

INDEX			
Chapter No.	Chapter Details	Page No.	
		From	To
	Executive Summary	1	2
	Sector/Sub sector-wise projection 2020-21	3	4
	District Profile along with map of the district	5	8
	Banking Profile	9	10
	Methodology of Preparation of Potential Linked Credit Plans (PLPs)	11	12
1	Important Policies and Developments	13	20
2	Credit Potential for Agriculture	21	43
2.1	Farm Credit	21	37
2.1.1	Crop Production, Maintenance and Marketing	21	23
2.1.2	Water Resources	23	24
2.1.3	Farm Mechanisation	25	26
2.1.4	Plantation and Horticulture including Sericulture	26	28
2.1.5	Forestry and Wasteland Development	28	30
2.1.6	Animal Husbandry – Dairy	30	32
2.1.7	Animal Husbandry – Poultry	32	33
2.1.8	Animal Husbandry – Sheep, Goat, Piggery, etc.	33	34
2.1.9	Fisheries	34	36
2.1.10	Farm Credit for Others - Bullocks, Bullock Carts, Two Wheelers etc.	36	37
2.2	Agriculture Infrastructure	37	40
2.2.1	Construction of storage & Marketing Infrastructure - (warehouses/godowns, market yards, silos, cold storage units/ cold chains)	37	38
2.2.2	Land Development, Soil Conservation and Watershed Development	38	40
2.2.3	Agricultural Infrastructure-Others (Tissue Culture, Agri. Biotech, Seed production., Bio pesticides/fertilizers, Vermicomposting)	40	40
2.3	Agriculture - Ancillary Activities	41	43
2.3.1	Food and Agro- Processing	41	42
2.3.2	Agri-Ancillary activities - Others	42	43
3	Credit Potential for Micro, Small and Medium Enterprises (MSME)	44	45
4	Credit Potential for Export Credit, Education and Housing	46	48
4.1	Credit Potential for Export Credit	46	47
4.2	Credit Potential for Education	47	47
4.3	Credit Potential for Housing	48	48
5	Credit Potential for Infrastructure	49	57
5.1	Infrastructure - Public Investments	49	53
5.2	Social Infrastructure involving bank credit	53	54
5.3	Renewable Energy	54	55
6	Informal Credit Delivery System	58	60
Annx - I	Activity-wise and Block-wise Phy. and Fin. Projections 2020-21	61	70
Annx – II	An overview of GLC- Agency/ Sector-wise - 2016-17, 2017-18, 2018-19 & target for 2019-20	71	71
Annx – III	Sub-sector/Agency-wise credit flow under Agri. & allied activities - 2016-17 to 2018-19 & target - 2019-20	72	72
Annx – IV	Indicative Unit cost (for major activities of the dist.) as arrived at by NABARD for its internal use	73	73
Annx – V	Scale of Finance for major crops fixed by Dist. Level Tech. Committee (DLTC)/SLTC for 2019-20	74	74

EXECUTIVE SUMMARY

1. District characteristics:

The district of Udupi is one of the three coastal districts in the State of Karnataka with a total geographical area of 3,56,446 ha., of which 28% is covered by forests. Around 92% of all farmers in the district are small & marginal with an average land holdings size of 0.75 ha. Although the annual normal rainfall of the district is 4234 mm, the extent of rainfall is reducing year by year.

Agriculture is the predