishment of new garden ( fruit crops), for vegetable cultivation, New plantation in Flower crops, Cultivation of fragrant and medicinal crops, Organic Farming, Mushroom and Beekeeping, Horticulture Mechanization, Fruit, flowers and vegetables after harvest management, storage management, and value-enhancing and Establishment of marketing infrastructure for horticultural produce in Govt./Private/Co-Operative Sector.

##### **A. Activities planned/action points to address the critical gaps**

- Need for establishment of more Nurseries.
- Pruning Technology not available, as at present consultants are hired from Maharashtra.
- Training at Centre of Excellence to the farmers
- Need for Pre-production, post-harvest management, processing and marketing facilities to assure appropriate returns to growers/ producers.
- Soil testing laboratories.
- Input availability including supply of quality planting material.
- Presence & coverage of FPOs for input procurement and output marketing in the district.
- Availability of finance



**2.1.4.3 Assessment of Potential for the financial year 2021-22**

Credit Potential Assessment for the year 2021-22 has been made at ₹4912.64 lakh

Sr. No.	Crop/Activity	Unit (No/Area)	Unit cost (₹ lakh)	PLP (2021-22)		
				Physical Units	TFO	Bank Loan (₹lakh)
1	Mango (5x5 plant spacing)	Ha	2.17	95	206.15	164.92
2	Sapota	Ha	0.90	95	85.50	68.40
3	Lime (3x3 plant spacing)	Ha	1.45	917	1329.65	1063.72
4	Pomegranate	Ha	2.40	1580	3792.00	3033.60
5	Nurseries (fruits)	Ha	4.80	5	24.00	19.20
6	Amla (4x5 plant spacing)	Ha	0.90	35	31.50	25.20
7	Date Palm	Ha	6.40	105	672.00	537.60
<b>Total</b>				<b>2832</b>	<b>6140.80</b>	<b>4912.64</b>

GLC during the year 2017-18, 2018-19 and 2019-20 was ₹44.00 lakh, ₹357.12 lakh ₹18.00 lakh and respectively. However, it is felt that the credit to this sector will increase as more and more farmers are taking up horticulture crops and also because of the proactive initiatives of the horticulture department.

**2.1.4.4 Critical interventions required for creating a definite impact**

- Extension support through KVK and ATMA
- Input availability including supply of quality planting material - 1 fruit nursery has been started in Halvad block.
- Irrigation infrastructure – Sufficient water is available in Halvad block where the bulk of horticulture crops are cultivated.
- Awareness among farmers regarding availability of 50% subsidy under various programmes of Govt of Gujarat.
- 3 Cold Storage with capacity of 10052 MT are operational, however post -harvest & handling facility is not available.
- Existing marketing arrangements through local traders, Commodity Boards, State Government Corporations or Marketing Cooperatives and export market.
- The formation of FPOs for input procurement and output marketing in the district has been started and it is expected that 2 FPOs would will start functioning this year.

**2.1.4.5 Suggested Action points**

- Need to intensify efforts for technology transfer in respect of proper harvesting and handling of produce, promoting bulk handling systems like pre-cooling and controlled atmosphere or modified atmosphere structures at the production and marketing centres, improvement in transportation infrastructure.
- The Department along with DIC may popularize post-harvest & food processing technologies developed by various Agriculture Universities in Gujarat.

- Need to establish Common Service Centres for collection, grading and packing for value addition.
- There is a need for creating more storage facilities in the district. There is an urgent need to create awareness among the bankers in regard to the importance of financing for horticulture activities.
- Promotion of nurseries through group mode for production of quality planting material
- Effective PPP model requires to be developed by leasing waste land for cultivating economically important horticulture crops.
- Soil testing, quality control laboratories and testing facilities may be set up in each taluka.
- The agriculture graduates may be motivated to take up agricultural activities such as self-employment ventures and bankers may support them through the ACABC credit linked subsidy scheme.
- FPOs to be formed for collective purchase of the inputs and aggregation of produce for preliminary sorting, grading and bulk selling in the markets, thus establishing backward and forward linkages for the benefit of farmers.

## **2.1.5 Forestry and Wasteland Development**

### **2.1.5.1 Introduction**

Forests play a vital role in conservation of biodiversity and ensuring environmental stability and ecological security. Besides, their role is crucial in meeting the fuel wood, fodder, small timber and other forest produce requirements of the rural population. The National Forest Policy 1988 recommends coverage of at least 33% of the geographical area under forest & tree cover to maintain the ecological balance of any region which is envisaged through sustainable interventions. As per Gujarat State Forest Report, 2017 the total forest and tree cover in Gujarat is 11.61% of the State's geographical area which is far below the recommendations of the National Forest Policy, 1988. The fact that area under forest cannot be expanded offers opportunities for planting trees in low productivity wastelands and farmlands. Development of this sector can receive a boost through flow of institutional finance.

### **Characteristics of Agroforestry**

- Involves two or more species of plants (or plants and animals), at least one of which is a woody perennial (multiple cropping);
- Always has two or more outputs;
- At least one of the plant species is managed for forage, annual, or perennial crop production;
- Total system cycle is always more than one year

Agro-Forestry Systems			
Structural Basis		Functional basis	
Nature of Components	Arrangement of Components	Productive Function	Protective Function
Agri-Silvicultural Systems	Spatial Arrangement	Timber, Fodder & Fuel wood	Wind Breaks & Shelterbelts
Silvi-Pastoral Systems		Food, Fiber & Shelter	Soil Conservation
Agro-Silvi-Pastoral Systems	Temporal Arrangement	Non Timber Forest Produce	Soil Improvement
<p><b>Agri- Component</b> comprises of Food Grains; Horticulture Crops viz. Fruits, Vegetables, Flowers, Medicinal &amp; Aromatic Plants; Animal husbandry – Livestock Animals, SGP, Poultry, etc.</p> <p><b>Silvi - Component</b> comprises of Woody Perennial or Trees including Bamboos which is a grass – Primarily grown for timber, fodder &amp; fuel wood, NTFPs</p> <p><b>Pastoral - Component</b> comprises of fodder grasses</p> <p><b>Agro - Components</b> only comprises of food grain component</p>			

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

- The district has 27886 ha of forest land out of total land utilization area of 536924 ha. Forestry sector assumes importance as the district is drought prone.
- This district falls under North Saurashtra agro climatic sub-region. The species of plants recommended for growing on wastelands are Acacia nilotica, Acacia tortillas, Dalbergia sissoo, Juliflora (desi babul) and Neem etc. The present tree cover is very less compared to other parts of Gujarat.
- The main objective of various activities under this sector is to restore, preserve and maintain ecological balance, plant and protect farm forestry and social forestry to check the process of degradation of land which includes soil erosion, silting and denudation of waste land, through implementation of watershed, control of salinity ingress, etc. to increase availability of minor forest produce particularly to rural and tribal communities by increasing forest and tree cover.
- Under the ‘Social Forestry Programme’ of Gujarat Forest Department, the activities undertaken are strip plantations, aesthetic shelter belt plantations, village wood lots, rehabilitation of degraded farm lands, fodder development, environment plantations and seedling distribution etc.
- Farm Forestry Scheme is helping to raise tree crops on forest and non-forest waste lands for producing firewood, fodder, small timber and other forest produce.

### Successful Agroforestry Model in Morbi

S. N	Classification	Tree Species	Intercrops	Recommended States
1	Silvi – Horticulture System	Melia dubia	Tomato, Brinjal, Ladies Finger or Bitter gourd, Bottle gourd, Snake gourd, Ridge gourd or Amaranthus, coriander	Tamil Nadu, Karnataka, Andhra Pradesh, Kerala, Telangana, Maharashtra and Gujarat
2	Horti-silvi-pastoral System for Degraded Lands	Sapota + Eucalyptus (rotation 10yrs)	Natural grass allowed to grow between plantations	Karnataka, Gujarat, Maharashtra and Odisha

#### 2.1.5.3 Assessment of credit potential for 2021-22

Assessment for the year 2021-22 has been made at ₹693.00 lakh. The block-wise, item-wise, potential credit requirement during the year 2021-22 has been indicated in Annexure I

Sr. No	Category / Activity	Unit Cost (₹ lakh)	PLP ( 2021-22)		
			Unit (No./Area)	Total Financial Outlay	Bank loan (₹ lakh)
1	Farm Forestry				
	Eucalyptus	4.00	150 Ha	600.00	480.00
2	Agro Forestry				
	Melia Dubia	0.71	375 Ha	266.25	213.00
	<b>Total</b>			<b>866.25</b>	<b>693.00</b>

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

- There is a need to propagate various forestry and waste land development related schemes among the rural poor through NGOs/Gram Panchayats. Melia dubia/clonal Eucalyptus plantations are being raised in the district which needs to be further popularized. It is suggested that Forest Research Institutes /Forest Department may consider setting up of demonstration farms along with small processing units for value addition.
- Under Corporate Social Responsibility there is immense scope to lease out wasteland for afforestation and to promote open forests. Neem is a versatile and hardy species that has variety of uses. It can be used favorably to meet the demand of essential oil, bio-agent extract in the pharmaceutical industry. Under PPP mode, such ventures can be supported with bank finance.
- Ministry of Environment, Forest and Climate Change, Govt of India has issued model guidelines for liberalizing felling and transit regime for tree species grown on non-forest/private land. Ten commonly grown agroforestry species have been requested to be exempted of felling and transit permit -1) Eucalyptus, 2) Poplar, 3) Casuarina, 4) Subabul, 5) Silver Oak, 6) Acacia Mangium, 7) Melia Dubia, 8) Prosopis species, 9) Salix Alba, 10) Gmelina Arborea.

- A new draft National Forest policy 2018 has been prepared and placed on public domain by Govt of India inviting suggestions/comments from various stakeholders.

#### **2.1.5.5 Suggested Action Points:**

- Considering the national importance of this sector, it is essential to promote the Forestry and Wasteland Development Programme, and exploit the potential through Farm Forestry, Agro Forestry, Commercial Forestry and Commercial Nurseries.
- The progressive farmers may be given technical guidance and be motivated by GLDC/DRDA/NGOs for cultivation of Melia Dubia and clonal Eucalyptus on private waste lands. Group Approach can to be adopted for covering small and marginal farmers.
- Controlling Offices of banks may consider strengthening their technical manpower with adequate training/exposure for appraisal & financing under the sector.
- There is a need to create awareness among farmers to grow trees on bunds and boundaries of their fields.
- Credit linked subsidy needs to be provided as an incentive to involve farmers/Corporates/NGOs and other interested entities to encourage large scale cultivation of forestry species.
- The problem of timely availability of planting material and quality planting stock could be addressed through promotion of decentralized nurseries.
- In all natural resource management programmes, planting of forestry species needs to be incorporated as a component.
- Value addition to forest based products need to be encouraged and facilitated, training and other infrastructural support could be provided. There is potential for promoting forest based cottage industries.
- Forest ecosystems will be impacted by climate change. Afforestation on wastelands will help in mitigating adverse effects of climate change. Afforestation projects need to be implemented by government/NGOs/PRIIs through support from Green Climate Fund/Adaptation Fund/National Adaptation Fund for climate change.
- The need to make available easy finance for setting up nurseries to individuals/SHGs have to be addressed. Banks may finance SHGs/individuals for such activities.

#### **2.1.6 Animal Husbandry - Dairy Development**

##### **2.1.6.1 Introduction**

Animal Husbandry sector is one of the rapidly progressing sectors playing a significant role in improving rural economy of the district by providing gainful employment to rural poor. The milk products add to the nutritional value of the diet of rural and urban people. Dairy farming, allied to agriculture, has potential to change the economic scenario of this district.

As per 36<sup>th</sup> Livestock Report 2019 there were 140476 cattle and 173285 buffaloes in the district. The climate of the state is conducive to adaptability of cross bred and up-graded bovines.

As per the breeding policy of the State, indigenous breeds with good genetic potential for milk production (like Gir, Kankrej, Jaffrabadi, Surti, Mehsana and Banni) will be maintained pure and breeding programme will be based on principles of selective breeding for improved milk

production. Cross breeding with Jersey or Holstein Friesian will be used throughout the State for cross breeding of nondescript animals. In view of different geographical factors and local preferences, pure breeding or upgradation with local established breed will be preferred

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

##### Dairy animals -Population/Productivity/ Share in total Production - District & State

Sr. No.	Description	Place	Cows (CB)	Cows (Indigenous)	Buffaloes	Goats
1	No. of productive Animals ('00')	Morbi	127964	140476	173285	65880
		Gujarat	15624	32313	60661	30359
2	Productivity (milk yield per day per animal) (kg)	Morbi	NA	NA	NA	NA
		Gujarat	9.323	4.4	5.145	0.48
3	Share (%) in total milk production	Morbi	NA	NA	NA	NA
		Gujarat	22.44%	22.89%	52.28%	2.39%

Source (for above para & table): 36<sup>th</sup> Livestock survey report of Gujarat 2019

##### Availability of Milk Processing/ collection infrastructure and Veterinary facilities

Veterinary Poly Clinic	1	A.I. Centres	2
Veterinary Dispensaries	15	Disease Diagnostic Lab	17
Other Veterinary Dispensaries	16	Animal Husbandry Training Centre	1
Artificial Insemination done	264982	Breeding Farm	1

- As per 36<sup>th</sup> Livestock Census there are 140476 cows and 173285 buffaloes.
- 1 Co-operative dairy (Mayur Dairy) operating in the district with installed capacity of 0.70 lakh litres per day and capacity utilisation was 100%.
- Milk production is 80% from buffaloes and 20% from cows.
- The milk produced is sent to Mother Dairy, Gandhinagar for processing and no products are manufactured at present.
- There are 270 Dairy Cooperatives functioning in this district during the year 2019-20 covering 234 villages, with a membership of 35135. (source: Statistical Abstract 2019)
- Milk Chilling centres are available at Morbi and Halvad with installed capacity of (100000 Lit /per day).
- Bulk milk coolers are available at society level from 5000 litres to 10000 litres.
- Average utilisation of milk coolers was 45% during the year 2019-20.
- Total milk collected during the year 2019-20 was 163000 litres per day.
- Sale of Cattle feed by the milk unions was 438 MT tonnes during the year 2019-20.
- Three milk chilling centres to be opened at Morbi, Wankaner and Halvad.

- Mayur Dairy is implementing schemes of RKVY.
- There are 146 female milk co-operative societies in Morbi with 12540 members.
- Department of Animal Husbandry arranges health camps wherein artificial insemination, treatments, investigations, distribution of health kits are taken up.
- During the year 2019-20 the Milk Union provided 26920 FMD vaccines.
- 474662 Vaccination performed in Morbi, for the control of emerging diseases of livestock and poultry 17 Diseases Diagnostic Units and 2 Epidemiology Units and one Foot and Mouth typing unit are working in the district.
- A dedicated institute known as Gujarat Livestock Development Board (GLDB) is established for faster development of livestock sector on self-sustainable basis.
- Refresher training programmes for artificial insemination for livestock inspectors and field veterinarians are organized by department at Technical Training Centre, Morbi.
- There are number of major milk routes covering many villages in Morbi, Wankaner and Halvad blocks.
- Existence of many private dairies/dairy farms and individuals who supply milk to households and sell milk products like curd, sweets, etc.
- The breeding infrastructure in the district is fairly wide spread and there are 235 units promoted by Milk Unions/NGOs.
- There is need for more Artificial Insemination (AI) centers

#### 2.1.6.3 (A) Assessment of potential for Term Loan – Dairy for 2021-22

Sr. No	Activity	Unit (No.)	Unit Cost	TFO (₹ lakh)	Projections for 2021-22 (₹ lakh)	
					Physical Unit	Bank Loan (₹ lakh)
1	Gir Cow ( 2 animals)	Nos	1.20	2760	2300	2208.00
2	Buffaloes (Mehsani) (2 animals)	Nos	1.30	3510	2700	2808.00
3	CB Cows (2 animals)	Nos	0.91	1547	1700	1237.60
	<b>Total</b>			<b>7817.00</b>	<b>6700</b>	<b>6253.60</b>

The potential under Dairy for the year 2021-22 is assessed at ₹6253.60 lakh The disbursement under dairy during the year 2017-18, 2018-19 and 2019-20 were ₹2881.00 lakh, ₹3688.82 lakh and ₹4444.00 lakh respectively.

Block-wise, item-wise credit potential indicated in Annexure I

Area Development Scheme on Dairy Development (2017-18 to 2021-22) has been launched by NABARD in the district which is expected to enhance the flow of Bank Credit for dairy sector and augment the income of farmers in the district.

**2.1.6.3 (B) Assessment of potential for Working Capital (WC) -KCC – Dairy for 2021-22**

In the Budget 2018-19, the Union Government had announced their decision to extend the facilities of Kisan Credit Card (KCC) to Animal Husbandry farmers and Fisheries (AH & F) farmers to help them meet their working capital (WC) requirements. In pursuance of the same, Scale of Finance for Animal Husbandry (Dairy, Poultry, and Sheep-Goat-Piggery) and Fisheries will be fixed at District level by District Level Technical Committee (DLTC).

The Scale of Finance (SOF) for Animal Husbandry (Dairy, Poultry, Sheep-Goat-Piggery) and Fisheries for district was fixed in DLTC meeting (Activity-wise SOF given in Annexure V) Keeping the above in view, Potential for Bank Loan towards WC for Animal Husbandry- Dairy in the District for the year 2021-22 has been worked out in consultation with the major banks and Animal Husbandry department of the District as given below:

S. No	Type of Animal	Total No. of Productive Animals*	No. of animals reckoned for 01 Unit **	Unit Cost (₹ Lakh) **	No. of Units of Animals available (3)/(4)	% age of Col. (6) for which potential for Bank Credit is envisaged \$	No. of Units of Animals for which potential for Bank Credit is envisaged (6)x(7)/100 \$	Amount of Bank Loan (₹ Lakh) (5)x(8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Cow / buffalo	313761	2	0.13	156880	15	23532	<b>3059.16</b>
*As per 36th Livestock Census of Gujarat								
\$ Arrived at in consultation with the major banks and Animal Husbandry department of the District								
**As fixed by District Level Technical Committee (DLTC)								

*Block-wise, credit potential indicated in Annexure I*

**2.1.6.4 Critical Intervention required for creating a definitive impact**

- Bankers need to implement KCC Scheme for dairy farmers as per guidelines issued by RBI/NABARD.
- Widespread awareness programmes need to be conducted for branch managers for proper implementation of the scheme
- In order to ensure green fodder availability in all seasons, cultivation of fodder needs to be encouraged.
- Awareness programmes for the prospective entrepreneurs and banks would ensure adequate credit flow to these activities.
- The Animal Husbandry department may take necessary steps on the issues raised above.
- To improve good quality of cows and buffaloes, there is an urgent need to set up “Bull Mother Farm.
- There is need to increase the number of milk routes.



- Milk federation/ processing unit working in the district can play an important role in spreading awareness about various schemes launched by State and Central government for the benefit of farmers/ milk producers.

#### **2.1.6.5 Suggested Action Points**

- State line department as Directorate of Animal husbandry working at district level can proactively work with farmers by massive campaign for vaccination, cattle camp/ exhibitions for creating awareness about cattle disease, Artificial Insemination (AI).
- Issues related with insurance of livestock need to be resolved.
- Government support is required for setting up of Breeding Farm in the district so that good quality animals would be available to farmers.
- Implementation of cross breeding programmes for improving the local gene pool.
- The milk cooperatives should cooperate with banks in recovery of dairy loans.
- Insurance companies should promptly settle insurance claims.
- Government may like to consider leasing out panchayat lands to Milk Coop. Societies for cultivating fodder to improve supply of animal feed.
- Special attention is required for linking of women SHG members with the village milk societies as many of the SHG members have availed of loan under the Mission Mangalam livelihood programme for purchase of dairy animals.
- Govt. of Gujarat has started the Scheme for Assistance to Establish 12 Milch animals farm for self-employment for the year 2019-20 for all categories of people, (SC /ST / women and General) wherein financial assistance for animal husbandry business such as interest subvention on bank loan for purchase of 12 animals and capital subsidy on shed construction, purchase of Chaff Cutter, Fogger system, milking machine and animal insurance for 3 years is available.

#### **2.1.6.6 Other Related Matters**

- As per the breeding policy of the State, indigenous breeds with good genetic potential for milk production (like *Gir*, *Kankrej*, *Jaffrabadi*, *Surti*, *Mehsana* and *Banni*) have to be maintained pure and breeding programme to be based on principles of selective breeding for improved milk production.
- Crossbreeding with Jersey or Holstein Friesian to be used for crossbreeding of non-descript animals.
- In view of different geographical factors and local preferences, pure breeding or upgradation with local established breed should be preferred.

#### **2.1.7 Poultry Development**

##### **2.1.7.1 Introduction**

Poultry farming can be taken on a commercial basis and as rural backyard units. They provide supplementary income to the underemployed rural poor besides providing nutritional security.

There is no hatchery in the district and day old chicks are brought from nearby Jamnagar and Ahmedabad districts. The activity, however, is not picking up due to social and religious barrier.

There are a few government poultry extension centers in Wankaner, Morbi, Halvad Talukas which have been identified for intensive development of poultry

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

#### I. Available Infrastructure

1. There are no organized markets and farmers have to depend upon intermediaries and traders.
2. The development of poultry farming is taken care by Dept. of Animal Husbandry (Integrated Poultry Development) Rajkot. Training is imparted to around 20 to 30 persons every year.
3. There are about 150 private poultry farms (layers and broilers) in the district. Besides, there are 4 government Poultry extension centers in Wankaner in Morbi district and Rajkot, Dhoraji and Jasdan Talukas of Rajkot District, which have been identified for intensive development of poultry.
4. Since Morbi is a new district carved out of Rajkot and it being closer to Rajkot (50 kms), the infrastructure available in Rajkot will also be available to this district till it develops its own infrastructure.

### 2.1.7.3 Assessment of credit potential for the period 2021-22 (Physical and financial terms)

Sr. No	Activity	Unit (No/Area)	Unit cost (₹ lakh)	PLP 2021-22		
				Physical Units	Total Financial Outlay	Bank Loan (₹ lakh)
A.	Term Loan					
1.	Layers	No	1.20	525	630.00	504.00
2.	Broiler	No	1.15	500	575.00	460.00
	<b>Sub-Total</b>			<b>1025</b>	<b>1205.00</b>	<b>964.00</b>
B.	Working capital					
1.	Broiler & Layer	No		15392	523.00	523.00
	<b>Total (A+B)</b>				<b>1728.00</b>	<b>1487.00</b>

The potential under Poultry for the year 2021-22 is assessed at ₹1487.00 lakh including ₹523.00 lakh as working capital. The disbursement under poultry during the year 2017-18, 2018-19 and 2019-20 were ₹389.00 lakh, ₹631.16.00 lakh and ₹33.00 lakh respectively.

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

- Poultry feed may be provided on subsidized rates for development of this sector.
- Banks need to come forward to finance the activity.
- All the developmental agencies may create awareness regarding the benefits of the poultry activities leading to development of poultry in the district.

### 2.1.7.5 Suggested action points

- Department of AH, private poultry hatcheries and poultry farmers' forum i.e. NECC may join hands to work out plan for development of poultry (both layer and broiler) sector through bank assistance.

- Training and extension efforts need to be oriented towards developing entrepreneurs in this activity.
- Central Poultry Development Organization or similar agency in the State should conduct special training programmes for the staff of AH Department, NGOs & banks with the help of RSETI and sensitize them on poultry development related issues

## 2.1.8 Animal Husbandry – Sheep, Goat and Piggery Development

### 2.1.8.1 Introduction

The sheep and goat population in the district is 93747 and 65880 respectively. (20<sup>th</sup> Livestock census). The sheep and goat rearing activities are done by Bharwad and Rabari communities with zero input cost. The Patanwadi and Marwadi breed of sheep and Zhalawadi breed of goats are reared for wool and mutton

### 2.1.8.2 Assessment of credit potential for the period 2021-22 (Physical and financial terms)

Sr. No	Activity	Unit (No/Area)	Unit cost (₹ lakh)	PLP 2021-22		
				Physical Units	Total Financial Outlay	Bank Loan (₹ lakh)
<b>A.</b>	<b>Term Loan</b>					
1	Goat Rearing(10+1)	No.	0.45	200	90.00	72.00
2	Sheep Rearing (10+1)	No	0.75	200	150.00	120.00
	<b>Subtotal</b>			<b>400</b>	<b>240.00</b>	<b>192.00</b>
<b>B.</b>	<b>Working capital</b>					
1.	Goat Rearing			852		178.92
2.	Sheep Rearing			598		125.76
	<b>Subtotal</b>					<b>304.68</b>
	<b>Total (A+B)</b>			<b>1450</b>		<b>496.68</b>

The potential under Sheep & Goatery for the year 2021-22 is assessed at ₹496.68 lakh including ₹304.68 assessed for working capital requirements. The disbursement under sheep and goatery during the year 2017-18, 2018-19 and 2019-20 were nil, ₹36.54 lakh and ₹32.60 lakh respectively

### 2.1.8.3 Infrastructure and linkage support Available, Planned and gaps

- The area under permanent pastures and grazing lands is 68400 ha constituting 14.83% percentage of geographical area.
- Gujarat Sheep and Wool Development Corporation has a project office at the district Headquarter. Technically qualified officers supervise all activities related to sheep and goat rearing.
- Wool Marketing is done in Jasdan and Jamnagar markets after collection through field assistants. These places are quite close to Morbi district.
- There are two sheep breeding farms maintained by Animal Husbandry department at Morbi. One maintains "Patanwadi" breed and the other Patanwadi, Marwadi & Dumba breeds.
- There is one goat breeding farm at Morbi maintaining Zhalawadi and Gohilwadi breeds of Goat.

- There is one National Goat Demonstration unit functioning at Morbi, which provides suitable demonstration for the local goat breeders.
- Subsidy is available for goat unit (10+1) to Scheduled Caste people, Scheduled tribe, female and General category people for the establishment of Goat units.
- Morbi, Tankara, and Wankaner talukas have been identified for intensive Sheep development.
- The Department of Animal Husbandry has established one small Goat breeding farm at Morbi, where Zhalawadi Goats are reared and bred through selective breeding.
- Subsidy is available for goat unit (40+4) to widow & divorcee female of Scheduled tribes for the establishment of Goat units.

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

- Bankers need to implement KCC Scheme for Sheep and Goat farmers as per guidelines issued by RBI/NABARD.
- Widespread awareness programmes need to be conducted for branch managers for proper implementation of the scheme.
- Dept. of Animal Husbandry should undertake work of ram certification, flock registration and vaccination and also provide training to shepherds.
- Gujarat Sheep & Wool Development Corporation may formulate a scheme in collaboration with banks for financing medium scale sheep & goat units (50+2) to take up sheep & goat rearing on commercial scale in the district.
- Introduction of Health Card system is necessary on account of migration. De-worming and vaccination facilities may be made available.

#### **2.1.8.5 Suggested action points**

- Banks in coordination with gram sevaks may identify suitable beneficiaries for financing of goat & sheep rearing.
- The sponsoring of applications under government sponsored programmes for this activity should be expeditiously submitted to bank.
- There is a need for establishment of “grading and marketing “unit of wool in the district

### **2.1.9 Fisheries**

#### **2.1.9.1 Introduction**

Holistic development of the Fisheries in coastal district through involvement of fisher community and fish farmers keeping in view the sustainability, bio-security and environmental concern with planned priorities in enhancement of fisheries production. Fisheries sector has been recognized as a powerful income and employment generating activity leading to socio- economic development of fishers, fish farmers and other stakeholders as it stimulates growth of numerous subsidiary industries and is a source of protein rich nutritious food, besides being a foreign exchange earner.

The district has a coastline of 50 KM with potential for marine and inland capture & culture fisheries, estuarine fisheries, brackish water aquaculture. Out of 350 villages in the district 14 are fishing villages, 1 fish landing center in Navlakhi and 1 Navlakhi Beach landing are there to provide berthing facilities to 2 non-mechanized fishing vessels, 156 mechanized fishing vessels

and 520 other non-mechanized boats. The population of fisher community and fisher families are 5055 and 1065 respectively (As per estimate of the District Fisheries Office).

The major sector- wise annual potential, utilization and gaps of the district are as under:

S. No	Major sector	Unit	Potential	Utilization	Gap
1	Marine capture fisheries	Metric tons	243	NA	NA

#### **2.1.9.2 Infrastructure and linkage support available, planned and gaps: Availability of infrastructure**

- The fisheries activity is restricted to village ponds and reservoirs Rohu, Catla and Mrigal are the common varieties of fish reared. The fluctuation in the activity depends on rainfall each year.
- As the rainfall is very less the production is seasonal.
- The various fisheries activities for bank finance are broadly nets, small canoes or boats, fish farming in village ponds, fish hatchery or seed production units, processing plants, ice plants, cold storages, ornamental fish breeding, rearing units, aqua clinics including labs and aqua business centers.
- The district has reservoirs which are good source for taking up fisheries activities.
- As per the District Fisheries Dept, around 3000 ha land is available for prawn culture.
- It has 25 reservoirs (Source–Fisheries Department, Morbi). These reservoirs provide good scope for capture as well as culture fisheries. District fisheries department has developed a fish seed farm in a dam at village Bhadar. As per the available information from the District fisheries department, population engaged in fishery is 6318. The water area is understood to be around 28166 ha.
- There are 6 fishermen cooperative societies with 800 members (District Statistical Booklet 2018-19)
- There are 156 mechanized boats and 520 non mechanized boats in Maliya taluka. There are 57 ice factories with a production capacity of 749 TPD. The marine fish yield during last five years has been unstable. The fish production was 2188 M.T.
- Development of fisheries in area up to 200 ha is looked after by Fish Farmers Development Agency (FFDA) and area above 200 ha by State Government (Department of Fisheries). Fishery activities are taken up in 25 reservoirs (created by small dams) and 40 village ponds for not more than eight months in a year. FFDA provides a short duration training programme to the fish farmers.
- The seedlings are available locally as well from Surat, Bharuch Valsad and Anand districts.

#### **Infrastructure plan for 2021- 22**

- Proposal for fish landing center in Navlakhi
- Development of Inland Fisheries and Aquaculture
- Developmental of Ornamental and recreational fisheries
- Post- Harvest and Cold Chain Infrastructure
- Markets and Marketing Infrastructure

- Strengthening of safety and security of fisherman.
- Fisheries extension and support services

### Infrastructure Gaps

- 3000 ha of land for Aquaculture development yet to sanctioned by the administration.
- Expansion of Fishing Harbour
- Establishment of Whole sale fish market

### 2.1.9.3 Assessment of credit potential for 2021- 22

The potential under Fisheries for the year 2021-22 is assessed at ₹ 551.40 lakh including ₹31.20 working capital. Detailed assessment of potential for fisheries (physical & financial) is given in the following

S No	Activity	Unit (Nos/Ha)	Physical units	Unit cost (₹ in Lakh)	Total Fin. Outlay (₹ in Lakh)	Bank Loan (₹ in Lakh)
1	Fish pond new construction	Ha.	16	7.00	112.00	95.20
2	Fish pond renovation of existing ponds	Ha.	22	3.50	77.00	65.45
3	Motorization of traditional craft by 4 stroke engine	No	14	1.50	21.00	17.85
4	Fibre Glass Boat without board engine	No	60	6.50	390.00	331.50
5	Solar fish dryers	Nos	8	1.50	12.00	10.20
6	Working Capital	Nos	20	0.30	31.20	31.20
	<b>TOTAL</b>		<b>140</b>		<b>643.20</b>	<b>551.40</b>

### (B) Assessment of potential for Working Capital (WC) –KCC – Fisheries for year 2021-22

In the Budget 2018-19 the Union Government had announced their decision to extend the facilities of Kisan Credit Card (KCC) to Animal Husbandry farmers and Fisheries (AH&F) farmers to help them meet their working capital (WC) requirements. In pursuance of the same RBI, vide its Circular No. RBI/2018-19/112 dated 04.02.2019, instructed all the Commercial Banks to provide WC to Animal Husbandry farmers (Dairy, Poultry, Sheep – Goat-Piggery) and Fisheries farmers through KCC. NABARD vide Circular No.34 dated 13.02.2019 instructed the same to Cooperatives and RRBs. Both RBI and NABARD advised that Scale of Finance for Animal Husbandry (Dairy, Poultry, Sheep-Goat-Piggery) and Fisheries will be fixed at District level by District Level Technical Committee (DLTC).

The Scale of Finance (SOF) for Fisheries farmers for Morbi was fixed in DLTC meeting held on 25.11.2019. (Activity wise SOF given in Annexure V). Keeping the above in view, Potential for Bank Loan towards WC for Fisheries for the year 2021-22 has been worked out in consultation with Banks and Fisheries department of the district.

(₹ in lakh)

S No.	Type of Activity	Total No. of Items*	No. of items reckoned for 01 Unit **	Unit Cost **	No. of Units of Items available (3)/(4)	% age of Col.(6) for which potential for Bank Credit is envisaged \$	No. of Units of for which potential for Bank Credit is envisaged (6)x(7)/100	Amount of Bank Loan (5)x(8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1	Non Mechanized Boat (No)	520	1	0.30	520	20	104	31.20
*As per Fisheries Department								
\$ Arrived at in consultation with the major Banks and Animal Husbandry Department of the District								
**As per Scale of Finance fixed in DLTC of District								

**2.1.9.4 Critical intervention required for facilitating definite impacts**

- Allotment of 3000 ha of land for Brakish water Aquaculture to be expedited
- Markets and Marketing Infrastrcuture to be speeded up
- Integrated Cold Chain for fish and fish products

**2.1.9.5 Suggested action points*****COVID -19 and affect***

The fisheries sector of the district may have been partly/ greatly affected by the COVID-19 and lockdown due to the restrictions on gatherings, movement of fishermen, shutdown of harbours, markets and constraints in input and service delivery across the value chain.

***Satellite imaginary and decimation of information***

The system of providing the Satellite information regarding movement of fish shoals amongst the fishers may be strengthened by State and Central Institutions to ensure better return to fishers.

***Area based schemes***

In charge, Fisheries in the district may plan preparation of Area Based Schemes for identified region of the district having availability of backward and forward linkages in association with NABARD and other Stakeholders with monitoring mechanism for upgrading the schemes including midterm correction, if warranted.

***Pradhan Mantri Matsya Sampada Yojana (PMMSY)***

Under the Pradhan Mantri Matsya Sampada Yojana (PMMSY) being implemented as an Umbrella Scheme of GoI with focus on all round development of fisheries sector through a bunch of diverse potential interventions along the value chain from production to consumption. The schemes can be seen other than the GoG site mentioned above on NFDB site [www.nfdb.gov.in](http://www.nfdb.gov.in) Govt of India site [www.dof.gov.in](http://www.dof.gov.in) and benefit can be passed on for development of fisheries.

***Fisheries and Aquaculture Development Fund (FIDF)***

The Deptt. of Fisheries, Ministry of Agriculture and Farmers Welfare (MOAFW), GOI created FIDF and its implementation from the financial year 2018-19 to 2022-23 at a total fund size of ₹7522.48 crore comprising of ₹5266.40 crore to be raised by the Nodal Loaning Entities (NLEs)

beneficiaries contribution of ₹1316 crore and budgetary support of ₹939.48 crore. NABARD and NCDC and all scheduled banks are the designated NLEs in disbursement of the fund. The credit from the FIDF will have to be disbursed by 2022-23 with loan lending period of 5 years and maximum repayment of 12 years inclusive of moratorium of 2 years on repayment of principal.

Under FIDF, MOAFW, GOI has urged the coastal States to pay attention to Deep-sea fishing, post harvesting, and cage culture and export promotion. FIDF provide concessional finance to the eligible entities, cooperatives, entrepreneurs, fishermen and individuals for development of identified infrastructure by States. The Department of Fisheries, MOAFW, GOI under the FIDF provides interest subvention up to 3% per annum for providing the concessional finance by the NLEs at the interest rate not lower than 5% per annum.

The Commissionerate of Fisheries, GoG has also submitted the fisheries projects under FIDF of GoI involving about ₹1300 crore and loan component of about ₹700 crore and the same is in advance stage of sanction. Further considering scope for modernization of fish landing centres, upgradation of fisheries terminal divisions, carp seed hatcheries and farms, etc the GoG or GFCCA may like to further prepare the projects for ensuring speedy development of needed infrastructure to facilitate better returns to fishers and those involved in fish farming.

#### **2.1.9.6 Other related matters**

- Bankers need to implement KCC Scheme for fishery farmers as per guidelines issued by RBI/NABARD.
- Widespread awareness programmes need to be conducted for branch managers for proper implementation of the scheme.
- The system of providing the satellite information regarding movement of fish shoals amongst the fishermen may be strengthened by State and Central Institutions to ensure better return to fishers.
- To promote fish breeding/rearing, especially among SHG members as a supplementary income generating activity.
- Assessment of brackish water resources of the district and planned action plan involving NFDB, MPEDA and Govt. of Gujarat.
- There are over 40 different types of subsidy schemes available from State Government for Fisheries Development.

The details of the same are available at <https://ikhedut.gujarat.gov.in/Public/frm Public SchemeDetails.aspx>.

#### **2.1.10 Farm Credit – Others – Bullocks, Carts, Two Wheelers**

##### **2.1.10.1 Introduction**

Due to small size of land holding and suitability of bullocks for ploughing and other agricultural operations, many farmers especially small and marginal, still follow the traditional method of agriculture using bullocks for ploughing and other agricultural operations. Bullock carts are still used for transportation of agricultural and horticultural produce. Even today, bullocks continue to be source of power for agricultural operations for large number of farmers with small-irrigated land holdings as mechanization is not viable option for them.



Both the bullocks and bullock carts are locally available, easily maintainable, have multiple uses and adaptable for a variety of conditions. Bullock carts are also used for custom hiring which is a source of income to the farmers / agricultural labourers.

The farmers keep dairy animals with them to generate additional income from milk and there is an increasing demand among the farmers for two wheelers for transportation of milk as well as fodder for cattle. The need for bullock carts is highlighted by the presence of production/marketing centres. As such, these SF/MF depend on bullocks for farming and also for transportation purposes.

The SF/MF depend on bullocks for farming and also for transportation purposes. The need for bullock carts is highlighted by the presence of production/marketing centers, which include regulated markets, and a number of other marketing outlets in the unorganised sector.

#### 2.1.10.2 Assessment of Credit Potential for 2021-22

Assessment for the year 2021-22 has been made at ₹9998.560 lakh. The block –wise, item-wise potential credit requirement during the year 2021-22 has been indicated in Annexure I

Sr. No.	Activity	Unit (No./Area)	Unit Cost (₹ lakh)	PLP( 2021-22)		
				Physical Units	Total Financial Outlay	Bank Loan (₹ lakh)
1	Bullock/Other draught animals	No.	0.40	495	198.00	158.40
2	Bullock carts/Camel carts	No.	0.35	100	35.00	28.00
3	Motor cycle for farmer	No.	0.61	1320	805.20	644.16
4	Misc. (Purchase of Agri. Land)	No.	3.00	3820	11460.00	9168.00
	<b>Total</b>			<b>5735</b>	<b>12498.20</b>	<b>9998.56</b>

#### 2.1.10.3 Availability of Infrastructure, critical gaps & interventions required

- Although the rural areas are heading towards the farm mechanization process which is also the need of the hour for individuals and national progress, still looking to the rise in petrol prices and environmental pollution, this activity of Bullock cart/camel cart/draught animals finance, may be encouraged for transportation of goods for short distances in the rural areas.
- This is noise free and pollution free mode of transport which can also generate rural employment. Further, the use of dung in the farm, improves fertility of the soil.
- This activity is mainly undertaken by landless, small as well as marginal farmers who cannot afford big assets like tractors & other farm implements mainly due to small piece of land.
- This is the activity which can be considered for financing under government sponsored programmes like NRLM & promoting the Self Help Groups & Joint Liability Groups financing. This activity can also generate employment to those farmers, who, during their lean period, work as farm labour.
- Projections of financing of two wheelers to agriculturist have been estimated based on demand and response by banks to recent policy of NABARD to extend refinance for this activity. Most of the companies provide interest free/nominal interest loans at nominal interest to the farmers, therefore, very little scope is available for the bankers to finance under this sector.

#### **2.1.10.4 Suggested Action Points**

- Applications for purchase of bullocks, draught animals, carts, etc., may be sponsored by DRDA, Gujarat Scheduled Caste Development Corporation, Gujarat Backward Class Development Corporation, etc.
- Banks may prepare attractive schemes through tie up arrangement with the production companies for financing two wheelers, etc.
- It may be ensured by banks that the financing under the particular head is correctly reflected under that activity code in the LBR returns.
- Purchase of agriculture land by small farmers may also be financed by banks as per the NABARD guidelines under the Agricultural Activities.
- Financing for advanced tilting carts may help to carry more loads with less strain and could be promoted by banks

#### **2.1.11 Integrated Farming Systems for sustainable income and Climate Resilience**

**An Integrated Farming System (IFS)** is defined as “*a judicious combination of two or more components 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*”). Assessment of farm incomes indicate that diversified farms with more than two enterprises get twice the income than those with two or less enterprises. Scientifically designed IFS with minimum competition and maximum complementarity are essential to achieve multiple goals.

The advantages of IFS are indicated below

- Increased farm income by integration of allied activities and reduced costs through input recycling from by-products of allied enterprises
- Sustainable soil fertility and productivity enhancement through organic waste recycling from animal activities like piggery, poultry and pigeon rearing
- Inclusion of biogas & agro forestry in integrated farming system shall meet the energy needs of rural households. Agro forestry systems will meet timber needs and also reduce soil erosion.
- Cultivation of fodder as intercrop / border crop meets requirement of animals

The various components of IFS are crops, live stocks, birds and trees. The crops may have subsystem like monocrop, mixed/intercrop, multi-tier crops of cereals, legumes (pulses), oilseeds, forage etc. The livestock components may be milch animals, goat, sheep, poultry, bees and the tree components include fruits, timber, fuel and fodder. The IFS components and their composition may vary with irrigation water availability viz., irrigated / rainfed/ irrigated – dry (ID) conditions and also vary with category of the farmer (SF/MF, medium and big farmers). The major factors which need to be considered in choosing an IFS model are soil type, rainfall, its distribution and length of growing season.

***There is a need for evolving appropriate farming systems for diverse agro-ecological situations***

## **Chapter 2.2**

### **Agriculture Infrastructure**

#### **2.2.1 Construction of storage and Marketing Infrastructure (warehouses/ godowns, market yards, silos, cold storage units/ cold chains)**

##### **2.2.1.1 Introduction**

It is observed that 25-30% of the agricultural produce is wasted as a result of deterioration in quality and quantity caused due to lack of scientific storage facilities.

Scientific storage infrastructure such as cold storages for perishable items, warehouses and silos for storage of food grains helps prevent distress sale by farmers. Affordable access to such facilities is imperative for our country where more than 3/4<sup>th</sup> farmers are classified as small and marginal farmers do not have economic strength to retain produce with them till the market prices are favorable. Market Yards facilitate marketing of farmers produce. Linking of market yards over e-NAM gives farmers the freedom of choice to sell their produce and fetch better remuneration through transparent pricing systems and elimination of intermediaries' cuts down extensively on commissions and charges.

Thus, development of scientific storage infrastructure is a pre-requisite for development of the Agricultural Sector.

Agri-sector reforms announced by the government to allow selling of produce outside of APMCs and opening up of inter-state marketability creates huge potential for development of private market yards.

The removal of commodities out of the purview of the Essential Commodities Act is a precursor to development of Contract Farming, which will get an impetus with a strong network of warehousing infrastructure.

In the Union Budget 2020-21, the government announced geo-tagging of warehouses under NABARD to increase the warehousing capacity of the country. The Warehousing Development and Regulatory Authority has made it easy for warehouses to get registered at the click of a button.

Electronic Negotiable Warehousing Receipts helps farmers access formal credit at affordable rates along with comfort to withhold their produce for better remuneration. The benefits of interest subvention is available to small and marginal farmers having Kisan Credit Card for a further period of up to six months post-harvest on the same rate as available to crop loan against negotiable warehouse receipts for keeping their produce in warehouses

Warehousing Infrastructure Fund, Fisheries, and Aquaculture Infrastructure Fund provide impetus for development of Warehousing and Cold Storage Facilities.

##### **2.2.1.2 Availability of Infrastructure, critical gaps & interventions required:**

- There are 417 godowns in the district with total capacity 158817 MT. owned by PACS, Govt Agencies and Private Persons.
- Out of these 164 are owned by Cooperatives with capacity 44090 MT, 69 by Gujarat State Civil Supplies Corporation with capacity of 45740 MT and Private individual 179 with capacity of 58935 MT. There are 3 Cold Storages with capacity of 10052 MT out of these 2 are for Post-Harvest Infrastructure.
- The projection is based on the increasing demand for rural godowns in all parts of the district. Considering the production of Cotton-245983 MT, Castor-1466500 MT, Groundnut- 112226

MT, Cumin 11013 MT, Wheat 118427 MT, Til 6574 MT etc., during the year 2019-20, there is an ample scope for construction of scientific storage structures

- Besides, APMCs also have godowns which are available for farmers to keep their agri produce.
- There is ample scope for construction of scientific storage structures due to increased awareness among farmers to realize higher market price and reduce post-harvest losses.
- 4 APMCs which takes care of the marketing needs of the farmers.
- The existing APMCs can expand market yards, construct new godowns and avail subsidy under different schemes of the State Government and NIDA scheme of NABARD.

### **Warehouse Infrastructure Fund (WIF)**

An allocation of ₹5,000 crore was provided to NABARD in 2013- 14 and 2014-15 budget for supporting creation of infrastructure for storage of agricultural commodities. The Fund envisages extension of loans to Public and Private sectors for construction of warehouses, silos, cold storages and other cold chain infrastructure.

Loans will be provided for projects involving creation of storage infrastructure with a minimum aggregate capacity of 5000 metric tons (MT) for agricultural and allied produce, including construction of:

- Warehouses
- Silos
- Cold storage, Controlled Atmosphere (CA) Stores, other Cold Chain Infrastructure Activities like Pack Houses/ Integrated Pack Houses, Reefer Vans, Bulk Coolers, Individually Quick Frozen Units, Chilling/ Freezing Infrastructure, etc.
- Construction/ Modernization/ Upgradation of Marketing Infrastructure Facilities of Agricultural Produce Marketing Committee (APMC).
- Modernization/ Improvement of the existing storage infrastructure projects will be considered on merit of each proposal provided it leads to Scientific/ Additional storage capacity.
- There's no minimum capacity for projects of Governments/ Government owned corporations.
- Eligible Institutions/Entities
- State Governments
- State/ Central Government Owned/ Assisted entities, Cooperatives, Federations of Cooperatives, Farmers' Producers' Organizations (FPOs), Federations of Farmers' Collectives, SPVs set up under PPP mode, etc.
- Primary Agricultural Credit Societies (PACS)/ Cooperative Marketing Societies (CMS) or similar institutions.
- Corporate/ Companies/ Individual Entrepreneurs etc.
- Agricultural Produce Marketing Committees (APMCs).

**2.2.1.3 Assessment of credit potential for the period 2021-22 (physical and financial terms)**

Assessment for the year 2021-22 has been made at ₹31060.00 lakh. The block-wise details have been indicated in the Annexure –I.

Sr. No.	Activity	Unit (No/ Area)	Unit Cost (₹ lakh)	PLP (2021-22)		
				Physical Units	Total Financial Outlay	Bank Loan (₹ lakh)
1	Market Yard	No.	105.00	24	2520.00	2016.00
2	Rural Godowns (300MT)	No.	20.55	1100	22605.00	18084.00
3	Rural Godowns (200MT)	No.	13.70	1000	13700.00	10960.00
	<b>Total</b>			<b>2124</b>	<b>38825.00</b>	<b>31060.00</b>

**2.2.1.4 Critical interventions required for creating a definitive impact**

- Godowns above 250 MT capacity need to be registered with Warehousing Authority after due accreditation. Legal provisions have been made. There is need for creation of awareness among the farmers about the use necessity of godowns.
- Negotiable warehouse receipt system may be encouraged, as this will reduce distress sale immediately after harvest.
- The recently launched e-NAM portal facilitates marketing and price discovery of agricultural produce to reduce uncertainty in prices. The portal integrates individual farmers, FPOs and other farmer institutions across the entire nation into one common marketplace.
- Mega Food Park Scheme can promote food processing, warehousing and better reach to the markets.

**2.2.1.5 Suggested Action Points:**

- There is a need to create awareness among the farmers regarding the availability of subsidy through NABARD by Govt of India for creation of storage facilities
- There is need for creation of awareness among the entrepreneurs and farmers regarding the Negotiable Warehouse Receipt System and availability of pledge loan facility in the district.
- Accreditation of warehouses to Warehousing Development and Regulatory Authority (WDRA) for issuing Negotiable Warehouse Receipts may be ensured. NABARD Consultancy Services (NABCONS) is also facilitating the same as an accreditation agency.
- Farmers may form Producer Groups to aggregate their inputs and produce to leverage economies of scale. e-NAM registration may be facilitated to bring in efficient price discovery.
- Banks to encourage pledge loans to avoid distress sale of agricultural produce. Awareness on warehouse receipts issued by accrediting agency will facilitate access to pledge loans.
- Under the Salient features of Model Contract Farming Act, 2018:

- a) Contracted produce is to be covered under crop / livestock insurance in operation
- b) Contract framing to be outside the ambit of APMC Act.
- c) Farmers can now market their produce outside the purview of designated APMCs

#### **2.2.1.6 Other related matters**

- Govt of India has communicated the continuation of the Agri Marketing Infrastructure (AMI) till 31.03.2021 or till the recommendation of the 15<sup>th</sup> Finance Commission comes into effect.
- The details of the scheme is being propagated through various meetings held with the farmer's and FLC camps that are held in the district and also in various fora like BLBC, DCC/ DLCC meetings.

### **2.2.2 Land Development, Soil Conservation and Watershed Development**

#### **2.2.2.1 Introduction**

Land Development is a broad sector of activities, which can be grouped into the following sub-sectors, keeping in view the rainfall condition, topographical features, land holding pattern, agro-climatic situation and cropping pattern of the district.

- Land leveling, bunding & on-farm development works
- Reclamation & soil improvement
- Water Management
- Fodder Development
- Soil & Water Conservation
- Watershed Development
- Organic farming

Land Development activity aims at developing the land, making it suitable for sustainable agriculture, cultivation of commercial and other crops by preventing the soil erosion, improving the quality of soil through various measures. Due to overexploitation of the land and excessive use of chemical fertilizers, the fertility of the land has been continuously degraded which necessitate the substantial investment towards improvement in soil quality.

**State Land Development Corporation Limited (SLDC)** is a State Government undertaking catering to the land development activities in the State with its presence at district level. The main objective of the Corporation is to undertake various Soil and Water Conservation programmes for land development and execute various State Government schemes on watershed basis & on project basis as also execute special schemes related to runoff water storage like desilting of ponds, construction of bigger size farm ponds to increase the ground water table resulting in improved crop production.

It carries out the various soil and water conservation related activities such as field bunding, land shaping/land leveling, land terracing, gully control measures, farm ponds, water harvesting structure, water tank, contour trench, loose bulldozer structure /earthen structure, nalla plug, gully plug and specific activities for surface water storage, like desilting of village ponds, farm ponds, water harvesting structure etc. in cultivable and uncultivable land in the State of Gujarat.

Gujarat State Watershed Management Agency (GSWMA), the State Level Nodal Agency in partnership with technical institutions like Agricultural Universities, Krishi Vigyan Kendra etc. and social enterprises such as NGO, Academic institutions like IRMA, NID, NIFT, EDII etc. are implementing the Integrated Watershed Management Programme (IWMP) in Gujarat by

undertaking capacity building of all stakeholders and preparing an appropriate strategy to execute the plans in a time bound manner. The primary purpose to promote watershed activities is to improve the agriculture and related activities with the help of soil and water conservation.

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

- The soil in Morbi is neutral with pH value between 6.5 and 7.5. Electrical conductivity is low and phosphorus and nitrogen content of soil is medium. Potash content is high. The district receives rain fall through South west monsoon which lasts for four months from June to September. The texture of soil in Halvad, Maliya and Morbi is saline and it is sandy in Tankara, Wankaner, and some areas of Morbi block.
- Encouraging Land Development on wastelands for appropriate land use patterns like pastures, farm-forestry etc.
- Bulldozers are provided by GSLDC for deepening and for renovation of village ponds. There is a need to allot one bulldozer for a group of 20 villages by State Government.
- Krishi Vigyan Kendra play an important role in sensitizing the farmers about the benefits of undertaking land development activities, even by resorting to bank credit.
- There is a need for establishing units for production of inputs like manures, bio-control agents, processing etc., for the benefit of organic farming.
- NGOs' services could also be utilized for construction of check dams, farm ponds, well recharging structures etc. The support of NGOs is required to motivate and guide the farmers to carry out the work in micro watersheds on group basis and to encourage the groups to undertake farm and non-farm activities after completion of the basic work.
- DRDA may provide information to all the bankers on implementation and impact of their watershed schemes for credit requirement.
- Due to the results of soil health card scheme implemented in Morbi which explains the manner of cropping based on nature of soil, the farmers have sown crops which was previously unknown to them. This unique scheme is a sure way to increase income of the farmers. The beneficiary farmers of the scheme have earned financial profit at lower cost based on use of fertilizers, pesticides, seeds and balanced use of water.

#### 2.2.2.3 Assessment of Credit Potential for 2021-22

Assessment for the year 2021-22 has been made at ₹5699.58 lakh. The block- wise, item-wise details are given in Annexure-I

Sr. No.	Activity	Unit (No./ Area)	Unit Cost (₹ lakh)	PLP (2021-22)		
				Physical Units	Total Financial Outlay	Bank Loan (₹ lakh)
1	Land Reclamation	Ha	0.602	4966	2989.53	2690.59
2	Bunding & Soil Conservation	Ha	0.184	2355	433.32	389.99
3	Farm ponds, water mgmt., channel lining	Ha	0.582	5000	2910.00	2619.00
<b>Total</b>				<b>12321</b>	<b>6332.85</b>	<b>5699.58</b>

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

- Encouraging Land Development on community lands, wastelands for appropriate land use patterns like pastures farm-forestry etc.
- Krishi Vigyan Kendra can play an important role in sensitizing the farmers about the benefits of undertaking land development activities, even by resorting to bank credit.
- The demand for credit support is to be assessed for post-treatment activities in areas where land development measures have been taken up. Farmers of watershed areas should preferably undertake various post-treatment activities in groups.
- Bankers may motivate Farmers' Clubs/FPOs for undertaking joint activities.
- NGOs' services could also be utilized for construction of check dams, farm ponds, well recharging structures etc. The support of NGOs is required to motivate and guide the farmers to carry out the work in micro watersheds on group basis and to encourage the groups to undertake farm and non-farm activities after completion of the basic work.
- DRDA may provide information to all the bankers on implementation and impact of their watershed schemes for credit requirement.
- There is need to create awareness among farmers about farm ponds, low cost composting techniques, their application and benefits, integrated nutrient management and integrated pest management. Institutional mechanism like Farmer Field Schools and support of KVK, NGO etc. are required to organize the skill programmes in these areas.

#### **2.2.2.5 Suggested Action Points**

- Information dissemination may be undertaken for the subsidy / assistance available for various land development activities through i-Khedut portal.
- Arrangement of marketing facilities for organic farming products needs to be done, so as to motivate more number of farmers for adoption of organic farming.
- GSLDC can initiate action for the land development activities mentioned above. Creation of awareness amongst farmers on harmful effects of excessive use of chemical fertilizers is the need of the hour.
- Formation of organic farmer clusters may be facilitated through State Agriculture Universities.
- Necessary platforms to enable improved price for organic produces may be mooted. Commercial production of organic inputs may be taken up by farmer aggregates like PACS, Producer Societies etc.
- Coordination between banks and government agencies about providing technical and credit support to individual farmers for land development and water management activities needs to be increased.
- Farmers should be encouraged to construct Rain Water Harvesting structures in their fields on large scale with plastic lining if possible to avoid heavy percolation and seepage losses to facilitate second crop viz. horse gram, other pulses etc. Technical knowledge in this regard may be made available by Agriculture Department. Farmers may be continuously trained on improved technology package / farm practices and value addition activities.
- There is an urgent need of implementing subsidy scheme for protection wall for stopping soil



erosion by water runoff.

- Considering increasing tendency of conversion of Agricultural land into Non Agricultural land due to urbanization, more and more waste land & barren land is required to be brought under agriculture by way of land levelling etc. Land levelling may be very useful on the banks of rivers where fertile land may be available for agriculture. The land thus converted into agricultural land may be given on lease to land less farmers or tenant farmers and weaker sections of society through gram panchayat for farming.
- In order to control soil erosion and to improve land productivity on sustainable basis, awareness on improved irrigation practices like drip irrigation, sprinkler irrigation etc. may be popularized. Gujarat Green Revolution Company (GGRC) and banks may facilitate the same.
- Bank may provide credit support to meet the credit needs for land dev./ treated watershed projects by way of:
  - i. Financing for fresh investment credit requirements in those areas where watersheds projects are being implemented through close interaction with the implementing government departments and NGOs.
  - ii. Propagation and financing of use of organic inputs, vermi-compost, bio-fertilizers, Bio-pesticides, soil conservation, Contour Bunding, watershed development, water harvesting structure, barbed fencing, organic farming and other land developments activities.
  - iii. Focused research on appropriate technologies and farm machinery to conserve resources in agricultural crop ecosystems.
  - iv. Identification of completed irrigation projects and command of RIDF projects for extension of credit support for OFD works.

#### **2.2.2.6 Other related matters**

- Over the years, the climate change resulted in availability of less water resources and over exploitation of ground water.
- As an adaptation measure, there is a need to create more farm ponds and rain water harvesting structures.
- Farmers may be encouraged for getting the soil tested and use of fertilizers can be reduced largely. Water storage and conservation measures can also help farmers in taking additional crops.
- Special measures such as drainage line afforestation, soil and moisture conservation, rain water harvesting, deepening of the wells, horticulture and pasture development etc. may be encouraged to take up for recharging of the ground water, promoting rainwater harvesting measures and micro irrigation system depending on the crop, watershed approach etc.

### **Special Refinance Scheme in NABARD Watershed and Wadi Project areas**

NABARD has been implementing watershed development projects on participatory approach for conserving natural resources and Adivasi Development Projects known as “wadi” for improving the socio-economic status of the tribal families across the countries for more than two decades. All these projects are implemented with grant/ grant-cum-loan assistance by NABARD with the help of local NGOs. These developmental initiatives have transformed the natural and human resource endowments in compact areas and are conducive for absorption of higher capital and economic avocations. In order to make efficient use of conserved resources, further investments by the farmers/ tribal, for taking up appropriate economic activities are required.

Further, on account of lockdown due to onset of COVID-19, millions of the rural people lost their employment and livelihood opportunities. The severity of this problem further increased due to reverse migration of labour force from urban areas to rural areas, necessitating the need to create investment opportunities for rural youth in agriculture.

In order to take up additional economic activities in watershed and wadi project areas, NABARD has decided to extend concessional refinance support to all eligible banks/FIs to enable them to deepen institutional credit to beneficiaries in these project areas. **NABARD has earmarked a refinance amount of Rs.5000 crore under this special dispensation during 2020-21 to 2022-23.**

#### **Objective**

To promote sustainable economic activities in NABARD supported watershed and wadi project areas. To give a boost to the agriculture and rural sector in post-COVID era through credit intensification. To enable banks to extend financial support at concessional rate to the beneficiaries for taking up economic and livelihood activities. To address the issues related to reverse migration due to Covid-19.

#### **Eligible beneficiaries**

The scheme will cover all the eligible beneficiaries of watershed projects and TDF projects supported by NABARD as also the small and marginal farmers, tenant farmers, oral lessees, reverse migrants; SHGs, FPOs, JLGs, cooperatives, partnership/proprietorship firms etc.

#### **Eligible financial institutions**

All Commercial Banks, SFBs, RRBs, Cooperative Banks and NABARD subsidiaries complying to refinance policy of NABARD are eligible for special refinance scheme.

#### **Eligible Purposes**

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

#### **Refinance assistance**

Refinance assistance is provided to the banks/FIs under Automatic Refinance Facility (ARF).

**Interest rate on refinance will be at 3%** and the ultimate lending rate to be charged by banks/FIs should not be more than 2.5% over & above the interest rate charged by NABARD. Repayment period of refinance ranges between 18 months (minimum) to 5 years.

## Chapter 2.2.3 Agri. Infrastructure –Others

### 2.2.3.1 Introduction

- i. Advances in Agricultural Biotechnology and technologies such as Tissue culture and Vermi-composting- are necessary to strengthen the agriculture infrastructure. Technologies including plant breeding, tissue culture, bio-fertilizer etc. can help to raise and stabilize yields and improve resistance to pests, diseases and abiotic stress. This can immensely benefit both agriculture production and productivity; small and marginal farmers living in drought-prone areas stand to benefit a lot if such technologies are made available to them. Thus, investments in Tissue culture labs, seed production units, vermin composting, bio fertilizers and bio pesticides can counter the growing distress in agriculture. Additionally, e-NAM- the pan-India electronic trading portal that networks the existing APMC Mandis to create a unified national market for agriculture commodities- will help in better price-discovery for farmers and strengthen the forward linkages in agro-supply chain.
  - ii. In terms of revised Priority Sector Guidelines, issued by Reserve Bank of India, investments such as Tissue culture labs, seed production units, Bio fertilizer / bio-pesticide units, vermicomposting units, etc. have been classified as ***'agriculture infrastructure items under agriculture credit', thus helping in facilitating greater availability of credit for these activities***. National Horticulture Board, Government of India (NHB) has its Gujarat Office at APMC, Jamalpur and Ahmedabad. It provides a plethora of incentives for establishing of infrastructure and facilitate development of horticulture. Back-ended subsidy in the project cost is also provided from 20% of project cost up to a maximum of ₹25 lacs and the spectrum of components include biotechnology tissue culture, bio-pesticides, horticulture ancillary units etc.
- A. **Seed Processing:** Seed processing is a crucial step in refining post-harvested seed to its purest form for replanting purposed and human/animal consumption. Seed cleaning and Seed treatment are both important facets of seed processing. Bio-Agriculture techniques yield better results than traditional techniques while maintaining the stability and fertility of soil. High yielding seeds significantly enhance the productivity potential and provide resistance from adverse environmental stress such as droughts and salinity.
  - B. **Tissue Culture:** In tissue culture, living tissue is grown in vitro or in vivo. It is a technology for rapid propagation of plants using tissue of selected mother plants with desirable traits wherein large number of true to type plants can be produced under controlled conditions in Laboratory. Some of the advantage of using the technique of tissue culture are that there is production of exact copies of plants that have desirable traits; disease and pest free planting material; ability to produce mature plants; regeneration of whole plants from plant cells that have been genetically modified and possibility of rapidly studying the molecular basis for physiological, biochemical and reproductive mechanisms in plants and also of large scale production of artificial seeds through somatic embryogenesis.

**Example:** Tissue Culture Production for Bananas established in Gujarat in 1994-95 with initial capacity of 1 lakh plants. Tissue Culture Production Laboratory has been set up by Department Of Biotechnology, Govt. of India under NCS-TCP (National Certification system for Tissue culture) in several States, including Gujarat- wherein its current production capacity is 40 lakh plants. There is also dedicated project aimed at Strengthening of Tissue Culture Research and Development at Anand Agricultural University.

- C. Agriculture biotechnology** encompasses a range of scientific tools including genetic engineering, to different aspects of agriculture in order to create, improve/modify plants, animals and microorganisms. It has emerged as a new source of genetic diversity for crop improvement and has led to the development of drought tolerant crop varieties. While Valsad has become India's first integrated horticulture district, Kaira, Vadodara, Bharuch and Surat districts are the main contributors to the agricultural production of the State. Stakeholders representing industry, NGOs, Government PSUs and Government laboratories, have played a significant role in the growth of the agro-biotech segment in Gujarat. For facilitating the development of biotechnology in the State, Government of Gujarat has constituted **Gujarat State Biotechnology Mission**, under the aegis of Department of Science and Technology. Integrating and popularizing investments in agricultural-biotechnology can increase the proportion and quantum of disbursement of long-term agricultural credit in Gujarat and make agriculture more scientific, sustainable and participative. A few of the leading names in agro-biotech in the State are Advanta India, Bayer Crop sciences, Gujarat Life sciences Pvt. KN Biotech and GNFC. Major thrust is on HYV or genetically modified Seeds, bio fertilizers and bio pesticides.
- D. Vermi-compost-** Vermicomposting is an excellent method for recycling the farm wastes and cow dung into valuable organic manure. Giving impetus to Vermi-Compost industry also provides encouragement to agro-based industries also. An important example is the Gram-Laximi (Community Worm Compost Unit). It is an initiative by Sabarkantha District Administration. The aim is to recycle all the agricultural and animal husbandry waste into nutritional organic fertilizer. It is expected that the village having the GRAM LAXIMI UNIT (40 beds) will produce 262800 kg of worm compost during the year. Promotion of Vermi Compost is linked to the overall aspiration of encouraging organic farming practices. Many Self Help Groups and Farmers Producers Organizations are also engaged in vermi-composting.
- E. e-NAM: Gujarat State Agricultural Marketing Board** is the implementing agency of e-NAM. Apart from being a pan-India electronic trading portal, e-NAM provides single-window service for all APMC related information and services, such as commodity arrivals and prices, buy and sell trade offers etc. This leads to higher transparency and traceability in the agro-supply chain, leading to better price discovery and market access for farmers. Farmers can access the information on e-NAM easily through their mobile phones from anywhere. However, for volumes on e-NAM to rise, its acceptability has to be hugely increased among the farmers and traders and training is required to enable them to use the electronic platform smoothly. Nevertheless, inter-State trading of agro-items on e-NAM has gained momentum and in the first use of e-NAM in Gujarat, Palanpur mandi of Gujarat sold green gram to Sumerpur mandi of Rajasthan.

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

- Infrastructure facilities are available for seed certification, testing, storage, packaging, grading & cleaning etc.
- Gujarat Agro Industries Corporation has its network of agro service centers & own centers. GAIC works for spreading awareness about bio-fertilizers and selling the same at reasonable prices. It also markets selected pesticides produced by other companies.
- Horticulture Department has subsidy scheme for setting up of new Tissue culture unit and Strengthening of existing Tissue Culture (TC) units.

- d) Subsidy is available for Public sector: 100% of the unit cost limited to maximum ₹ 250.00 lakh/ unit, Private sector: 50% of the unit cost limited to maximum ₹100.00 lakh/ unit. For SC/ST farmers, 65% of the unit cost limited to maximum ₹ 162.5 lakh.

### 2.2.3.3 Assessment of potential for the financial year 2021-22 (in both physical and financial terms).

Assessment for the year 2021-22 has been assessed at ₹464.00 Lakh.

						₹ in Lakh
Sr. No	Activity	Unit	Unit cost	Physical Unit	Total Financial Outlay	Bank Loan
1	Tissue Culture	No.	75.00	3	225.00	180.00
2	Vermi Compost Unit	No.	0.35	500	175.00	140.00
3	Bio Fertilizers / Pesticides	No.	36.00	5	180.00	144.00
	<b>Total</b>			<b>508</b>	<b>580.00</b>	<b>464.00</b>

### 2.2.3.4 Critical Gaps

- Lack of awareness among the farmers about importance of quality seed in increasing production.
- Horticulture Department to give wide publicity to the subsidy scheme for setting up of new Tissue culture unit and strengthening of existing Tissue Culture (TC) units.

### 2.2.3.5 Suggested Action Points

- Keeping in view, GOIs emphasis on food security, the effective strategy would be to focus on 'increase in productivity of food crops without increasing sown area' and it is possible only by popularizing high yielding varieties, GM crops such as BT cotton.
- Since the farmers need to be encouraged to come forward and adopt HYV seeds, appropriate policies and schemes may be required for HYV seeds.
- There is need for research facility in the field of Tissue Culture, Agri Bio Technology, Seed Production and Bio pesticides / Fertilizers. Government may like to draw a plan for research facility in these field based on area and major crops grown.

## Chapter 2.3

### Agriculture - Ancillary Activities

#### 2.3.1 Food and Agro processing

##### 2.3.1.1 Introduction

Food processing industry in Gujarat is increasingly seen as potential source for driving the Gujarat economy. Gujarat is leading State with impressive agriculture performance contributing about 10% to the States GDP. The State has identified Agro and Food Processing industries as one of the thrust industries in industrial policy for 2016-2021. A well-developed food processing industry is expected to increase the farm gate prices, reduce wastages, ensure value addition, promote crop diversification and generate employment opportunities for unskilled, semi-skilled and skilled manpower as well as export earnings. It brings about synergy between consumers, industry and agriculture community. In addition to it, a large middle class, increasing income, growing trend of nuclear family, change in eating habits, globalization, opening of markets provide conducive environment for food processing. It has been observed that consumers are spending more than 30% of their income on food products. No doubt, food processing has been identified as one of the sunrise sector.

However, inspite of having prominent parameters in its favour, the food processing has not been able to achieve the growth it deserves and processing activities are still at a nascent stage in India and at presently only 7% of food produced in processed. The level of processing remains abysmally low. The food processing industry in India has very low processing level, i.e., 2.2% for fruits and vegetables, around 35% in milk, 21% in meat and 6% in poultry products compared to other countries.

As per RBI guidelines, credit to food processing units with investment in plant and machinery up to ₹10.00 crore shall be treated as priority sector advance. Horticultural crops as well as high value agriculture crops play a significant role in the economic development of farmers. Investments in Agro/ Food processing sector have not been commensurate with the large potential available in the country and as a consequence, linkages between production, post-harvest management, processing and marketing including export largely remain weak. This is inspite of a large production base available under the agriculture and allied sectors. Increased Agro processing could reduce post-harvest losses. Ministry of Food Processing Industries (MOFPI), GoI, is also implementing various schemes through banks. Gujarat Agro Industries Corporation (GAIC), Government of Gujarat has been appointed as nodal agency by MOFPI for the State of Gujarat. Small and suitable activities related to fruits and vegetables post-harvest management are also being supported by Government of Gujarat through the portal **i-Khedut** for a centralized distribution of subsidy. Thus, the bank loan requirement may also increase due to such initiative.

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

Food processing is a link between primary sector (agriculture) and secondary sector (manufacturing). Therefore, in addition to general infrastructure facilities like power, water, transport, the infrastructure like storage/ warehousing, silo, cold storage & cold chain, APMC markets for raw material availability, quality control laboratories, machinery and equipments play an important role in growth and development of the food industry. The growth of this sector requires support services of licensing agencies, training and skill development institutes, marketing and branding services, etc.

A brief status of Gujarat's Food Processing Industry is as under

- More than 30,000 food-processing units are operating in Gujarat providing employment to over 1 million people.
- Under the Agri-Export Zones scheme of Agricultural and Processed Food Export Development Authority (APEDA), the State government has earmarked Agriculture Export Zones for mangoes and vegetables (Ahmedabad to Valsad) and for value-added onions (Saurashtra).
- Ministry of Food Processing Industries (MoFPI) has awarded final approval to 02 Mega Food Parks projects in Surat & Mehsana and 03 Agro Processing Cluster in Banaskantha, Kutch and Navsari district. MoFPI has also accorded In-principle approval to Adani Ports for setting up of Special Economic Zone Ltd. Mega Food Park project to be set up in Kutch.
- A total of 10 cold chain projects have been approved by the Ministry in Gujarat and these Projects are being implemented under MoFPI assistance

### **2.3.1.3 Assessment of Credit Potential for financial year 2021-22 (In both physical and financial terms)**

Food Processing potential in Gujarat State is broad-based covering almost the entire spectrum of “food”, as outlined below:

- a) Agri / Horticulture Infrastructure Projects: Onion Cold Storage, Fresh Fruits-Pack house, Vegetables-Pack house, Mechanized Grain handling and storage at port, Food Parks, Terminal Markets, Spices and Isabgul Irradiation center.
- b) Export Oriented Processing: Peanut Butter, De-hulled Sesame seed & Roasted Sesame oil, Roasted, salted & coated nuts, Integrated Shrimp farming & processing.
- c) Value added Processing based on local resources: Tomato, Potato Flakes & Powder, Specialty grades- Guar Gum powder, Refined Sugar, Egg Powder, Baker's Yeast, Fish oil extraction.
- d) Natural Resources based Opportunities: Natural food colors, Medicinal Herbs extraction, Neem / Tobacco Oil base Bio-Pesticides, Food Processing Enzymes, and Fish meal base bio-fertilizer.
- e) Newer Technology Base Projects / Opportunities: Spices Cryo grinding, Freeze Dried Fruits processing Unit, Instant Vegetables in Retort Pouches, Potato Fabricated Chips.
- f) Innovative Opportunities: Organic Milk & Milk Products, Ice Cream Balls, Castor Derivatives base Perfumery raw materials, Banana Fiber extraction and Textiles production.

As per the revised priority sector guidelines, loans for food and agro-processing up to an aggregate sanctioned limit of ₹100 crore per borrower from banking system shall be classified under Agriculture – Ancillary activities. The raw material availability is the key requirement for projecting the potential for any food processing unit. Assessment of marketable surplus available for processing needs to be kept in mind while assessing potential for fruit and vegetable products, milk & milk products, meat, fish and marine products. Food grains, pulses, and spices need to be processed before consumption. Therefore, potential for setting up rice mill, flour mills, Dal mills, spice powder making units, etc. are there based on local consumption, demand and food industry scenario of the State. Creation of clusters is gaining momentum because they are increasingly considered as viable option for improved productivity of produce suitable for processing and export development. It is not possible to use standard unit cost for food processing industries.



However, one can follow MSME guidelines for food processing units complying with the following MSME criteria.

Sr. No.	Enterprise Type	Investment in plant and machinery
1	Micro enterprises	Upto ₹25 lakh
2	Small Enterprises	>₹25 Lakh – ₹5 Crore
3	Medium Enterprises	>₹5. crore – ₹10 crore
4	Large Enterprises	>₹10 crore

Assessment for the year 2021-22 has been made at ₹2428.80 lakh. The block-wise, item-wise potential credit requirement during the year 2021-22 has been indicated in the Annexure I.

Sr. No.	Activity	Unit Cost (₹ lakh)	PLP (2021-22)		
			Physical Units	Total Financial Outlay	Bank Loan (₹ lakh)
1	Flour Mill	9.00	40	360.00	288.00
2	Spices and Chili Powder Units	4.00	30	120.00	96.00
3	Other Agro products Units	44.80	50	2240.00	1792.00
4	Vegetable Processing	4.00	29	116.00	92.80
5	WC for existing and new units	4.00	50	200.00	160.00
	<b>Total</b>		<b>199</b>	<b>3036.00</b>	<b>2428.80</b>

### 2.3.1.4 Critical interventions required for creating definitive impact

- During the year 2018-19, the production of Fruits, Vegetables, Spices and Flowers in Morbi district is 74050 MT, 105552 MT, 30763 MT and 499 MT respectively. (source: DoH – Gujarat-horticulture production 2018-19)
- District has potential to capitalize on the production of Fruit crops like Pomegranate, Citrus, Ber, Date Palm, Guava, Papaya, Vegetables like tomato, and food crops like Wheat, Pulses and spices like cumin, fennel etc, where appropriate Agro and Food processing clusters may be promoted. These fruit crops are highly perishable and seasonal in nature leading to need of increasing processing level.
- The district, because of its traditional and diversified agriculture, offers investment opportunities to industries producing dehydrated garlic flakes and powder, flour, essential oils and oleoresins, flavored mineral water, flavored salt, herbal toothpaste, dehydrated onions, and other spices, packaged fruit and vegetable concentrates, wheat germ oil, etc.
- The post-harvest activities are mainly confined to processing of Cotton, Groundnut and Onion. These units especially cotton and groundnut processing are located in Wankaner and Morbi talukas. Four processing units producing dehydrated onions has been set up in Morbi taluka. Further, processing of food items in low quantities is done almost in all talukas. The data available shows that the district is having many units (such as Ginning & Pressing of Cotton, Oil mills, and finished food products) engaged in processing activity related to above crops.



- e) Potential for Mango pulp processing, Surmai production, IQF fish processing unit, Milk processing, integrated production & processing of button mushroom for export, etc. needs to be explored.
- f) Post-Harvest Management of crops is a major issue in Gujarat as it is in the rest of India. This leads to distress sale at low prices in harvesting season, whereas higher remunerative prices can be achieved later through post-harvest management.
- g) Need for training in the entire gamut of food-processing, like processing skills, quality control, phyto-hygiene, government's food-related regulations, etc. at all levels of workforce and management in a unit.
- h) Formation of small FPOs among fruit growing farmers to enable them to get remunerative prices and also enabling them to establish processing units in this district.

#### **2.3.1.5 Suggested Action Points:**

- a) DIC, Banks, RSETI, KVK, KVIC, CED, Skill Development units and their programmes of capacity building may be aimed for the targeted commodities available in the districts. Cluster formation of the trained youth/farmers/SHG women may be given priority to handhold and extend the desired credit support to promote successful entrepreneur.
- b) Banks may formulate Area Development Schemes to promote units of Processing for Fruits and vegetables in the district.
- c) Use of low-cost processes/ technologies developed by Agriculture University needs to be scaled-up and popularised.
- d) Kesar mango, Peanut processing, Cummins, Onion, Garlic, Lemon, etc. are the main crops where the focused approach on processing may help to improve the market conditions.

#### **2.3.1.6 Region wise scope:**

- a) South Gujarat:** Being the hot spot for horticulture crops and orchards like Mango, Sapota, Banana, Cashewnut, Papaya etc. & vegetables like Ladyfingers, Yam, creeper crops, etc., the area offers good scope for mooring clusters of pack house and storage facilities along with processing and marketing.
- b) North Gujarat:** Being the hot spot for spices and medicinal plants like Cummin seed, Fennel, Chilly, Coriander, Isabgol, Castor and horticulture crops like Potato, Lemon, etc., the region offers much scope for organized approach and export of the commodities including value addition.
- c) Saurashtra:** Kesar mango, Peanut processing, Cummins, Onion, Garlic, Lemon, etc. are the main crops where the focused approach on processing may help to improve the market conditions.
- d) Central and Eastern Gujarat:** These regions may also have potential to capitalize on the production of Tobacco, Banana, Potato, Rice, Maize, Wheat, Pulses, etc., where appropriate Agro and Food processing clusters may be promoted.

#### **2.3.1.7 Other useful information**

##### **Major crops:**

**In Morbi** Cotton, Groundnut, Castor, Sesame, Wheat, and Cumin are the major crops and Horticulture Crops: Pomegranate, Citrus, Sapota, Papaya and Onion.

## **Investment Opportunities in Gujarat:**

Keeping in view the above facts about Gujarat, several opportunities have been scanned and identified and which offers commercial potential for attracting industrial investors from within India or Overseas. These opportunities have been broadly categorized in the following groups and Investment Project Profiles have been prepared for the same:

- Agri / Horticulture Infrastructure Projects: Onion Cold Storage, Fresh Fruits-Pack house, Vegetables-Pack house, Mechanized Grain handling and storage at port, Food Parks, Terminal Markets, Spices and Isabgul Irradiation center.
- Export Oriented Processing Peanut Butter, De-hulled Sesame seed & Roasted Sesame oil, Roasted, salted & coated nuts, Integrated Shrimp farming & processing.
- Value added Processing based on local resources Tomato, Potato Flakes & Powder, Specialty grades- Guar Gum powder, Refined Sugar, Egg Powder, Baker's Yeast, Fish oil extraction.
- Natural Resources based Opportunities Natural food colors, Medicinal Herbs extraction, Neem / Tobacco Oil base Bio-Pesticides, Food Processing Enzymes, and Fish meal base bio-fertilizer.
- Newer Technology Base Projects / Opportunities Spices Cryo grinding, Freeze Dried Fruit processing Unit, Instant Vegetables in Retort Pouches, Potato Fabricated Chips.
- Innovative Opportunities Organic Milk & Milk Products, Ice Cream Balls, Castor Derivatives base Perfumery raw materials, Banana Fibre extraction and Textiles production

## **2.3.2 Agricultural Ancillary Activities - Others**

### **2.3.2.1 Introduction**

As per revised RBI Guidelines on Priority Sectors, Loans to Primary Agriculture Credit Societies (PACS) by banks, loans to Micro Finance Institutions (MFIs) for on-lending in agriculture sector, Loans under Agri Clinic and Agri Business Center (ACABC) scheme are included in other ancillary activities of agriculture. Under ancillary activities, the following activities are considered:

- i. Loans up to ₹5 crore to co-operative societies of farmers for disposing of the produce of members.
- ii. Loans for setting up of Agriclincs and Agribusiness Centers. (ACBC)
- iii. Loans for Food and Agro-processing up to an aggregate sanctioned limit of ₹100 crore per borrower from the banking system.
- iv. Loans to Customer Service Units managed by individuals, institutions or organizations who maintain a fleet of tractors, bulldozers, well-boring equipment, threshers, combines etc., and undertake farm work for farmers on contract basis.
- v. Bank loans to Primary Agriculture Credit Societies (PACS), Farmers' Service Societies (FSS) and Large-sized Adivasi Multi-Purpose Societies (LAMPS) for on-lending to agriculture.
- vi. Loans sanctioned by banks to MFIs for on-lending to agriculture sector.
- vii. Outstanding deposits under RIDF and other eligible funds with NABARD on account of priority sector shortfall.

- **Loans to Cooperative Societies of farmers for disposing of their produce**

Primary Agriculture Cooperative Credit Societies (PACS) undertake a wide variety of operations such as lending, inputs sales, consumer goods sales, farm produce purchase and processing. Following the implementation of Vaidyanathan Committee reforms, PACS are eligible to avail credit facility from any financial institution other than the apex institution to which these are affiliated. Such lending by commercial banks will qualify as priority sector advance under other ancillary activities of agriculture. PACS may also avail credit from NABARD subsidiary under the product “PACS as Multi-Service Centre”

- **Aggregation of Agri produce**

Nearly 58% farm holdings are less than 2 ha and cover about 30% of the cultivated area. There is also a preponderance of marginal farmers with 37% holding only 9% of land area. In Morbi, 58% farm holdings are less than 2 ha. Aggregation of produce by these farmers will put bargaining power in their hands when dealing with the buyers of their produce.

- **Agri-Clinics and Agri-Business Centre's Scheme (ACABC)**

**Agri-Clinics:** Agri-Clinics are envisaged to provide expert advice and services to farmers on various technologies including soil health, cropping practices, plant protection, crop insurance, post-harvest technology and clinical services for animals, feed and fodder management, prices of various crops in the market etc. which would enhance productivity of crops/animals and ensure increased income to farmers.

**Agri-Business Centres:** Agri-Business Centres are commercial units of Agri-ventures established by trained agriculture professionals and are envisaged to provide services to farmers on maintenance, repairs and custom hiring of farm equipment's, sale of inputs and other services in agriculture and allied areas including post-harvest management and market linkages for income generation and entrepreneurship development.

### **2.3.2.2 Availability of Infrastructure, critical gaps & interventions required**

- There are 131 Primary Agriculture Coop Societies (PACS) in the district affiliated to Rajkot DCCB and 32 Primary Agriculture Coop Societies (PACS) affiliated to Surendranagar DCCB. Adequate credit flow to these societies at an affordable rate of interest will help them in catering to the credit needs of farmers to enable them to undertake agricultural and allied activities. The project on PACS computerization and linking them with core banking system of cooperative bank is going on in the district.
- Formation and development of FPOs is also encouraged and supported by NABARD to collectively leverage their production and marketing strength.
- The ACABC programme aims to tap the expertise available in the large pool of Agriculture Graduates. Committed to this programme, the Government is now also providing start-up training to graduates in Agriculture, or any subject allied to Agriculture like Horticulture, Sericulture, Veterinary Sciences, Forestry, Dairy, Poultry Farming, and Fisheries, etc. Those completing the training can apply for special start-up loans
- Currently no institution has been identified by National Institute of Agricultural Extension Management (MANAGE), the Nodal Agency for the implementation of Agri-Clinics and Agri-Business Centre Scheme (ACABC), for providing training facility to young and budding agripreneurs in this district.

- Banks are not coming forward to finance the Agri Clinic and Agri- Business Centres planned by eligible agripreneurs in the district.
- Banks should take the opportunity of financing this strata of prospective clients, having better potential of growing in to big enterprises in future.

### 2.3.2.3 Assessment of Credit Potential for 2021-22 for Loans to Coop Societies of Farmers, Loans to PACS/FSS/LAMPS)

Sr. No	Activity	Unit (No.)	Unit Cost (₹ Lakh)	PLP 2021-22		
				Physical Units	Total Financial Outlay (₹Lakh)	Bank Loan (₹ Lakh)
1	ACABC Finance	No.	25.00	5	125.00	100.00
2	Loans to Customer Service Units	No.	1.00	60	60.00	48.00
3	Loans to PACS/FSS/LAMPS	No.	10.00	14	140.00	112.00
	<b>Total</b>			<b>79</b>	<b>325.00</b>	<b>260.00</b>

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

- National Institute of Agricultural Extension Management (MANAGE), the Nodal Agency for the implementation of Agri-Clinics and Agri-Business Centre Scheme (ACABC), should provide training facility to young and budding agripreneurs in the district.
- Banks may take the opportunity of financing this strata of prospective clients, having better potential of growing in to big enterprises in future

### 2.3.2.5 Suggested Action Points

- a) The ACABC Scheme may be given larger publicity for encouraging educated youngsters with agriculture background to come forward for their contribution to the farming community. The Scheme is also being discussed in BLBC / DLCC meetings.
- b) PACS to function as 'One Stop Shop' for meeting all the credit requirements of farming community, thereby also enhancing their own business operations and financial viability.
- c) Banks may like to come forward and finance the Micro Finance Institutions (MFIs), operating in the district, for on-lending purposes. This may further add to the outreach of formal credit delivery system into the deeper areas where banks have been unable to cater to the demand of funds for small and tiny Income Generating Activities (IGA).
- d) Farmers Organizations may be encouraged to take up food & agro processing activities for value addition and ultimately for better realization of value of their produce.

### 2.3.2.6 Other Related Matters

- Setting up agri clinics/ agri business centres in the rural areas by the agri graduates would result in availability of agri inputs resulting in saving of time/ transport cost for the farmer.

- Timely and adequate availability of agri inputs can increase the farm output thereby contributing to doubling of farmer's income.

### **Special Refinance Scheme for Transformation of PACS as MSC**

Primary Agriculture Cooperative Societies (PACS) are grass root level Cooperative institutions primarily involved in meeting the credit requirement of the farmer members. With a view to rejuvenating the PACS, many initiatives have been undertaken by NABARD and one such initiative has been supporting PACS as MSC program from the year 2011 onwards through direct credit as well as through refinance to CCBs/StCBs to make them a self-sustainable entity. Positive impact and the benefits derived by the members of PACS as well as limitations in implementing the program were assessed and accordingly the operational methodology, coverage of investments and terms of refinance have since been revised.

The drivers for transformation of PACS as MSC are recent reforms by GoI in APMC Act, Essential Commodities Act, Contract Farming Act and COVID 19 led reverse migration necessitating to create investment opportunities for rural youth in agriculture.

Further, with the proposed Agriculture Infrastructure Fund (AIF) scheme under Aatmanirbhar Bharat initiative of GoI, for establishing decentralized farm-gate Post Harvest Management infrastructure wherein PACS have been included as one of the eligible institutions for interest subvention, it is envisaged that PACS can now play a major role in physical and financial supply chain of commodities by working as spokes to the Gramin Agriculture Markets (GrAMs). With investments in post-harvest infrastructure, it is hoped that farmers would be able to reduce post-harvest losses and increase their value realization for the produce.

#### **Objective**

Transformation of 35,000 PACS into MSC in a phased manner spanning over three years with an objective of PACS acting as enabling institutions for meeting the national goal of doubling of farmers' income. The target proposed for current year is transformation of 5,000 PACS and for subsequent years it shall be 15,000 PACS during FY22 and 15,000 PACS during FY23.

**Rs.5000 crore have been earmarked under this special dispensation for the year 2020-21.**

#### **Eligible PACS**

All PACS which have powers to borrow for creation of infrastructure in the byelaws and have sufficient borrowing power are eligible. The minimum margin money requirement from PACS is 10% under this special refinance facility. However, considering the current financial status of PACS and to enable them to kick-start establishing agri infrastructure, wherever necessary, StCB/DCCB may consider relaxing margin money to 5%. NABARD may consider providing grant not exceeding 10% of the loan component not exceeding Rs.2 lakh per PACS towards preparation of DPR, exposure visits, capacity building etc.

#### **Eligible financial institutions**

All State Cooperative Banks and DCCBs complying to refinance policy of NABARD are eligible for special refinance scheme.

#### **Eligible Purposes**

Thrust areas for refinance include custom hiring centres, collective purchase of inputs, procurement of farm produce, scientific warehouses, pack houses, assaying units, sorting & grading units, cold chains, logistics facilities, primary processing centres, supply chain services including e-marketing platforms, marketing facilities etc. will be eligible for refinance.

#### **Refinance assistance**

Refinance assistance is provided to the banks under pre-sanction procedure wherein banks are required to submit the projects for approval of NABARD. Before sanction of the same, NABARD appraises these projects to determine its technical feasibility, financial viability and bankability.

**Interest rate on refinance will be 3%.** However, the ultimate interest rate to be charged from PACS should not be more than 1% over & above the interest rate charged by NABARD and can be shared by StCB & CCB as per the mutually agreed terms. Repayment period of refinance will be up to 7 years.

### 2.3.2.7 Credit Potential for Others

- **Loans to Individuals and SHGs/JLGs:** Generally, financial institutions take security for giving loans. In this process, a large section of society gets deprived and loans at subsidized rate of interest from the banks for undertaking economic activities. NABARD took lead in this matter and pioneered the concept of SHG and JLG. The poor were united in the form of groups and it showed to the world that poor as a group are loan worthy. Group mode of loaning paved the way for giving finance to poorest of poor and improve their social and economic condition. Moreover, it has proved to be a good proposition for banks also with good rate of recovery from groups.
- **Loans to distressed persons to prepay non-institutional lenders (other than farmers):** In order to get small, quick loans without resorting to much paperwork people took loans from non-institutional lenders to meet their emergent requirements on a very high rate of interest. Payment of such a high rate of interest is a big burden on the poor people which create lot of problem in their family life. However, those people can take loan from financial institutions to prepay their debt taken from private lenders. Based on the ground level situation in the district as also discussions held with bankers and other agencies involved in implementation and financing under the sector, potential for 2021-22 has been estimated and activity-wise and block-wise details are given in Annexure-I.
  - *In terms of revised RBI Master circular on PSL, loans not exceeding ₹50,000/- per borrower financed directly by banks to individuals and their SHG/JLG, provided the individual borrower's household annual income in rural areas does not exceed ₹1,00,000/- and for non-rural areas it does not exceed ₹1,60,000/-.*
  - *Loans to distressed persons (other than farmers included under "Loans to distressed farmers indebted to non-institutional lenders") not exceeding ₹1,00,000/- per borrower to prepay their debt to non-institutional lenders.*
  - *Loans sanctioned to State Sponsored Organizations for SCs/ STs for the specific purpose of purchase and supply of inputs and/or the marketing of the outputs of the beneficiaries of these organizations are covered under the sector "Others".*
- **Pradhan Mantri Jan Dhan Yojana (PMJDY)** - During the year 2014-15, a campaign for Pradhan Mantri Jan Dhan Yojana (PMJDY) was launched to cover all population not under banking fold. As of now each such households have at least one basic savings account in the bank. As a part of second phase, each such account holder is being provided an overdraft facility of upto ₹10,000/- through such accounts. Age limit of 18-60 years has been revised to 18-65 years and there will not be any conditions attached for overdraft upto ₹2000/-. This overdraft facility will act as an important safety net for poor households in the district. Overdraft facility extended in such accounts will be eligible to be reckoned as priority sector finance.
- As on 31.03.2020, in this district 201907 accounts were opened under PMJDY and 164564 accounts has been Aadhar Seeded, Rupay Cards issued to 116417 account holders and pass book issued to 194808 account holders. Under the Social Security Schemes, 114366 persons have been enrolled for PMSBY, 42661 for PMJJBY and 9444 for APY

### 2.3.2.8 Assessment of Credit Potential for 2021-22

Sr. No.	Activity	Unit	Unit Cost (₹lakh)	PLP (2021-22)		
				Phy. units	Total Financial Outlay (₹ lakh)	Bank Loan (₹ lakh)
1	PMJDY Loans	No.	0.10	1300	130.00	104.00
2	Fresh Loans to SHGs	No.	1.00	840	840.00	672.00
3	Loans to JLGs	No.	1.00	375	375.00	300.00
	<b>Total</b>			<b>2515</b>	<b>1345.00</b>	<b>1076.00</b>

### 2.3.2.9 Critical interventions required for creating a definitive impact

- Banks need to form a strategy to cover the eligible persons under PMJDY.
- Banks should come forward to provide credit to matured SHGs after monitoring their saving pattern and income generating activities taken up by them.
- Banks should form more and more JLGs to bring the landless labourers, marginal farmers, etc. into the banking fold.

### 2.3.2.10 Action points for stake holders

- GLPC, being the major partner should initiate necessary steps to identify the matured SHGs and sponsor their applications for credit assistance to banks.
- Capacity building of the SHGs should be done to equip them to take up income generating activities to enhance their repaying capacity.
- GLPC should involve the banks right from the formation to nurturing stage of the SHGs so that the need for providing credit to such SHGs would be appreciated by the banks.
- Progress in financing SHGs should be regularly reviewed in BLBC/DCC meetings
- Uncovered pockets should be identified and GLPC should take initiative to cover such areas for formation of SHGs.
- Hand-holding of the SHGs post-training plays a crucial part for enhancing the credit worthiness of the Groups.

## CHAPTER 3

### Credit Potential for Micro, Small and Medium Enterprises (MSME)

#### 3.1 Introduction

MSME Sector has been recognized worldwide as an Engine of Economic growth and for promoting equitable development of a country. This sector is capable of generating huge employment opportunities with low capital, operational flexibilities and quick adoption of technologies. Basically, MSME Sector is the BACKBONE of many developing countries of the world.

In India, **Micro, Small and Medium Enterprises (MSME)** sector has emerged as a highly vibrant and dynamic sector of the Indian economy. MSMEs not only play a crucial role in providing large employment opportunities at comparatively lower capital cost than large industries but they also help in industrialization of rural & backward areas, thereby reducing regional imbalances and assuring more equitable distribution of national income and wealth. MSMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socio-economic development of the country

#### Definition

Ministry of Micro, Small and Medium Enterprises vide its notification dated 1<sup>st</sup> June, 2020 has revised the definition of MSME Units by effecting amendments in the MSMED Act 2006. As per the recent notification Micro, Small and Medium Enterprises are defined as under:

- A Micro Enterprise, where the investment in Plant and Machinery or Equipment does not exceed ₹1 Crore and turnover does not exceed ₹5.00 Crores.
- A Small Enterprise, where the investment in Plant and Machinery or Equipment does not exceed ₹10.00 Crores and turnover does not exceed ₹50 Crores.
- A Medium Enterprise, where the investment in Plant and Machinery or Equipment does not exceed ₹50.00 Crores and turnover does not exceed ₹250.00 Crores.
- The above new definition is effective from 1st July, 2020.
- The distinction between Manufacturing and Service sector has been dispensed with by the Government.

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

- **District Industries Centre (DIC)** is the nodal agency in the district providing organizational/ infrastructure support to Rural Artisans, Cottage and Village Industries and SSI units.
- DIC, Gujarat Scheduled Caste Economic Development Corporation (GSCEDC), Gujarat Backward Class Dev. Corporation (GBDC), etc. sponsor applications in respect of identified and other economically viable NFS activities along with subsidy assistance. KVIC/ KVIB are also active in the district for development of Khadi and Village industries.
- There are 5 Industrial Estates in Morbi.
- There are around 18 Handloom weavers Co-Op. Societies producing varieties of products such as Bharwadi, Pachhedi, Kangaliya, Towels, Khadi, woolen carpets etc.
- This district has plenty of Ceramic Industries and many rural artisans use the raw materials to make traditional items, handicrafts etc.



- The development of small and medium enterprises has taken place in the form of different industrial clusters. In Morbi there are industrial clusters for Ceramics and Wall Clocks.
- The district has well developed railway and road network. All villages have been connected by all-weather roads and all villages have been linked to state roadway network.
- DIC provides marketing assistance to small scale units under CSPO at Gandhinagar through registration at DIC. Export Promotion Council helps in export of products and such units also get governmental concessions. DIC registered SSI units are supported with supply orders from Government Offices.
- Major constraint faced by the units in GIDC Estates is scarcity of water. High cost of plots in case of transfer is also a constraint in industrial development.
- The Government of India Schemes like MUDRA and Standup India are an encouragement especially for women to set up their own MSME units.
- Many households are involved in various activities where raw materials/marketing infrastructure are made available by State Government in the villages itself. There is scope to industrialize these MSME activities.
- Both working capital assistance as well as term loan assistance for purchase of looms, accessories, modernization of looms and marketing are provided by banks.
- The R-SETI situated in Rajkot district, also supported by NABARD, provides training to facilitate alternative employment opportunities to the unemployed rural youth for taking up income-generating activities in non-farm sector.
- The State Government has taken initiatives to extend support for further strengthening these clusters through interventions such as technology up-gradation, quality improvement, setting up of common facility centers, skill development facilities, etc. with the active assistance of R&D institutions, as well as industry associations.
- In Morbi Ceramics Cluster has been developed by Central Glass and Ceramic Research Instituted (CGCRI).

### **Credit Linked Capital Subsidy Scheme (CLSS)**

Government of India, Ministry of Micro, Small and Medium Enterprises had launched Credit Linked Capital Subsidy Scheme (CLSS) for Technology Upgradation of Micro and Small Enterprises subject to the following terms and conditions:

- i. Ceiling on the loan under the scheme is ₹1 crore
- ii. The rate of subsidy is 15% for all units of micro and small enterprises up to loan ceiling at Sr. No. (i) above
- iii. Calculation of admissible subsidy will be done with reference to the purchase price of plant and machinery instead of term loan disbursed to the beneficiary unit
- iv. SIDBI and NABARD will continue to be implementing agencies of the scheme

### **Support and Incentives by Govt of Gujarat for MSMEs**

1. Scheme for financial assistance by way of Capital Subsidy and Credit linked interest subsidy to Micro, Small and Medium Enterprises
2. Assistance for reimbursement of CGTMSE fees for Micro and Small Enterprises
3. Assistance for interest subsidy to service enterprise

4. Scheme for financial assistance for Quality Certification
5. Scheme for Technology Acquisition
6. Assistance for patent registration
7. Scheme for financial assistance for Energy and Water Conservation
8. Assistance to SME for raising capital through SME Exchange
9. Rehabilitation of Sick enterprises
10. Assistance for Venture Capital
11. Scheme for assistance for start -ups and innovation
12. Assistance for shed and plot developed by GIDCs
13. Scheme for assistance for R&D activities
14. Scheme for assistance Labour Intensive Industries

### 3.3 Assessment of Credit Potential for financial year 2021-22 (Both physical and financial terms)

₹ in lakh

S. No	Activity	Unit	Unit cost	Assessment of Potential for 2021-22		
				Physical Units	Total Financial Outlay	Bank Loan
A. Term Loan (TL)						
(a)	Manufacturing and Service Sector Enterprises					
1	Micro enterprises	Number	50.00	125	6250.00	5000.00
2	Small enterprises	Number	500.00	100	50000.00	40000.00
3	Medium enterprises	Number	2500.00	100	250000.00	200000.00
	Grand Total TL			325	306250.00	245000.00
B. Working Capital (WC)						
(a)	Manufacturing and Service Sector Enterprises					
1	Micro enterprises	Number	12.50	250	3125.00	2500.00
2	Small enterprises	Number	125.00	250	31250.00	25000.00
3	Medium enterprises	Number	625.00	150	93750.00	75000.00
	Grand Total TL			650	128125.00	102500.00
Grand Total MSME (TL+WC)				975	434375.00	347500.00

*Block-wise, item-wise credit potential indicated in Annexure I*

The GLC flow under MSME during 2017-18, 2018-19 and 2019-20 were ₹217593.00 lakh, ₹78626.00 lakh and ₹337669.00 lakh respectively.

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

- There is urgent need for dissemination of all promotional schemes of both Central and State Governments about facilities, relief, subsidy and initiatives offered under each of them among the people, through media and meetings. DIC may promote the schemes for attracting potential entrepreneurs.

- Micro survey of potentiality by DIC, strengthening network of GSCEDC and GBCDC, organized marketing arrangements and imparting structured training to local youth will reduce the resource gap.
- Availability of Finance: This is most crucial barrier undermining the potential of MSMEs. MSMEs should have adequate access to finance.
- Availability of cheap funds will make them competitive in export market vis a vis their counterparts in Asia where cost of funds is cheaper.
- MSMEs lack access to local and international markets. The access of MSMEs to technology and products -innovations is limited. There is also a lack of awareness of global best practices among MSMEs.
- Rising cost of inputs and rising inflation adversely impact cost of operation of MSMEs.
- Although MSMEs contribute significantly towards exports, but still lack knowledge of forex market and its instruments which are required to hedge exchange risks, market risk and interest rate risk and many a time they suffer due to this lack of knowledge.
- There is urgent need to address the above challenges to make this sector dynamic and robust

### **3.5 Suggested Action Points**

- Unorganized clusters of artisans pursuing various rural arts in the district have to be mapped and guided to avail benefits offered under various State and Central Government schemes so as to enable them to better commercialize their arts, undertake larger production to benefit from economies of scale and also be in a better position to market their produce.
- DIC may take a lead in this mapping or Industries Commission may assign the work to a professional agency across the State.
- Banks may sponsor Rural Entrepreneurship Development Programmes (REDPs) for training rural unemployed youth for setting up new enterprises.
- The banks may have to explore the possibilities of covering eligible entrepreneurs under the SEMFEX scheme.
- Banks may make best use of Government-sponsored programmes for lending to first-generation entrepreneurs at village levels. Garments (including hosiery), gems and jewelry, leather products, ancillary engineering industries and 100% export-oriented units may be promoted as thrust areas.

*For detailed information regarding MSME Sector and MSME scenario in Gujarat, visit NABARD Website at [www.nabard.org](http://www.nabard.org)*

## Chapter 4

### Credit Potential for Export Credit, Education and Housing

#### 4.1 Credit Potential for Export Credit

##### 4.1.1 Introduction

Exports are the key drivers of economic growth of a developing nation like India. Exports to GDP ratio is considered as an important parameter for growth of a country. Exports are required to finance Imports of goods and services which is essential for nation building. Further surplus production of any commodity can be exported to earn precious foreign exchange. Although there are other ways of financing imports such as FDI, FII inflows, Remittances from NRIs, foreign grants and loans etc but a continuous growth of exports is most sustainable and dependable source of foreign exchange.

##### **Export Finance: RBI Guidelines:**

Export Finance mainly comprises of Pre shipment credit and Post shipment credit. In terms of RBI guidelines, financing for exports is available for “Pre-shipment/Packing Credit” and “Post-shipment Credit”. For Domestic banks, export credit subject to a sanctioned limit of up to ₹25 crore per borrower to units having turnover of up to ₹100 crore will be classified as priority sector. Some of the important guidelines as mentioned in its circular are as under:

##### **Pre-Shipment Rupee Export Credit**

'Pre-shipment / Packing Credit' means any loan or advance granted or any other credit provided by a bank to an exporter for financing the purchase, processing, manufacturing or packing of goods prior to shipment / working capital expenses towards rendering of services on the basis of letter of credit opened in his favour or in favour of some other person, by an overseas buyer or a confirmed and irrevocable order for the export of goods / services from India or any other evidence of an order for export from India having been placed on the exporter or some other person, unless lodgement of export orders or letter of credit with the bank has been waived.

##### **Post-Shipment Rupee Export Credit**

'Post-shipment Credit' means any loan or advance granted or any other credit provided by a bank to an exporter of goods / services from India from the date of extending credit after shipment of goods / rendering of services to the date of realization of export proceeds., and includes any loan or advance granted to an exporter, in consideration of, or on the security of any duty drawback allowed by the Government from time to time.

##### **Support from Government of India**

With a view to giving boost to Exports, Government of India promotes exporters by providing a host of supports and incentives. Some of the major support schemes are as follows:

1. Merchandise/Service Exports from India Scheme.
2. Status Holder Scheme.
3. Duty Exemption/ Remission Scheme.
4. EPCG Scheme.
5. Towns of Export Excellence Scheme.
6. Interest Equalization Scheme.
7. Gold Card Scheme.

8. Transport and Marketing Assistance.
9. 24X7 Single window clearance from Customs.
10. Export Finance at internationally competitive rates.

#### 4.1.2: Assessment of Credit Potential for 2021-22

Assessment of potential for pre-shipment and post-shipment credit is attempted based on the assumption that exporting units would come up in the district and part of their credit requirement would be met by the banks. The physical and financial projections for the year 2021-22 are given as under. The block-wise, sector-wise potentials for 2021-22 are given in Annexure I.

(₹ in lakh)

Sr. No.	Activity	Unit Cost	Assessment of Potential for 2021-22		
			Physical Units	Total Financial Outlay	Bank Loan
1	Pre-shipment	200	25	5000.00	4000.00
2	Post-shipment	200	30	6000.00	4800.00
	<b>TOTAL</b>		<b>55</b>	<b>2000.00</b>	<b>8800.00</b>

The projections under Export Credit in this District for the year 2021-22 is estimated at ₹8800.00 lakh. As per SLBC, an amount of ₹64.61 lakh was reported as ground level disbursement during the year 2019-20 in the district.

#### 4.1.3 Availability of Infrastructure & Gaps

- This is the most industrialized district after Rajkot and Jamnagar in Saurashtra Region.
- At present more than 700 enterprises in and around Morbi are manufacturing Ceramic Tiles, Floor Tiles, Luster Wall Tiles, Glazed Wall Tiles, Vitrified Tiles, Porcelain Tiles, 2 D, 4 D Tiles, Spartek, Roofing and Mosaic Tiles.
- It is also hub of digital and other types of watch and clocks manufacturing enterprises such as Ajanta, Samay, Sonera and Sonam which are world leaders in this sector.
- After 2002, Paper industries have grown rapidly as ancillary sector due to need of high quality craft grade papers which are very suitable for packing of goods.
- There are number of export-import houses working in the district. Besides, many enterprises deal in consumer durables and engineering goods.
- There are number of banks, including SBI (Lead Bank) which are providing pre-shipment and post-shipment credit to the exporting units.
- As the district is the hub for exporting activities, there is scope for many other ancillary export units to come up and there is significant potential for flow of credit to this sector.
- Presence of large number of MSMEs offers excellent opportunity for the district to further increase the exports.
- This district (four blocks which were earlier part of Rajkot district) has been identified as Agri Export Zone for dehydrated onion (value added onion).
- In cotton, milk and milk products, the district (one block which was earlier part of Surendranagar district) has export potential.

- Moreover, the district is cultivating groundnut, cotton, castor and sesame. There is potential for export of castor seed extraction meal, cotton seed extraction meal, raw cotton bails, ground nut extraction meal and sesame seeds. The entrepreneurs can set up their exporting units in the vicinity of the fields or enter into a contractual agreement with the farmers of the above produce with a view to procure these for processing and exporting.

#### **4.1.4 Suggested Action Points**

- Morbi's contribution towards exports can further be enhanced substantially if Exporters, especially Micro, Small and Medium Exporters are supported by way of providing timely and adequate export finance strategically by banks and incentive support by Government Agencies together. Banks may provide bank credit to exporting units to enable them to set up export oriented units.
- Pre-shipment and post-shipment finance can be provided to exporters of tradable services where payment for such services is received in free foreign exchange. Exporters of services qualify for working capital export credit (pre and post shipment) for consumables, wages, supplies etc.
- At times, exporters require ad hoc limits to take care of large export orders which were not foreseen earlier. Banks should respond to such situations promptly and no additional interest is to be charged in respect of ad hoc limits granted by way of pre-shipment/post-shipment export credit.
- Awareness need to be created among the farmers for entering into contractual arrangement with exporting units to enhance their income
- Creation of Godowns/ Cold storages
- Quality control through international level grading / sorting / packaging.
- FPOs should be encouraged to go in for branding & export.
- Training and exposure visits for potential exporters.

*For detailed information regarding Export Sector and Export scenario in Gujarat please visit NABARD Website at [www.nabard.org](http://www.nabard.org).*

## 4.2 Credit Potential for Education

### 4.2.1 Introduction

Education is the edifice on which strong and robust nations are built. For developing countries like India, it is the key ingredient that will help move the country to the category of a developed nation. This makes Education an important element in the nation building and requires all possible support. National and State level policies are framed to ensure that this basic need of is met through appropriate public and private initiatives. While Government endeavour to provide primary education to all on a universal basis, higher education is progressively moving into the domain of private sector. With a gradual reduction in Government subsidies, higher education is getting more and more costly and hence the need for institutional finance in this area.

The scope of education has widened both in India and abroad covering new courses in diversified areas. Development of human capital is a national priority and it should be the endeavor of all that no deserving student is denied opportunity to pursue higher education for want of financial support.

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

- Loans to individuals for educational purposes including vocational courses upto ₹10.00 lakh irrespective of the sanctioned amount will be considered as eligible under priority sector.
- There are 809 primary schools, 112 Secondary and 122 Higher Secondary schools, 12 Arts and Science College and 12 Teacher Training Colleges.
- During 2019-20, as per SLBC data, banks have disbursed education loans to the tune of ₹1008.07 lakh for 580 students in this district, indicating scope for increase in demand.
- As per the available data, Lukhdhirji Engineering College in the district is one of the oldest colleges and enrolls 3000 students.
- There are other engineering colleges as well, hence, there is demand for education loans from banks and there is huge potential to be tapped in the district.

### 4.2.3 Assessment of Credit Potential for 2021-22

The projections under Education Loan in this District for the year 2021-22 is estimated at ₹1160.00lakh. The block-wise, sector-wise potentials for 2021-22 are given in Annexure I. The ground level disbursement reported under education sector in the district for year 2019-20 is ₹1008.00 lakh.

S. No	Activity	Unit Cost (₹ Lakh)	Assessment of potential for 2021-22		
			Physical Units	Total Financial Outlay (₹ in Lakh)	Bank Loan (₹ in Lakh)
1	Education Loan for Inland Studies	10.00	90	900.00	720.00
2	Education Loan for Foreign Studies	10.00	55	550.00	440.00
	<b>TOTAL</b>		<b>145</b>	<b>1450.00</b>	<b>1160.00</b>

## Status in Morbi

### Trend in Disbursement of Education Loan in last three years by Banks

(₹ in lakh)

Year	No. of accounts	Amount disbursed	% growth in disbursement YoY
2017-18	69	146.00	(-517.80)
2018-19	288	454.00	210.95
2019-20	580	1006.70	121.74

Amount disbursed during 2016-17 was ₹902 lakh.

### Trend in outstanding in Education Loan during last three years

(₹ in lakh)

Year	Total Advance Outstanding	Education Loan outstanding	% of Total Advance outstanding
2017-18	546711.00	983.00	0.17
2018-19	270835.78	201.76	0.07
2019-20	762813.01	914.55	0.11

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

- Gujarat is traditionally known for sending its students abroad for higher studies. Hence huge opportunities exist for banks to make finance available within guidelines and to help students realize their dreams. Banks can mobilize big ticket education loans under this segment.
- Gujarat being hub of trade and industry, a large number of management work force intend to keep themselves update with latest technology and management techniques. Banks can seize such opportunities to offer them loans for management development programs in reputed institutions thereby enhancing their education loan portfolio.
- A system of referrals to Lead Bank Manager must be in place where school/college authorities identify such students and send to LDM for making available education loan, of course, within norms of respective banks.
- Various guarantee and subsidy schemes of governments should be up front so that benefits reach the students instantly

#### 4.2.5 Suggested Action Points

- Insistence on collateral for education loans is one of the biggest hurdle in its growth. Steps need to be taken at policy making level to popularize education loans.
- Transparent grading and placement records of various educational institutes may be made available to banks so as to gain confidence in the institute to finance its students.
- Banks may conduct camps in higher secondary schools and colleges and provide check list of documents to be submitted for availing education loan.

#### 4.2.6 Other related issues

##### Interest Subsidy Scheme of Government of Gujarat for Education Loan

Objective is to provide financial support to bright and needy students of higher education for career development.



**Eligibility Criteria**

- Passed 12th standard with 60 or more percentile.
- Family income must be up to ₹6.00 lakh
- Education loan received from scheduled banks on or after date 04/07/17 to pursue higher Education.

**Amount of Subsidy**

- Subsidy is available on education Loan up to ₹10lakh.
- Interest subsidy will be deposited in applicant's loan account at the end of 31st March of every year.

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For detailed information regarding Education Sector and Education Loan scenario in Gujarat, kindly visit NABARD Website at [www.nabard.org](http://www.nabard.org)

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### 4.3 Credit Potential for Housing

#### 4.3.1 Introduction

According to a research, by the year 2030, more than 40% of the Indian population will live in urban India, as against the current figure of 34%, which is likely to create a demand for 25 million additional affordable housing units. India's urban housing shortage is being primarily driven by the Economically Weaker Section (EWS) and Low Income Group (LIG) categories. Home loans account for about 10% of the country's GDP. The business is split into three parts with Banks, NBFCs and HFCs catering to the needs of borrowers. Housing finance growth as a percentage of GDP is a good measure of Housing Finance Sector in the Country.

#### **Pradhan Manti Awas Yojana (PMAY)**

**The Housing for All [Urban] Mission is launched** in compliance with the objective of National Mission Housing providing Housing for All by 2022.

The Mission is being implemented through four verticals which inter alia included affordable Housing through Credit Linked Subsidy Scheme [CLSS]. Under CLSS, interest subsidy of 6.50% is available on the housing loans which may be availed of by beneficiaries belonging to EWS / LIG categories. The subsidy would be provided to the loan component to the extent of ₹6 Lacs.

#### **Credit Linked Subsidy Scheme (CLSS) for EWS/LIG**

- Affordable Housing through Credit Linked Subsidy: - Interest subvention subsidy for EWS and LIG for new house or incremental housing.
- Economically Weaker Section (EWS): Annual household income up to ₹3 Lacs and house sizes up to 30 sq.m.\*
- Low Income Group (LIG): Annual household income between ₹3 to 6 lacs and house sizes up to 60 sq.m.\*

#### **Initiative by Gujarat Government: Mukyamantri Gruh Yojna**

Mukhya Mantri GRUH Yojana where GRUH stands for "Gujarat Rural Urban Housing" is an affordable housing scheme especially designed for home seekers belonging to EWS and LIG category of the society. Mukhya Mantri (Gujarat Rural Urban Housing) GRUH Yojana was announced during 12th Five-year plan in consideration of growing need for affordable houses in urban areas.

Under the Mukhya Mantri GRUH Yojana, the Gujarat Government will provide pucca house to every slum dwelling family and family belonging to economically weaker sections. The minimum carpet area of houses for economically weaker sections will be 25 sq. meters and maximum will be up to 30 sq. meters which will include two rooms, kitchen, bath room and toilet.

#### **Housing Finance under priority Sector lending cover the following:**

- Loans to individuals up to ₹35lakh in metropolitan centres (with population of ten lakh and above) and loans up to ₹25lakh 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 ₹45lakh and ₹30lakh respectively.
- Loans for repairs to damaged dwelling units up to ₹5lakh in metropolitan centres and up to ₹2lakh in other centres.

- Bank loans to any governmental agency for construction of dwelling units or for slum clearance and rehabilitation of slum dwellers, subject to a ceiling of ₹10lakh per dwelling unit.
- 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 ₹10lakh per dwelling unit.

#### 4.3.2 Assessment of Credit Potential for 2021-22

(₹ in lakh)

Sr. No.	Activity	Unit	Unit Cost	Assessment of Potential for 2021-22		
				Physical Units	Total Financial Outlay	Bank Loan
1	Rural Housing	Numbers	6.00	1000	6000.00	4800.00
2	Semi Urban Housing	Numbers	12.00	550	6600.00	5280.00
3	Urban Housing	Numbers	20.00	550	11000.00	8800.00
4	Renovation of House	Numbers	2.00	1700	3400.00	2720.00
	<b>TOTAL</b>			<b>3800</b>	<b>27000.00</b>	<b>21600.00</b>

The projections under Housing Loan for this district for the year 2021-22 is estimated at ₹21600.00 lakh. Block-wise details are given in Annexure I.

The ground level disbursement reported under housing sector in the district during the -financial year 2019-20 is ₹21848.00lakh.

#### Trend in Disbursement of Housing Loan (priority sector) in last 3 years by Banks (₹ in lakh)

Year	No. of accounts	Amount disbursed	% growth in disbursement YoY
2017-18	741	7901	-35.15
2018-19	1378	7546	-4.49
2019-20	2014	10459	38.60

#### Trend in outstanding in Housing Loan during last 3 years in Morbi (₹ in lakh)

Year	Total Advance outstanding	Housing Loan outstanding	% of Total Advance outstanding
2017-18	658772	19753	2.99
2018-19	786635	29493	3.74
2019-20	762813	28232	3.70

#### 4.3.3 Availability of Infrastructure, Critical Gaps & Interventions required, action points / issues to be addressed

- Due to presence of large number of industries in Morbi, the demand for housing is on the increase.
- The availability of good roads, increase in good quality education facilities and the added nearness to Rajkot city has fueled the growth of housing sector.
- Bankers may tie up with reputed builders for easy financial access to the potential buyers in their schemes.

- Farmers face issues in obtaining housing loans due to non-availability of IT returns and difficulties in obtaining income certificate from revenue authorities.
- The emergence of affordable housing projects in Morbi has increased the credit off-take of Housing loans during the last financial year.
- There will be demand for housing due to easing of water shortage due to availability of Narmada water through piped water supply and canals.
- Measures such as awarding industry status to affordable housing, bringing down GST rates and increasing tax deduction limits for interest payments on home loans for affordable housing have made property purchases in this segment more lucrative.
- The Ministry of Housing and Urban Poverty Alleviation, Government of India, has established a Credit Risk Guarantee Fund Trust for providing guarantees in respect of low-income housing loans.

#### **4.3.4: Suggested Action Points**

- Banks may formulate special schemes to accommodate farmers for Housing loans based on their cultivable land.
- Gujarat Housing Board may open a full-fledged office in this district.

For detailed information regarding Housing Sector and Rural Housing Loan scenario in Gujarat, one may visit NABARD Website at [www.nabard.org](http://www.nabard.org)

## Chapter 5

### 5.1 Credit Potential for Infrastructure – Public Investments

#### 5.1.1 Introduction

Infrastructure is the sum total of basic facilities and services required for proper utilization of resources (physical & human) for the development of an area. Infrastructure development plays a significant role in economic growth and poverty alleviation, more so, in the rural area. Rural infrastructure comprises of core infrastructure viz., irrigation, connectivity (road, power, IT), transportation, energy (generation, transmission, distribution), post-harvest and social infrastructure viz., drinking water, sanitation, sewerage, health, housing and education.

Investment in rural infrastructure fosters agricultural growth, creates new economic opportunities and activities, generates employment and income, and improves delivery of other rural services. Therefore, in 1995-96, Rural Infrastructure Development Fund (RIDF) was created in NABARD to facilitate public investments for rural infrastructure. State Governments avail RIDF assistance for creation of wide variety of rural infrastructure covering 37 activities, under three broad categories, viz., Agriculture and related sectors, Rural connectivity and Social sectors. Over the years, RIDF has emerged as a preferred source of funding for State governments. This led to creation of many other funds in NABARD for supporting specific rural infrastructure activities viz. Warehouse Infrastructure Fund, Food processing Fund, Long term Irrigation Fund, Dairy Processing and Infrastructure Development Fund, Micro Irrigation Fund etc.

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

In Gujarat, major share (70%) of RIDF assistance has gone for creation of irrigation infrastructure followed by social sector (20%) and rural connectivity (10%). Some of the major RIDF projects that are under implementation include SAUNI (Saurashtra Narmada Avtaran Irrigation) Yojana which involves construction of four links under various packages in the drought prone Saurashtra region and Expansion of the network of Narmada Main Canal viz., Saurashtra and Kutch Branch Canals & construction of Sub minors for delivering water to the last mile farmer. RIDF has therefore proved an exemplary financial intervention for boosting Agricultural production and productivity in the state.

Details of RIDF projects in the District: Morbi

(₹ in lakh)		
Sector	No. of projects sanctioned	Loan Sanctioned
Health Centres/Anganwadis	3	504.47
Rural Educational Institutions	12	69.00
Godowns (Grass)	13	618.00
<b>Total</b>	<b>28</b>	<b>1191.47</b>
*Multi District Projects		
Sauni Link 1 ,P1,P2,P3	1	86009.00
Sauni Link 3	1	125225.00
Sauni Link 3.P4,P5,P6	1	149713.00
Sauni Link 1,P5	1	28880.00
River Rejuvenation Project	1	16886.00

\*Multi District Projects –Morbi being one of them

### **5.1.3 Impact of Infrastructure Projects**

PHCs and CHCs constructed in remote villages far away from major cities with variety of infrastructure under health sector have ensured availability of doctors and nurses, 24 hrs. This has resulted in improving the health of the rural poor. Minor check dams have increased the irrigated areas.

### **On Going RIDF Projects**

The Saurashtra Region has been drought prone for decades due to scarcity of rain. The topography of Saurashtra Region is like an inverted saucer in which the Central area of Chotila and Jasdan are situated on higher altitude. There is a slope on each side of this area and the rivers existing there are ephemeral and of very short length. Water shortage is a perpetual problem in this area despite a number of efforts taken to harness the rain water through construction of structures like big dams, check dams, deepening of existing wells, field ponds, sand bag barriers etc. Most of the dams of Saurashtra Region are not filled up completely due to lack of rains. On the other hand, water in South and Central Gujarat overflows into the sea as the dams in these regions do not have the capacity to store the excess water. Therefore, Govt. of Gujarat has prepared a proposal for the beneficial use of additional 1 MAFt (1 Million Acre Feet) flood water to fill about 115 existing dams of Saurashtra Region through a series of 4 Link Pipelines. The project is known as “Saurashtra Narmada Avataran Irrigation (SAUNI) Yojana” and the estimated cost of the project is about 10,861 crore rupees.

### **The project consists of 4 link pipe lines as under:**

- LINK-1 - From Macchu -2 Dam of Morbi Taluka to Sani Dam of Jamnagar District (180 Km)
- LINK-2 - From Limbadi Bhogavo – 2 dam of Surendranagar district to Raydi dam of Amreli District (253 Km)
- LINK-3 - From Dholidhaja dam of Surendranagar district to Venu-1 dam of Jamnagar district (245 Km)
- LINK-4 - From Limbadi Bhogavo-2 dam of Surendranagar district to Hiran-2 dam of Junagadh (448 Km)

### **Major Objectives of the project**

- In Saurashtra Region, it is proposed to utilize this quantum of water by constructing check dams across rivers which crosses Canals of Narmada Project.
- Conservation of sweet water of river & recharging ground water aquifer.
- Improving ground water quality & rise in ground water table.
- Enhancement of drinking water facility & firm up irrigation & improving health condition.
- Controlling migration of people.
- To provide lift irrigation facility in U/S of the reservoir.

### **5.1.4 Critical Intervention required for creating a definitive impact:**

- Various infrastructure schemes in rural areas viz., supply of Narmada waters for improving irrigation and drinking water, Gokul Gram Yojana for holistic development of rural areas,

Jyoti Gram Yojana for supplying uninterrupted power supply to villages, etc. Rurbanisation, development of solar parks, etc. are under implementation in the district.

- Government of Gujarat is implementing the project called 'SAUNI' in various phases through which the Narmada water would be transported through underground pipelines to critical parts of Saurashtra where majority of the agricultural area is rainfed.
- Under the Irrigation projects, 2 projects are multi district (SAUNI Link 3 - Phase I & II) amounting to ₹125225.00 lakh and ₹149713.00 lakh respectively.
- During the year 2019-20, an amount of ₹617.29 crore has been sanctioned for Construction of Classrooms against damaged classrooms in Primary Schools (Multi district projects), River Rejuvenation Project costing ₹1688.17 lakh
- Further, SAUNI Yojana Link 4 A- Package 8 and Link AB- Package 7 has been sanctioned with loan of ₹939.47 lakh
- Apart from the above, a District Irrigation Plan (DIP) finalized by the State Government with the help of NABCONS (consultancy wing of NABARD) for funding the irrigation projects under PMKSY would also extend irrigation facilities to larger rain-fed areas.

#### **5.1.5 Suggested Action Points**

- Better coordination among GGRC, Dept. of Agriculture and Dept. of Plantation & Horticulture for Drip and Sprinkler irrigation systems as a dependable means of conserving precious water.
- Creation of farm ponds, deepening & desilting of village ponds and check dams to increase the holding capacity of the structures.
- An uninterrupted power supply for running agriculture pump sets required for achieving the target of doubling of farmers' income. Solar pumping to be promoted as alternate option for pumping water, using renewable source of energy.

### **5.2 Social Infrastructure Involving Bank Credit**

#### **5.2.1 Introduction**

Standard of Living is an integral element of Human Development. The provision of drinking water, sanitation, education and health defines the quality of life of an individual. Accessibility to these services shape the day-to-day life of people and have long-term impact in terms of longevity, productivity and earning capacity of an individual.

Amidst a steady economic growth in the last two decades, Government of India has come up with numerous schemes and programs to address the challenges of creating a robust Social infrastructure. These include providing quality potable water to rural areas using Piped drinking water supply, enhancing rural sanitation under the Swachh Bharat campaign, providing universal elementary education under Right to Education, nutrition & health facilities using Anganwadis and community Health Centres and training for gainful employment in Skill development centres.

Reckoning the importance of social infrastructure for development in its latest Priority Sector Lending Classification as on 16 April 2018, RBI has brought bank loans up to a limit of ₹5 crore per borrower for building social infrastructure, namely, schools, health care facilities, drinking water facilities and sanitation facilities in Tier II to Tier VI centres under the ambit of PSL norms. Also, bank credit to Micro Finance Institutions (MFIs) extended for on-lending to individuals and

members of SHGs/JLGs for water and sanitation facilities will be eligible for categorization as priority sector under 'Social Infrastructure'.

### 5.2.2 Social Infrastructure in the District available, planned and gaps:

Social Infrastructure	Gujarat State	Morbi
Primary Schools	45315	806
High School	12234	235
Dispensaries& Hospitals	204	42
Number of Community Health Centres	362	5
Number of Primary Health Centres	1475	30
Number of Urban Health Centres	108	5

(Source: District & Statistical Book 2019)

### 5.2.3 Assessment of potential for financial year 2021-22:

The projections under Social Infrastructure for this district for the year 2021-22 is estimated at ₹315.80 lakh. Block-wise details are given in Annexure I.

(₹ in lakh)

S. No.	Activity	Unit	Unit Cost	Physical units	TFO	Bank Loan
1.	Primary/Secondary School	No	20	6	120.00	96.00
2.	Hospital/Dispensary	No	20	6	120.00	96.00
3.	Sanitation	No.	0.22	375	82.50	66.00
4.	RO Water Plant (1000 liters)	No	4.25	17	72.25	57.80
<b>Total</b>				<b>404</b>	<b>394.75</b>	<b>315.80</b>

### 5.2.4 Critical Intervention required for creating a definitive impact:

- The district administration need to increase the number of primary schools, dispensaries, hospitals
- Since Morbi is home to large number of industries especially ceramic where the migrant population is more there is a need to provide safe drinking water.
- As envisaged under Swachh Bharat Abhiyan toilets for all should be provided.
- Participation of the beneficiaries, especially women, in water supply schemes may be ensured.
- The Village Water and Sanitation Committees may be formed and their capacity building may be done.
- In view of emphasis given on "Sarvshiksha Abhiyan Scheme", enrollment of students has increased to great extent which in turn has necessitated the requirement of more number of schools in the district. However, the construction of infrastructure needs to be commensurate with availability of skilled teaching and management staff too. Construction of schools may be spread over a five-year period and 50% of the schools may be constructed with bank finance.



### 5.2.5 Suggested Action Points

- Bankers may proactively take up financing of these activities to full fill their priority sector obligations.
- Concerned Dept. of Government could contemplate setting up RO plant in villages to ensure availability of potable drinking water. About 20% of these households can be covered through establishment of RO plant through bank credit.
- Banks may explore the possibility of tie up with corporates under CSR for funding social sector projects.

## 5.3 Renewable Energy

### 5.3.1 Introduction

**Renewable energy** is generally defined as energy that comes from resources which are naturally replenished on a human timescale such as sunlight, wind, rain, tides, waves and geothermal heat. Renewable energy replaces conventional fuels in four distinct areas: electricity generation, air and water heating/cooling, motor fuels, and rural (off-grid) energy services. The pressure of increasing population on the one hand and limitations in providing energy in the required quantity from conventional fossil sources on the other hand, has become one of the most burning issues for the country. Renewable sources of energy are going to play an increasingly important role in the future.

Gujarat is the second largest producer of wind power in India. 590 MW capacity of "Solar Park" is located at village Charanka, District Patan in Gujarat spread across 5,384 acres. India's NTPC Ltd. plans to set up a 5 Gigawatt solar park in the western state of Gujarat, which would be the biggest in the country, as the top electricity generator shifts toward cleaner energy. The total biomass potential for Gujarat is about 1,800 MW from crop residue and about 140 MW from forest residue.

### **Revised Priority Sector guidelines issued by RBI vide their Circular dated 23 April 2015 & 7 July 2016**

Bank loans up to a limit of ₹15 crore to borrowers for purposes like solar based power generators, biomass based power generators, wind mills, micro-hydel plants and for non-conventional energy based public utilities viz. street lighting systems, and remote village electrification. For individual households, the loan limit will be ₹10 lakh per borrower will come under Priority Sector.

### 5.3.2 Availability of Infrastructure, critical gaps & interventions required

- This district is blessed with long hours of sunshine throughout the year and this can be tapped for generation of solar energy. There is a huge potential for generation of solar power in the district. There are 300-350 days of clear sunshine with an available average radiation of 4 to 6 kWh/sq.mt over a day.
- Further, Morbi has small coastline where wind power can also be generated.
- GGRC has been empaneled for implementation of Solar Photo Voltaic Pumping Systems for agriculture with assistance from Ministry of New & Renewable Energy, GOI.
- With NARMADA water reaching many talukas of the district, the additional land that would come under irrigation will give good scope for solar pump sets.

- As of February 2020, Gujarat generated 7,491 MW of wind power.
- At present, the state has a total of 9,670 MW production of renewable energy which includes 7491 MW wind energy and 2,886 MW solar energy.
- Total Solar Projects Capacity Commissioned in Gujarat up to 29-Feb-2020, 2886.165 MW.
- The 2015 Solar policy of State proposed to scale up solar power generation capacity over 10000 MW. The Policy announced a number of benefits and incentives for solar power generators (SPGs) that are installed across the country between 2015 to 2020 (Source: GEDA).

#### Biogas:

- Biogas is a clean and efficient fuel. It contains about 65 per cent methane, about 34 percent carbon dioxide and traces of other gases, such as hydrogen sulphide and ammonia.
- Biogas as a renewable source of energy is an important element in bringing about integrated development of rural areas, since it meets the domestic fuel requirements besides utilizing the slurry as manure in agricultural farms.

#### Wind Energy:

- Wind has been recognized as a force of nature since time immemorial. Wind power generation capacity in India has significantly increased in recent years. As of 31 March 2019 the total installed wind power capacity was 36.625 GW, the fourth largest installed wind power capacity in the world.
- Gujarat has already installed 3114.25 MW of Wind Power Projects which is already catering to 7.6 % of the annual energy consumption of the State.
- As per Gujarat Energy Development Agency (GEDA), the nodal agency for MNRE in Gujarat, the potential for wind energy in Gujarat having the longest coastline is 10000 MW and as on 30 June 2018 the installed capacity in the state was 5613 MW

### 5.3.3 Assessment of potential

**Assessment of Credit Potential for 2021-22** - Assessment for the year 2021-22 has been made at ₹298.64 lakh.

Sr. No.	Activity	Unit (No./ Area)	Unit Cost (₹ lakh)	PLP (2021-22)		
				Physical Units	Total Financial Outlay	Bank Loan (₹ lakh)
1	Solar PV Lighting Lanterns	No	0.17	140	23.80	19.04
2	Solar Roof Top Scheme (1KW)	No.	0.38	500	190.00	152.00
3	Bio-gas	No.	0.25	125	31.25	25.00
4	Solar pumpsets	No.	1.71	75	128.25	102.60
<b>Total</b>					<b>373.30</b>	<b>298.64</b>

### 5.3.4 Critical interventions required for creating definitive impact

- Different agencies such as KVIC / KVIB / SAIC are involved in providing subsidy. They may resort to active and vigorous publicity in tune with the National Policy of Energy Conservation and use of Renewable & Non-conventional Energy Sources to counter the growing demand for LPG in rural areas.

- Use of biogas among the rural masses needs to be popularized. Though, the product is not new, the awareness about its benefit among rural masses is low. It has to be a joint effort by Animal Husbandry Department, Baroda Dairy and DRDA in increasing the use of biogas.
- The after-sales-service is a crucial factor in popularizing any new product. Timely and cost effective service wins confidence among the masses. At present GAIC alone provides the necessary service.
- Keeping in view the savings in power and in the form of organic manure, as also national priorities, the banks may finance the units to the deserving borrowers.

#### **5.3.5 Suggested Action Points**

- A composite scheme of small cattle shed with five milch animals and a biogas plant could be prepared by DRDA for financing to SHGs. The Tribal Sub-plan, Gujarat Scheduled Caste Development Corporation, Gujarat Minority Financial Development Corporation and Gujarat Backward Class Development Corporation, which are generally supporting dairy activity by providing financial assistance to the eligible beneficiaries, could also support such a composite scheme. GEDA may plan, with milk cooperatives, for promotion of community biogas plants.
- The schemes of MNRE may be popularized for intensive use of solar pumping, lighting and heating systems, along with the benefits of subsidy offered and saving on the recurring expenses on electricity, oil, diesel, etc., presently being used for running the equipments and pump sets. GGRC and banks to make joint efforts to sensitize the public, rural people in particular.

#### **5.3.6 Other Related Matters**

- By adopting the use of biogas and solar pumping systems, the precious and hard-earned money of farmers can be saved. The expenditure on diesel and electricity can be saved and the renewal energy can be put to use instead of the fossil fuel. Thus would help in reduction of greenhouse gases and global warming issues can be addressed. The farmers can even be motivated to work towards earning of carbon credits and help in doubling of farmers' income by 2022.

**CHAPTER-6****INFORMAL CREDIT DELIVERY SYSTEM****6.1 Introduction**

Micro finance occupies a pivotal position in the Socio- economic development of India. India ranks first in terms of percentage growth rate of borrowers and gross loan portfolio (GLP) as per the Microfinance Barometer 2017, which ranked the world's top 10 countries in Microfinance, based on loan portfolio. Microfinance is playing a crucial role in development of Indian Economy by enhancing credit access for rural households through its initiatives, which have a major stake in bringing the unbanked women to the mainstream by bringing them into the domain of SHG-BLP on a continuous basis. Being one of the most effective tools of reducing poverty Microfinance has a significant role in bridging the gap between the formal financial institutions and the rural poor.

Among the various models, the SHG - Bank Linkage Programme (BLP) helped extensively to empower the poor, especially rural women, through providing savings and credit windows from banks. NABARD has truly played the role of an enabler in the Microfinance Drive helping it to evolve rapidly into a global movement dedicated to providing access to a range of financial services to the financially excluded through various products and delivery channels. The bank led SHG-BLP, pioneered by NABARD, has grown from small pilot programme of 500 SHGs in 1992 to the largest microfinance programme of the world, with an outreach spanning more than 102.43 lakh SHGs with aggregate bank deposits of over ₹26000 crore, annual loan offtake of more than ₹77000 crore and with a credit outstanding of around over ₹108000 crore as on 31 March 2020.

For making SHG Bank linkage programme more client friendly and addressing some emerging issues, NABARD suggested certain product level changes under SHG -2 by reiterating thrust on savings with introduction of voluntary savings, smooth flow of credit with sanction of cash credit limit to SHGs, improved risk mitigation mechanism.

(Source-Micro Finance Booklet 2019-20).

**6.2 Status of SHG-BLP in the district**

Sr.No.	Particulars	Status As on 31.03.2020
1	Potential for formation of SHGs	3390
2	No. of SHGs promoted	3248
3	No. of SHGs savings linked	3248
4	Total Amount of Savings	1975
5	Average Savings per Group-State average is ₹12289/-(As on 31.03.2020)	60806/-
6	No. of SHGs credit linked	1189
7	Amount of loan outstanding as on 31 March 2020	1592.46 lakh
8	No. of SHGs credit linked during 2019-20	305
9	Amount of credit sanctioned during 2019-20	439.98 lakh
10	Amount of credit disbursed during 2019-20	412.98 lakh
11	Credit disbursed per SHG during 2019-20	1.35 lakh
12	Of which no. of SHGs who availed fresh loans	139
13	No. of SHGs who availed repeat loans	131
14	Recovery position of SHG loans	100%
15	NPAs under SHG finance (%)	0.00%

**Gujarat Livelihood Promotion Company (GLPC)**, an executive arm of Mission Mangalam and the implementation agency for NRLM, is playing a major role in the state in implementing the micro finance programme by organizing the poor into self-help groups. GLPC is implementing the following scheme for interest subvention in Gujarat in coordination with Ministry of Rural Development, GoI

### **6.3 Outreach of SHG programme in this district**

Based on the 2011 census, the rural households in the district are estimated at 115289 and the poor families as per Tendulkar Committee report are estimated at 44963 (BPL). The number of poor rural household's families including marginally poor has been arrived at by taking 140% of the above to draw a potential of formation of SHGs in the district. As on 31 March 2020, about 3248 (7.27%) of rural households have been covered under the SHG Bank Linkage programme.

### **6.4 Issues related to micro finance**

As technology adoption gathers pace, there is need to raise level of financial awareness particularly digital. Post digitization, credit linkage in E-Shakti districts has substantially increased reaffirming the usefulness of the data in credit expansion and intensification. Expansion of coverage of NABARD's E-Shakti in the State would increase credit linkage as well as credit deepening for the deserving SHGs in rural areas as also help banks in building up their SHG business portfolio.

Although 3248 SHGs have been savings linked in the district, a mere 1189 SHGs have availed credit facilities from the banks as on 31 March 2020. The declining number of SHGs being financed by banks every year is a cause of concern. Some of the issues that are hampering the programme in the district are given below:

- There is a huge gap between savings and credit linkage of SHGs
- Lack of awareness and motivation among the SHG members, should be addressed.
- Lack of awareness on suitable Income Generating Activities
- Bankers' apathy towards credit linkage of SHGs.
- Lack of awareness of services other than micro credit viz., micro insurance, pension and other government sponsored schemes
- Focus on group formation for availing subsidy from Government
- Regular drop out of SHG members due to migration
- Rotation of leadership within the SHG
- Heavy dependence on Bank Mitras
- Women are reluctant to spend time and travel outside the village to attend training programme for capacity building

### **6.5 Estimation of Potential under SHG-BLP**

Out of the total potential for promotion of 3390 SHGs in the district, as on 31 March 2020, 3248 SHGs have been promoted and savings linked in the district, thereby leaving a gap for promotion of further 142 SHGs. The number of SHGs credit linked stood at 1189. The block wise details of potential available for promotion and savings linkage of SHGs in the district is furnished below in

**Annexure 6.7.** Similarly, the potential for credit linkage of the SHGs is furnished in **Annexure 6.8** SHG credit linkage target for the state for the year 2020-2021 is 25000.

### 6.6 Financing through Joint Liability Groups (JLGs)

A lot of emphasis is being laid by the GOI for providing hassle free credit to landless farmers. Accordingly, besides SHG-BLP, NABARD made efforts in innovating and reaching out to the landless farmers through JLG scheme of financing and extends grant support for formation and nurturing of JLGs with 4-10 members, to banks and other JLG promoting agencies. Apart from extending 100% refinance support to Banks, NABARD also extends financial support for awareness creation and capacity building of all stakeholders of the programme. The groups are basically mid-segments clients engaged in similar economic activities like crop production and who are willing to jointly undertake to repay loans taken by the groups. The JLG mode of financing serves as collateral substitute for loans provided to small, marginal, tenant farmers, oral lessees, share croppers, etc. It enables the banks to reach farmers through group approach, adopt cluster approach, facilitates peer education and credit discipline.

Considering an estimated number of 87786 small and marginal farmers/agricultural labourers in the district, there is potential for financing of 8778 JLGs (considering average 4 to 10 members per JLG) in the district. So far, a cumulative number of 688 JLGs have been financed to the tune of ₹579.88 lakh by different banks in the district. The banks are expected to extend financial support to a minimum of 180 JLGs during the current year, including 50 JLGs of tenant farmers.

**Business Model on Financing JLGs through RRBs** - Promotion of Business Model for JLG by RRBs through BC network is also another Intervention which would give momentum to the Joint Liability Group Bank Linkage Programme. In order to scale up the JLG performance, NABARD has entered into MoU with 2 RRBs of the State.

### Women Self Help Group (WSHG) programme

WSHG is a programme of Government of India for formation, financing and nurturing of SHGs in backward and Left Wing Extremism affected districts. At present the programme is being implemented in Dangs, Dahod and Union Territory of Dadra & Nagar Haveli (D&NH).

### 6.7 Block wise details of potential available for promotion and savings linkage of SHGs

Sr. No.	Name of the block	Total potential for promotion of SHGs	No. of SHGs savings linked as on 31 March 2020	Balance potential as on 31 March 2020	No. of SHGs to be promoted and savings linked during 2020-21	No. of SHGs to be promoted and savings linked during 2021-22
1	Halvad	670	660	10	5	5
2	Maliya	520	515	05	3	2
3	Morbid	700	627	73	40	33
4	Tankara	750	747	03	2	1
5	Wankaner	750	699	51	20	31
	<b>Dist. Total</b>	<b>3390</b>	<b>3248</b>	<b>142</b>	<b>70</b>	<b>72</b>

### 6.8 Block wise potential for credit linkage of SHGs

Sr. no.	Name of the block	No. of SHGs (credit linked) as on 31 Mar 2020	SHGs to be credit linked during				SHGs to be credit linked during			
			2020-2021				2021-2022			
			Fresh		Repeat		Fresh		Repeat	
			No.	Amount (₹ lakh)	No.	Amount (₹ lakh)	No.	Amount (₹ lakh)	No.	Amount (₹ lakh)
1	Halvad	66	20	20.00	20	20.00	18	18.00	20	20.00
2	Maliya	202	16	16.00	16	16.00	14	14.00	16	16.00
3	Morbid	315	26	26.00	26	26.00	25	25.00	26	26.00
4	Tankara	396	22	22.00	22	22.00	21	21.00	22	22.00
5	Wankaner	210	35	35.00	35	35.00	32	32.00	35	35.00
			<b>119</b>	<b>119.00</b>	<b>119</b>	<b>119.00</b>	<b>110</b>	<b>110.00</b>	<b>119</b>	<b>119.00</b>

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ANNEXURE I										
Activity wise/Block wise Physical and Financial Projections for 2021-22 - MORBI District										
STATE: GUJARAT										
Sr.No.	Activity	Unit Cost	Unit Size	Particulars	Halvad	Maliya	Morbi	Tankara	Wakaner	₹ lakh Total
2.1	Farm Credit				11					
2.1.1	Crop production, Maintenance, Marketing									
1	Groundnut	0.52	Ha	Phy	8000	2000	5000	5000	700	20700
				Bank Loan	4160.00	1040.00	2600.00	2600.00	364.00	10764.00
2	Castor	0.35	Ha	Phy	6000	2000	2000	200	0	10200
				Bank Loan	2100.00	700.00	700.00	70.00	0.00	3570.00
3	Til	0.30	Ha	Phy	400	4100	2400	500	100	7500
				Bank Loan	120.00	1230.00	720.00	150.00	30.00	2250.00
4	Cotton(Irri-Hybrid)	0.67	Ha	Phy	22000	22000	50000	22000	22000	138000
			100%	Bank Loan	14740.00	14740.00	33500.00	14740.00	14740.00	92460.00
5	Cotton(Non-Irr-Desi)	0.50	Ha	Phy	10000	8000	12000	10000	10000	50000
				Bank Loan	5000.00	4000.00	6000.00	5000.00	5000.00	25000.00
6	Cumin	0.40	Ha	Phy	1300	400	1000	300	1000	4000
				Bank Loan	520.00	160.00	400.00	120.00	400.00	1600.00
7	Wheat	0.40	Ha	Phy	5000	300	2000	200	2000	9500.00
				Bank Loan	2000.00	120.00	800.00	80.00	800.00	3800.00
	Crop Loan Total			Phy	52700	38800	74400	38200	35800	239900
				Bank Loan	28640.00	21990.00	44720.00	22760.00	21334.00	139444.00
	Loans toward repairs and maintainance (20%)				5728.00	4398.00	8944.00	4552.00	4266.80	27888.80
	Consumption Loan (10%)				2864.00	2199.00	4472.00	2276.00	2133.40	13944.40
	GRAND TOTAL Crop Loan			Bank Loan	37232.00	28587.00	58136.00	29588.00	27734.20	181277.20
2.1.2	Water Resources									
1	Dug well (4mx20m dimension)	2.32	No.	Phy	290	0	355	290	280	1215
				Bank Loan	538.24	0.00	658.88	538.24	519.68	2255.04
2	shallow tubewell (depth 150 mtrs)	1.05	No.	Phy.	115	0	155	75	65	410
				Bank Loan	96.60	0.00	130.20	63.00	54.60	344.40
3	Drip Irrigation (1x0.6 mtrs plant spacing) - lateral size 16mm	1.20	No.	Phy.	1300	650	950	800	900	4600
				Bank Loan	1249.67	624.84	913.22	769.03	865.16	4421.93
4	Sprinkler Irrigation (HDPE Pipe coupler size 90 mm - 5 ha)	0.46	Ha.	Phy.	130	120	130	130	140	650
				Bank Loan	47.38	43.74	47.38	47.38	51.03	236.92
				Phy.	1835	770	1590	1295	1385	6875
	WATER RESOURCES TOTAL			Bank Loan	1931.90	668.58	1749.69	1417.66	1490.47	7258.29



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ANNEXURE I										
Activity wise/Block wise Physical and Financial Projections for 2021-22 - MORBI District										
STATE: GUJARAT										
Sr.No.	Activity	Unit Cost	Unit Size	Particulars	Halvad	Maliya	Morbi	Tankara	Wakaner	₹ lakh Total
<b>2.1.3</b>	<b>Farm Mechanisation</b>									
1	Tractors (35HP)	7.15	No	Phy.	550	550	550	550	550	2750
				Bank Loan	3146.00	3146.00	3146.00	3146.00	3146.00	15730.00
2	MB Plough Hydraulic Reversible	0.65	No	Phy.	600	600	600	600	600	3000
				Bank Loan	312.00	312.00	312.00	312.00	312.00	1560.00
3	Rotavator	1.00	No	Phy.	1400	1100	1600	1500	1500	7100
				Bank Loan	1120.00	880.00	1280.00	1200.00	1200.00	5680.00
				Phy.	2550	2250	2750	2650	2650	12850
	<b>FM TOTAL</b>			<b>Bank Loan</b>	<b>4578.00</b>	<b>4338.00</b>	<b>4738.00</b>	<b>4658.00</b>	<b>4658.00</b>	<b>22970.00</b>
<b>2.1.4</b>	<b>Plantation &amp; Horticulture</b>									
1	Mango (5x5 plant spacing)	2.17	Ha.	Phy	45	10	10	20	10	95
				Bank Loan	78.12	17.36	17.36	34.72	17.36	164.92
2	Sapota	0.90	Ha.	Phy	45	10	10	20	10	95
				Bank Loan	32.40	7.20	7.20	14.40	7.20	68.40
3	Lime (3x3 plant spacing)	1.45	Ha.	Phy	225	110	221	175	186	917
				Bank Loan	261.00	127.60	256.36	203.00	215.76	1063.72
4	Pomegranate	2.40	Ha.	Phy	900	100	230	200	150	1580
				Bank Loan	1728.00	192.00	441.60	384.00	288.00	3033.60
5	Nurseries	4.80	Ha.	Phy	2	0	1	1	1	5
				Bank Loan	7.68	0.00	3.84	3.84	3.84	19.20
6	Amla (4x5 plant spacing)	0.90	Ha.	Phy	15	5	5	5	5	35
				Bank Loan	10.80	3.60	3.60	3.60	3.60	25.20
7	Date Palm	6.40	Ha.	Phy	55	25	15	5	5	105
				Bank Loan	281.60	128.00	76.80	25.60	25.60	537.60
				Phy	1287	260	492	426	367	2832
	<b>Sub Total</b>			<b>Bank Loan</b>	<b>2399.60</b>	<b>475.76</b>	<b>806.76</b>	<b>669.16</b>	<b>561.36</b>	<b>4912.64</b>
<b>2.1.5</b>	<b>Forestry and Wasteland Development</b>									
1	Clonal Eucalyptus Plantations	4.00	Ha.	Phy	30	30	30	30	30	150
				Bank Loan	96.00	96.00	96.00	96.00	96.00	480.00
2	Melino Dubia Plantation and others	0.71	Ha.	Phy	75	75	75	75	75	375
				Bank Loan	42.60	42.60	42.60	42.60	42.60	213.00
				Phy	105	105	105	105	105	525
	<b>Sub Total</b>			<b>Bank Loan</b>	<b>138.60</b>	<b>138.60</b>	<b>138.60</b>	<b>138.60</b>	<b>138.60</b>	<b>693.00</b>

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ANNEXURE I										
Activity wise/Block wise Physical and Financial Projections for 2021-22 - MORBI District										
STATE: GUJARAT										
Sr.No.	Activity	Unit Cost	Unit Size	Particulars	Halvad	Maliya	Morbi	Tankara	Wakaner	₹ lakh Total
<b>2.1.6</b>	<b>Animal Husbandry - Diary</b>									
1	Indigenous breed of Gir Cows (2 animals)	1.20	No.	Phy	400	400	500	500	500	2300
				Bank Loan	384.00	384.00	480.00	480.00	480.00	2208.00
2	Mehsanai Buffaloes - (2 animals)	1.30	No.	Phy	550	500	550	550	550	2700
				Bank Loan	572.00	520.00	572.00	572.00	572.00	2808.00
3	Misc. (cross breed)- (2 animals)	0.91	No.	Phy	350	300	350	350	350	1700
				Bank Loan	254.80	218.40	254.80	254.80	254.80	1237.60
	Total Dairy			PHY	1300	1200	1400	1400	1400	6700
				Bank Loan	1210.80	1122.40	1306.80	1306.80	1306.80	6253.60
4	WC-KCC-Dairy	0.12			611.84	611.83	611.83	611.83	611.83	3059.16
	Grand Total DAIRY				1822.64	1734.23	1918.63	1918.63	1918.63	9312.76
<b>2.1.7</b>	<b>Animal Husbandry - Poultry</b>									
1	Layer Poultry (300 chicken per unit)	1.20	No.	Phy	100	100	100	125	100	525
				Bank Loan	96.00	96.00	96.00	120.00	96.00	504.00
2	Broiler Poultry (300 chicken per unit)	1.15	No.	Phy	100	100	100	100	100	500
				Bank Loan	92	92	92	92	92	460
				PHY	200	200	200	225	200	1025
	AH-Poultry total			Bank Loan	188.00	188.00	188.00	212.00	188.00	964.00
	WC-KCC-Poultry				104.60	104.60	104.60	104.60	104.60	523.00
	Grand Total Poultry				292.60	292.60	292.60	316.60	292.60	1487.00
<b>2.1.8</b>	<b>Animal Husbandry - SGP</b>									
1	Sheep Rearing (20+1)	0.75	No.	Phy	40	40	40	40	40	200
				Bank Loan	24.00	24.00	24.00	24.00	24.00	120.00
2	Goat Rearing (10+1)	0.45	No.	Phy	40	40	40	40	40	200
				Bank Loan	14.40	14.40	14.40	14.40	14.40	72.00
	Total Sheep Goat			PHY	80	80	80	80	80	400
				Bank Loan	38.40	38.40	38.40	38.40	38.40	192.00
3	WC-KCC-Sheep Goat	0.055			60.94	60.94	60.94	60.93	60.93	304.68
	G Total Sheep & Goat				99.34	99.34	99.34	99.33	99.33	496.68
<b>2.1.9</b>	<b>Fisheries</b>									
1	New Fish Pond	7.00	Ha	Phy	2	5	3	3	3	16
				Bank Loan	11.90	29.75	17.85	17.85	17.85	95.20
2	Renovation of old Ponds	3.50	Ha	Phy	2	5	5	5	5	22
				Bank Loan	5.95	14.88	14.88	14.88	14.88	65.45
3	Motorisation of traditional craft by 4 stroke engine	1.50	No.	Phy	2	6	2	2	2	14
				Bank Loan	2.55	7.65	2.55	2.55	2.55	17.85
4	Fibre Glass boat without board engine	6.50	No.	Phy	5	25	20	5	5	60
				Bank Loan	27.63	138.13	110.50	27.63	27.63	331.50
5	Solar Fish Dryer	1.50	No.	Phy	0	5	3	0	0	8
				Bank Loan	0.00	6.38	3.83	0.00	0.00	10.20
	Total Fisheries			PHY	11	46	33	15	15	120
				Bank Loan	48.03	196.78	149.60	62.90	62.90	520.20
	WC-KCC-Fisheries	2.15		KCC	6.00	10.20	5.00	5.00	5.00	31.20
	Grand Total Fisheries				54.03	206.98	154.60	67.90	67.90	551.40

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STATE: GUJARAT										
Sr.No.	Activity	Unit Cost	Unit Size	Particulars	Halvad	Maliya	Morbi	Tankara	Wakaner	₹ lakh Total
<b>2.1.10</b>	<b>Farm Credit -Others</b>									
1	Bullock/Other draught animals	0.40	No.	Phy	85	85	150	85	90	495
				Bank Loan	27.20	27.20	48.00	27.20	28.80	158.40
2	Bullock carts/Camel carts	0.35	No.	Phy	20	20	20	20	20	100
				Bank Loan	5.60	5.60	5.60	5.60	5.60	28.00
3	Misc(Motor cycle for farmer	0.61	No.	Phy	225	225	345	265	260	1320
				Bank Loan	109.80	109.80	168.36	129.32	126.88	644.16
4	Misc (Purchase of Agri. Land)	3.00	No.	Phy	860	700	860	700	700	3820
				Bank Loan	2064.00	1680.00	2064.00	1680.00	1680.00	9168.00
	<b>Total</b>			<b>PHY</b>	<b>1190</b>	<b>1030</b>	<b>1375</b>	<b>1070</b>	<b>1070</b>	<b>5735</b>
				<b>Bank Loan</b>	<b>2206.60</b>	<b>1822.60</b>	<b>2285.96</b>	<b>1842.12</b>	<b>1841.28</b>	<b>9998.56</b>
				<b>PHY</b>	<b>11422</b>	<b>8140</b>	<b>12497</b>	<b>9542</b>	<b>9405</b>	<b>51006</b>
<b>A</b>	<b>FARM CREDIT TOTAL</b>			<b>Bank Loan</b>	<b>49971.92</b>	<b>37576.11</b>	<b>69537.81</b>	<b>39933.64</b>	<b>38020.01</b>	<b>235039.49</b>
	<b>WC for AH Dairy, SH, Poultry and F</b>			<b>KCC</b>	<b>783.38</b>	<b>787.57</b>	<b>782.37</b>	<b>782.36</b>	<b>782.36</b>	<b>3918.04</b>
<b>2.2</b>	<b>Agriculture Infrastructure</b>									
<b>2.2.1</b>	<b>Storage facilities</b>									
1	Market Yard (1000 MT)	105.00	No.	Phy	4	5	5	5	5	24
				Bank Loan	336.00	420.00	420.00	420.00	420.00	2016.00
2	Rural Godown/ onion godown (300 MT )	20.55	No.	Phy	250	250	200	200	200	1100
				Bank Loan	4110.00	4110.00	3288.00	3288.00	3288.00	18084.00
3	Rural Godown/ onion godown (200 MT )	13.70	No.	Phy	200	200	200	200	200	1000
				Bank Loan	2192.00	2192.00	2192.00	2192.00	2192.00	10960.00
	<b>total</b>			<b>Phy</b>	<b>454</b>	<b>455</b>	<b>405</b>	<b>405</b>	<b>405</b>	<b>2124</b>
				<b>Bank Loan</b>	<b>6638.00</b>	<b>6722.00</b>	<b>5900.00</b>	<b>5900.00</b>	<b>5900.00</b>	<b>31060.00</b>
<b>2.2.2</b>	<b>Land Development, Soil Conservation, Watershed Development</b>									
1	Land Reclamation	0.602	No.	Phy	970	818	1104	978	1096	4966
				Bank Loan	525.55	443.20	598.15	529.88	593.81	2690.59
2	Bunding /Soil Conservation Leveling	0.184	No.	Phy	670	370	415	450	450	2355
				Bank Loan	110.95	61.27	68.72	74.52	74.52	389.99
4	Farm Ponds & C.D.	0.582	No.	Phy	1300	760	1300	790	850	5000
				Bank Loan	680.94	398.09	680.94	413.80	445.23	2619.00
	<b>Sub Total</b>			<b>Phy</b>	<b>2940</b>	<b>1948</b>	<b>2819</b>	<b>2218</b>	<b>2396</b>	<b>12321</b>
				<b>Bank Loan</b>	<b>1317.44</b>	<b>902.56</b>	<b>1347.81</b>	<b>1018.21</b>	<b>1113.56</b>	<b>5699.58</b>
<b>2.2.3</b>	<b>Agri Infrastructure - Others</b>									
1	Tissue culture	75.00	No.	Phy	1	1	0	0	1	3
				Bank Loan	60.00	60.00	0.00	0.00	60.00	180.00
2	Vermi composting	0.35	No.	Phy	100	100	100	100	100	500
				Bank Loan	28.00	28.00	28.00	28.00	28.00	140.00
3	Bio-pesticides/fertilisers	36.00	No.	Phy	1	1	1	1	1	5
				Bank Loan	28.80	28.80	28.80	28.80	28.80	144.00
	<b>Sub-Total</b>			<b>Phy</b>	<b>102</b>	<b>102</b>	<b>101</b>	<b>101</b>	<b>102</b>	<b>508</b>
				<b>Bank Loan</b>	<b>116.80</b>	<b>116.80</b>	<b>56.80</b>	<b>56.80</b>	<b>116.80</b>	<b>464.00</b>
				<b>Phy</b>	<b>3496</b>	<b>2505</b>	<b>3325</b>	<b>2724</b>	<b>2903</b>	<b>14953</b>
<b>B</b>	<b>Agri Infra Total</b>			<b>Bank Loan</b>	<b>8072.24</b>	<b>7741.36</b>	<b>7304.61</b>	<b>6975.01</b>	<b>7130.36</b>	<b>37223.57</b>

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ANNEXURE I										
Activity wise/Block wise Physical and Financial Projections for 2021-22 - MORBI District										
STATE: GUJARAT										
Sr.No.	Activity	Unit Cost	Unit Size	Particulars	Halvad	Maliya	Morbi	Tankara	Wakaner	₹ lakh Total
2.3	Ancillary Activities									
2.3.1	Food and Agro Processing									
1	Agro & Food Processing units (foodgrain grading, processing and marketing units)	44.80	No.	Phy	10	10	10	10	10	50
				Bank Loan	358.40	358.40	358.40	358.40	358.40	1792.00
2	Foodgrain – Atta making units	9.00	No.	Phy	8	8	8	8	8	40
				Bank Loan	57.60	57.60	57.60	57.60	57.60	288.00
3	Haldi, Masala, etc. – spice processing units	4.00	No.	Phy	7	7	4	6	6	30
				Bank Loan	22.40	22.40	12.80	19.20	19.20	96.00
4	Fruit/ Veg processing units	4.00	No.	Phy	6	6	5	6	6	29
				Bank Loan	19.20	19.20	16.00	19.20	19.20	92.80
5	WC for existing and new units	4.00	No.	Phy	26	4	12	4	4	50
				Bank Loan	83.20	12.80	38.40	12.80	12.80	160.00
	Food & Agro. Total			Phy	57	35	39	34	34	199
				Bank Loan	540.80	470.40	483.20	467.20	467.20	2428.80
2.3.2	Agri Ancillary Activities - Others									
1	Agri-clinic/ Agri- Business Centres (ACABC)	25.00	No.	PHY	1	1	1	1	1	5
				Bank Loan	20.00	20.00	20.00	20.00	20.00	100.00
2	Loans to Coop Societies of farmers for disposing of their produce	1.00	No.	PHY	12	12	11	17	8	60
				Bank Loan	9.60	9.60	8.80	13.60	6.40	48.00
3	Loans to PACS/FSS/LAMPS	10.00	No.	PHY	3	2	3	3	3	14
				Bank Loan	24.00	16.00	24.00	24.00	24.00	112.00
	Sub-Total			Phy	16	15	15	21	12	79
				Bank Loan	53.60	45.60	52.80	57.60	50.40	260.00
C	Agri. Ancillary Total			Phy	73	50	54	55	46	278
				Bank Loan	594.40	516.00	536.00	524.80	517.60	2688.80
I	Total Agri (A+B+C)			Bank Loan	58638.56	45833.47	77378.42	47433.44	45667.97	274951.86
	WC-AH+F-KCC (D)			WC	783.38	787.57	782.37	782.36	782.36	3918.04
	G T Agri (A+B+C+D)				59421.94	46621.04	78160.79	48215.80	46450.33	278869.90
(A)	Manufacturing and Service Sector Enterprises - Term Loan									
1	Micro Enterprises	50.00	No	Phy	25	25	25	25	25	125
				Bank Loan	1000.00	1000.00	1000.00	1000.00	1000.00	5000.00
2	Small Enterprises	500.00	No	Phy	20	20	20	20	20	100
				Bank Loan	8000.00	8000.00	8000.00	8000.00	8000.00	40000.00
3	Medium Enterprises	2500.00	No	Phy	20	20	20	20	20	100
				Bank Loan	40000.00	40000.00	40000.00	40000.00	40000.00	200000.00
	Sub Total			Phy	65	65	65	65	65	325
				Bank Loan	49000.00	49000.00	49000.00	49000.00	49000.00	245000.00
(C)	Manufacturing and Service Sector Enterprises - Working Capital									
(D)	Service Sector - Working Capital									
1	Micro Enterprises	12.50	No	Phy	50	50	50	50	50	250
				Bank Loan	500.00	500.00	500.00	500.00	500.00	2500.00
2	Small Enterprises	125.00	No	Phy	50	50	50	50	50	250
				Bank Loan	5000.00	5000.00	5000.00	5000.00	5000.00	25000.00
3	Medium Enterprises	625.00	No	Phy	30	30	30	30	30	150
				Bank Loan	15000.00	15000.00	15000.00	15000.00	15000.00	75000.00
	Sub Total			Phy	130	130	130	130	130	650
				Bank Loan	20500.00	20500.00	20500.00	20500.00	20500.00	102500.00
	Total MSME			Phy	195	195	195	195	195	975
				Bank Loan	69500.00	69500.00	69500.00	69500.00	69500.00	347500.00

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ANNEXURE I										
Activity wise/Block wise Physical and Financial Projections for 2021-22 - MORBI District										
STATE: GUJARAT										
Sr.No.	Activity	Unit Cost	Unit Size	Particulars	Halvad	Maliya	Morbi	Tankara	Wakaner	₹ lakh Total
<b>4 (1)</b>	<b>Export Credit</b>									
1	Pre-shipment credit	200.00	No.	Phy	5	5	5	7	3	25
				Bank Loan	800.00	800.00	800.00	1120.00	480.00	4000.00
2	Post-shipment credit	200.00	No.	Phy	5	10	10	2	3	30
				Bank Loan	800.00	1600.00	1600.00	320.00	480.00	4800.00
	<b>Total</b>			<b>Phy</b>	<b>10</b>	<b>15</b>	<b>15</b>	<b>9</b>	<b>6</b>	<b>55</b>
				<b>Bank Loan</b>	<b>1600.00</b>	<b>2400.00</b>	<b>2400.00</b>	<b>1440.00</b>	<b>960.00</b>	<b>8800.00</b>
<b>4 (2)</b>	<b>Education</b>									
1	Education Loan for Inland Studies	10.00	No.	Phy	20	10	20	20	20	90
				Bank Loan	160.00	80.00	160.00	160.00	160.00	720.00
2	Education Loan for Foreign Studies	10.00	No.	Phy	20	5	10	10	10	55
				Bank Loan	160.00	40.00	80.00	80.00	80.00	440.00
	<b>Total</b>			<b>Phy</b>	<b>40</b>	<b>15</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>145</b>
				<b>Bank Loan</b>	<b>320.00</b>	<b>120.00</b>	<b>240.00</b>	<b>240.00</b>	<b>240.00</b>	<b>1160.00</b>
<b>4 (3)</b>	<b>Housing</b>									
1	Rural Housing	6.00	No.	Phy	160	160	360	160	160	1000
				Bank Loan	768.00	768.00	1728.00	768.00	768.00	4800.00
2	Semi urban housing	12.00	No.	Phy	150	100	100	100	100	550
				Bank Loan	1440.00	960.00	960.00	960.00	960.00	5280.00
3	Urban housing	20.00	No.	Phy	150	100	100	100	100	550
				Bank Loan	2400.00	1600.00	1600.00	1600.00	1600.00	8800.00
4	Housing - Repair	2.00	No.	Phy	300	400	400	300	300	1700
				Bank Loan	480.00	640.00	640.00	480.00	480.00	2720.00
	<b>Total</b>			<b>Phy</b>	<b>760</b>	<b>760</b>	<b>960</b>	<b>660</b>	<b>660</b>	<b>3800</b>
				<b>Bank Loan</b>	<b>5088.00</b>	<b>3968.00</b>	<b>4928.00</b>	<b>3808.00</b>	<b>3808.00</b>	<b>21600.00</b>
<b>5.1</b>	<b>Others</b>									
1	PMJDY	0.10	No.	Phy	250	230	480	140	200	1300
				Bank Loan	20.00	18.40	38.40	11.20	16.00	104.00
2	Loans to indv and their SHGs	1.00		Phy	60	60	470	125	125	840
				Bank Loan	48.00	48.00	376.00	100.00	100.00	672.00
3	Loans to indv and their JLGs	1.00		Phy	65	65	110	55	80	375
				Bank Loan	52.00	52.00	88.00	44.00	64.00	300.00
	<b>Total</b>			<b>Phy</b>	<b>375</b>	<b>355</b>	<b>1060</b>	<b>320</b>	<b>405</b>	<b>2515</b>
				<b>Bank Loan</b>	<b>120.00</b>	<b>118.40</b>	<b>502.40</b>	<b>155.20</b>	<b>180.00</b>	<b>1076.00</b>

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ANNEXURE I										
Activity wise/Block wise Physical and Financial Projections for 2021-22 - MORBI District										
STATE: GUJARAT										
Sr.No.	Activity	Unit Cost	Unit Size	Particulars	Halvad	Maliya	Morbi	Tankara	Wakaner	₹ lakh Total
<b>5.2</b>	<b>Social Infrastructure involving bank credit</b>									
1	Primary Schools	20		Phy	1	1	2	1	1	6
				Bank Loan	16.00	16.00	32.00	16.00	16.00	96.00
2	Hospitals	20		Phy	2	1	1	1	1	6
				Bank Loan	32.00	16.00	16.00	16.00	16.00	96.00
3	Sanitation (toilets)	0.22	No.	Phy	62	63	66	96	88	375
				Bank Loan	10.91	11.09	11.62	16.90	15.49	66.00
4	Drinking water (RO units – 1000 LPH)	4.25	No.	Phy	4	3	4	4	2	17
				Bank Loan	13.60	10.20	13.60	13.60	6.80	57.80
	<b>Total</b>			<b>Phy</b>	<b>69</b>	<b>68</b>	<b>73</b>	<b>102</b>	<b>92</b>	<b>404</b>
				<b>Bank Loan</b>	<b>72.51</b>	<b>53.29</b>	<b>73.22</b>	<b>62.50</b>	<b>54.29</b>	<b>315.80</b>
<b>5.3</b>	<b>Renewable Energy</b>									
1	Solar PV Lighting Lanterns	0.17	No.	Phy	25	25	50	20	20	140
				Bank Loan	3.40	3.40	6.80	2.72	2.72	19.04
2	Solar Roof Top Scheme (1KW)	0.38	No.	Phy	100	100	100	100	100	500
				Bank Loan	30.40	30.40	30.40	30.40	30.40	152.00
3	Biogas Units	0.25	No.	Phy	25	25	25	25	25	125
				Bank Loan	5.00	5.00	5.00	5.00	5.00	25.00
4	Solar pumpsets	1.710		Phy	15	15	15	15	15	75
				Bank Loan	20.52	20.52	20.52	20.52	20.52	102.60
	<b>Total</b>			<b>Phy</b>	<b>165</b>	<b>165</b>	<b>190</b>	<b>160</b>	<b>160</b>	<b>840</b>
				<b>Bank Loan</b>	<b>59.32</b>	<b>59.32</b>	<b>62.72</b>	<b>58.64</b>	<b>58.64</b>	<b>298.64</b>
	<b>Total Priority Sector</b>			<b>Bank Loan</b>	<b>136181.77</b>	<b>122840.05</b>	<b>155867.13</b>	<b>123480.14</b>	<b>121251.26</b>	<b>659620.34</b>



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ANNEXURE - II								
An Overview of flow of Ground Level Credit – 2017-18, 2018-19, 2019-20 and Target for 2020-21								
Name of the District : Morbi								
			(₹lakh)					
Sr. No.	Sector	2017-18		2018-19	2018-19	2019-20	2019-20	2020-21
		Target	Ach.	Target	Ach.	Target	Ach.	Target
1	Crop Loan							
	CBs	60145.00	51481.00	56100.00	64022.00	62999.41	77877.53	69299.35
	CCB	57345.00	68718.00	74200.00	73758.00	80020.00	61349.00	88021.00
	PLDB	160.00	0.00	0.00	0.00	0.00	0.00	0.00
	RRB	12280.00	10104.00	10500.00	13794.00	11677.59	7400.00	12845.35
	Others	5770.00	6000.00	5200.00	6542.00	5903.00	5008.00	6493.30
Sub-Total		135700.00	136303.00	146000.00	158116.00	160600.00	151634.53	176659.00
2	Term Loan (MT+LT)							
	CBs	37746.00	21692.00	31070.00	28053.00	34756.76	27455.64	35887.21
	CCB	13915.00	8739.00	14000.00	25262.00	14655.05	19137.00	17575.28
	PLDB	0.00	0.00	500.00	142.00	664.62	0.00	694.96
	RRB	3970.00	246.00	3980.00	1047.00	4604.71	134.03	4768.29
	Others	3947.00	10997.00	10450.00	13363.00	11327.74	10994.99	11714.38
Sub-Total		59578.00	41674.00	60000.00	67867.00	66008.88	57721.66	70640.12
3	Total Agriculture Credit (1+2)							
	CBs	97891.00	73173.00	87170.00	92075.00	97756.17	105333.17	105186.56
	CCB	71260.00	77457.00	88200.00	99020.00	94675.05	80486.00	105596.28
	PLDB	160.00	0.00	500.00	142.00	664.62	0.00	655.62
	RRB	16250.00	10350.00	14480.00	14841.00	16282.30	7534.03	17613.64
	Others	9717.00	16997.00	15650.00	19905.00	17230.74	16002.99	18207.68
Sub-Total		195278.00	177977.00	206000.00	225983.00	226608.88	209356.19	247259.78
4	NFS							
	CBs	130675.00	209510.08	156172.50	331977.00	170620.71	210448.27	196211.5
	CCB	40.00	332.76	102.00	256.00	6.00	177.00	6.30
	PLDB	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	RRB	5260.00	28405.30	24920.00	68690.00	27416.38	34386.60	31528.84
	Others	34205.00	44955.57	59323.50	86892.00	65985.6	92657.30	75883.46
Sub-total		170180.00	283203.71	240518.00	487815.00	264028.69	337669.17	303630.10
5	Other Priority Sector							
	CBs	17578.35	13070.29	10173.10	35852.00	10606.53	9082.62	16311.03
	CCB	3082.00	2913.06	1904.00	3791.00	1984.6	2854.00	2225.98
	PLDB	12.00	0.00	0.00	0.00	0.00	0.00	0.00
	RRB	486.75	560.50	653.20	3347.00	750.52	1416.05	984.52
	Others	2073.15	297.75	3226.3	1761.00	4296.75	2825.90	6471.75
Sub-Total		23232.25	16841.60	15956.60	44751.00	17638.40	16178.57	25993.28
Grand Total		388690.25	478022.31	462474.60	758549.00	508275.97	563203.93	576883.16

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ANNEXURE - III																									
Sub-sector wise details of Ground Level Credit disbursement under Agriculture and Allied Activities by the Agencies- 2016-17, 2017-18, 2018-19 and Target of 2019-20																									
District : Morbi		(₹lakh)																							
Sr. No	Sector	2017-18 (disbursements)						2018-19 (disbursements)						2019-20 (disbursements)						2020-21 (Targets)					
		CBs	Coops.	GSCARDB	RRB	Private	Total	CBs	Coops.	GSCARDB	RRB	Private	Total	CBs	Coops.	GSCARDB	RRB	Private	Total	CBs	Coops.	GSCARDB	RRB	Private	Total
I	Crop Loan	5481.00	68718.00	0.00	10104.00	6000.00	136303.00	64022.00	73758.00	0.00	13794.00	6542.00	158116.00	77877.53	61349.00	0.00	7400.00	5008.00	151634.53	69299.35	88021.96	0.00	12845.35	6493.30	176659.96
II	Term Loan																								
a	Minor Irrigation	1015.00	949.00	0.00	26.00	0.00	1990.00	1649.00	1540.00	79.85	13.50	0.00	3282.35	628.00	762.00	0.00	22.00	400.00	1812.00	5130.75	2492.63	71.44	792.96	1504.61	9992.39
b	Land Development	60.00	5529.00	0.00	169.00	438.00	6196.00	95.01	8999.16	0.00	271.46	712.60	10078.23	113.00	15404.00	0.00	108.00	734.00	16359.00	3400.29	1986.09	138.25	537.32	1514.02	7575.97
c	Farm Mechanisation	1849.00	1131.00	0.00	38.00	3498.00	6516.00	3006.50	1839.19	0.00	61.08	5694.04	10600.81	820.00	500.00	0.00	4.00	932.00	2256.00	5914.99	2768.99	480.84	825.06	2043.32	12033.20
d	Plantation & Horticulture	44.00	0.00	0.00	0.00	0.00	44.00	67.86	0.00	0.00	0.00	289.26	357.12	18.00	0.00	0.00	0.00	0.00	18.00	2498.81	349.80	0.00	336.51	770.61	3955.73
e	Forestry & Waste Land Development	875.00	0.00	0.00	0.00	0.00	875.00	1418.42	0.00	0.00	4.00	0.00	1422.42	50.00	0.00	0.00	0.00	6.00	56.00	2714.14	11.00	0.00	434.50	955.72	4115.36
f	Dairy Development	2539.00	334.00	0.00	8.00	0.00	2881.00	3133.00	542.93	0.00	12.89	0.00	3688.82	4339.00	105.00	0.00	0.00	0.00	4444.00	4096.81	979.76	0.00	527.84	1391.03	6995.44
g	Poultry Farming	389.00	0.00	0.00	0.00	0.00	389.00	631.16	0.00	0.00	0.00	0.00	631.16	33.00	0.00	0.00	0.00	0.00	33.00	331.44	22.00	0.00	55.00	117.37	525.81
h	Sheep/Goat/Piggery	0.00	0.00	0.00	0.00	0.00	0.00	36.54	0.00	0.00	0.00	0.00	36.54	0.00	0.00	0.00	0.00	0.00	0.00	1727.88	44.00	0.00	286.55	611.93	2670.36
i	Fisheries	0.00	0.00	0.00	0.00	0.00	0.00	35.17	0.00	0.00	0.00	0.00	35.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j	Storage & Market Yards	0.00	384.00	0.00	1.00	2593.00	2978.00	0.00	624.37	0.00	1.35	4221.00	4846.72	589.00	132.00	0.00	0.00	1310.00	2031.00	5245.70	274.30	0.00	574.20	1808.02	7902.22
k	Renewable Sources of Energy and Waste Utilisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3795.00	2234.00	0.00	14.00	5726.00	11769.00	0.00	0.00	0.00	0.00	0.00	0.00
m	Others	14922.00	412.00	0.00	4.00	4467.00	19805.00	24296.63	1283.42	34.41	4.65	7268.55	32887.66	8896.42	8646.71	4.43	398.35	997.75	18943.66	3770.72	8646.71	4.43	398.35	997.75	13817.96
	Sub-Total II	21693.00	8739.00	0.00	246.00	10996.00	41674.00	34369.29	14829.07	114.26	368.93	18185.45	67867.00	19281.42	27783.71	4.43	546.35	10105.75	57721.66	34831.53	17575.28	694.96	4768.29	11714.38	69584.44
	GRAND TOTAL	73174.00	77457.00	0.00	10350.00	16996.00	177977.00	98391.29	88587.07	114.26	14162.93	24727.45	225983.00	97158.95	89132.71	4.43	7946.35	15113.75	209356.19	104130.88	105597.24	694.96	17613.64	18207.68	246244.40



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Annexure IV								
Indicative Unit Costs (for major activities of the district)								
Activity	Unit cost	Unit size	Activity	Unit cost	Unit size	Activity	Unit cost	Unit size
WATER RESOURCES			DAIRY DEVELOPMENT			Education		
Dug wells	2,32,000	Nos.	Jersey Crossbred cows	91,000	2	Education Loan for Inland Studies	10,00,000	1
Bore well / Tube well (150mtrs)	1,05,000	Nos.	Mehsanai Buffaloes	1,30,000	2	Education Loan for Foreign Studies	10,00,000	1
Drip irrigation System Lateral size 16mm)	1,20,000	Nos.	Gir Cow	1,20,000	2	Housing		
Lift Irrigation	1,30,000	Ha	Draught Animal -1 Gir Bullock	35,000	2	Rural Housing	6,00,000	1
Sprinkler irrigation HDPE Pipe coupler size 90mm	45,562	Ha	Bullock Cart / Camel Cart	35000 to 50000	Nos.	Semi Urban Housing	12,00,000	1
LAND DEVELOPMENT			POULTRY DEVELOPMENT			Urban Housing	20,00,000.00	1
Bunding & soil conservation	18,400	Ha.	Broilers	1,08,000	300 Birds	Renovation of House	2,0,000.00	1
Land reclamation	60,200	Ha.	Layers	1,20,000	300 Birds			
Farm Ponds & C.D.	58,200	Ha.	GOATERY			Renewable Energy		
Rain Harvesting	54,200	Ha.	Goat rearing	45,000	10 + 1	Solar PV Lighting Lanterns	17,000	1
Farm ponds	54,200	Ha.	Sheep	75,000	20 + 1	Solar Roof Top Scheme (1KW)	38,000	1
Vermi compost	35,000	No.				Bio-gas	25,000	1
			Fisheries			Solar pumpsets	1,71,000.00	1
PLANTATION / HORTICULTURE			Construction of New Fish Pond	7,00,000	Ha.			
Mango 5x5	2,17,000	Ha.	Motorisation of traditional craft by 4 stroke engine	1,50,000	Ha.	Social Infrastructure		
Lime	1,45,000	Ha.	Renovation of old Ponds	3,50,000	Nos.	Primary/Secondary School	20,00,000	1
Sapota	90,000	Ha.	Fibre Glass boat without board engine	6,50,000	Nos.	Hospital/Dispensary	20,00,000	1
Pomegranate	2,40,000		Solar Fish Dryer	1,50,000	Nos.	Sanitation	22,000	1
Guava	72,240	Ha.	Non Mechanized Boat	30,000	Nos.	RO Water Plant (1000 liters)	4,25,000	1
Custard apple	1,14,000	Ha.	Storage godown / Market yards					
Aonla	90,000	Ha.	Market yards (1000 MT)	1,05,00,000	Nos.	Food Processing		
Coconut	128000		Rural godowns (300 MT)	20,55,000	Nos.	Flour Mill	9,00,000	1
Ber irrigated	45,000 for 1st year	Ha.	Rural Godowns ( 200 MT)	13,70,000	Nos.	Spices and Chili Powder Units	4,00,000	1
Date Palm	640000	Ha.				Other Agro products Units	44,08,000	1
Creepers Vegetables	45,000	Ha.	Other allied activities			Vegetable Processing	4,00,000	1
Med. Plants (AV, SM, Patchouli)	70,000	Ha.	Camel single	35,000	Nos.	WC for existing and new units	4,00,000	1
Others (Onion, Binjal, Tomato etc.)	70,000	Ha.	Bullocks carts	60,000	Nos.			
Nursery	4,80,000	Ha.	Land purchase/ Misc.	3,00,000	Ha	Agri. Infrastructure –Others		
FARM MECHANIZATION			Motor cycle	61,000	1	Tissue Culture	75,00,000	1
Tractors	7,15,000	Nos.				Vermi Compost Unit	35,000	1
Power tillers	2,66,000	Nos.	FORESTRY AND WASTE LAND DEVELOPMENT			Bio Fertilizers / Pesticides	36,00,000	1
Rotavators	1,00,000	Nos.	Eculaptyus	4,00,000	Ha.			
Seed drill	35,000	Nos.	Melia Dubia	71,000	Ha.			
Thresher	1,74,000	Nos.	Jatropha	71,000	Ha			
Veg Transplanter	86,200	Nos.	Others (Bamboo)	42,700	Ha.			
Note : Above-mentioned unit costs are only indicative and based on the viability of the project, the banks may decide about the unit cost / loan amount.								

<b>Annexure - V</b>		
<b>Scale of Finance for major crops fixed by District Level Technical Committee (DLTC) for 2020-21</b>		
<b>Sr. No.</b>	<b>Type of Crop</b>	<b>Per Hectar cost of cultivation as decided by DLTC (₹)</b>
<b>A</b>	<b>Kharif</b>	
1	Bajri (Dry)	29000
2	Jowar Hyb	29000
3	Groundnut (Dry)	52000
4	Cotton Desi	50000
5	Cotton (Un Irri)	35000
6	Cotton Co2 (Irri)	67000
7	Katol	29000
8	Moong	25000
9	Arhar Gram	25000
10	Tuwar	35000
11	Till (Dry)	30000
12	Castor	45000
13	Castor (Dry)	35000
14	Castor Hyb	100000
15	Makai	28000
16	Paddy	50000
17	Chilly	35000
18	Sugarcane	100000
<b>B</b>	<b>Rabi</b>	
1	Wheat	40000
2	Wheat (un irri)	25000
3	Onion	52000
4	Garlic	52000
5	Jeera	40000
6	Chana	30000
7	Chana (Un Irri)	25000
8	Isabgul	35000
9	Dhaniya	35000
<b>C</b>	<b>Animal Husbandry</b>	
1	Animal Husbandry - Dairy	13000
2	Animal Husbandry - Goat	7000
3	Animal Husbandry - Sheep	7000
4	Animal Husbandry - Poultry	17000
5	Animal Husbandry - Fisheries-Renovation of Fish Pond	216000
6	Animal Husbandry - Fisheries- Reservoir Fishing	125000
7	Animal Husbandry - Trawellers	30000
8	Animal Husbandry - Mechanised Trawellers	55000

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Abbreviations					
<b>A &amp; FPS</b>	Agro & Food Processing Sector	<b>GEB</b>	Gujarat Electricity Board	<b>NHB</b>	National Horticulture Board
<b>ACABC</b>	Agriclinics and Agri Business Centres	<b>GEDA</b>	Gujarat Energy Development Agency	<b>NHM</b>	National Horticulture Mission
<b>AH</b>	Animal Husbandry	<b>GIC</b>	General Insurance Corporation	<b>NMPB</b>	National Medicinal Plant Board
<b>APEDA</b>	Agricultural & Processed Food Products Export Development Authority	<b>GLC</b>	Ground Level Credit	<b>NOVOD</b>	National Oilseeds & Vegetable Oil Board
<b>APMC</b>	Agriculture Produce Marketing Committee	<b>GLDC</b>	Gujarat Land Dev. Corporation	<b>NPOF</b>	National Project on Organic Farming
<b>BF BC</b>	Business Facilitator ,Business Correspondents	<b>GOG</b>	Government of Gujarat	<b>P &amp; H</b>	Plantation & Horticulture
<b>BL</b>	Bank Loan	<b>GOI</b>	Government of India	<b>PACS</b>	Primary Agriculture Credit Society
<b>BWSC</b>	Brackish Water Shrimp Culture	<b>GSCARDB</b>	Gujarat State Cooperative Agriculture and Rural Development Bank	<b>PHC</b>	Primary Health Centre
<b>CBs</b>	Commercial Banks	<b>GSCDC</b>	Gujarat Scheduled Caste Dev. Corp.	<b>PLP</b>	Potential Linked Credit Plan
<b>DAHD</b>	Dept. of Animal Husbandry & Dairying Scheme	<b>GLPC</b>	Gujarat Livelihood Promotion Company	<b>PU</b>	Physical Units
<b>DAHO</b>	District Animal Husbandry Officer	<b>GWRDC</b>	Gujarat Water Resource Dev. Corp.	<b>RBI</b>	Reserve Bank of India
<b>DAO</b>	District Agriculture Officer	<b>ha</b>	hectares	<b>RIDF</b>	Rural Infrastructure Development Fund
<b>DCB</b>	Demand Collection Balance	<b>HP</b>	Horse Power	<b>RIF</b>	Rural Innovation Fund
<b>DCCB</b>	District Central Cooperative Bank	<b>HYV</b>	High Yielding Variety	<b>RNFS / RKVY</b>	Rural Non Farm Sector / Rashtriya Krishi Vikas Yojana
<b>DCP</b>	District Credit Plan	<b>IFDP</b>	Integrated Forest Development Plan	<b>RRBs</b>	Regional Rural Banks
<b>DDM</b>	District Development Manager	<b>IGWDP</b>	Indo German Watershed Development Programme	<b>SACP</b>	Service Area Credit Plan

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<b>DDO</b>	District Development Officer	<b>IRDP</b>	Integrated Rural Development Programme	<b>SAMIS</b>	Service Area Monitoring and Information System
<b>DIC</b>	District Industries Centre	<b>ISB</b>	Industries, Services, Business	<b>SAMRU- DDHI</b>	Service Area Monitoring & Review Using Developed Data Handling Implements
<b>DLCC</b>	District Level Coordination Committee	<b>JFM</b>	Joint Forest Management	<b>SCBs</b>	State Cooperative Banks
<b>DLMRC</b>	District Level Monitoring and Review Committee	<b>JLGs</b>	Joint Liability Groups	<b>SCC</b>	Swarojgar Credit Card
<b>DLTC</b>	District Level Technical Committee	<b>KCC</b>	Kisan Credit Card	<b>SHG</b>	Self Help Groups
<b>DRDA</b>	District Rural Development Agency	<b>KVIB</b>	Khadi & Village Industries Board	<b>SIP</b>	Salinity Ingress Prevention Projects
<b>DRI</b>	Differential Rate of Interest	<b>KVIC</b>	Khadi & Village Industries Commission	<b>SISI</b>	Small Industries Service Institute
<b>FFDA</b>	Fisheries Farmers Development Agency	<b>KVK</b>	Krishak Vigyan Kendra	<b>SJSRY</b>	Swarn Jayanti Shahari Rojgar Yojana
<b>FI</b>	Financial Inclusion	<b>LAMPS</b>	Large Sized Adivasi Multi-Purpose Society	<b>SMPB</b>	State Medicinal Plant Board
<b>FIF</b>	Financial Inclusion Fund	<b>LBR</b>	Lead Bank Return	<b>SRTWO</b>	Small Road & Water Transport Operators
<b>FIPF</b>	Farm Innovation Promotion Fund	<b>LIS</b>	Lift Irrigation Scheme	<b>SSIs</b>	Small Scale Industries
<b>FITF</b>	Financial Inclusion Technology Fund	<b>MI</b>	Minor Irrigation	<b>TDF</b>	Tribal Development Fund
<b>FLCCs</b>	Financial Literacy and Credit Counseling Centres	<b>NAIS</b>	National Agricultural Insurance	<b>UPNRM</b>	Umbrella Programme for Natural Resource Management
<b>FTTF</b>	Farmers Technology Transfer Fund	<b>PMFBY</b>	Prime Minister Fasal Bima Yojana	<b>VAs</b>	Voluntary Agencies
<b>FWPC</b>	Fresh Water Prawn Culture	<b>NFS</b>	Non-Farm Sector	<b>WDF</b>	Watershed Development Fund
<b>GBCDC</b>	Gujarat Backward Class Development Corporation	<b>NGOs</b>	Non-Governmental Organization	<b>MSME</b>	Micro, Small and Medium Enterprises.

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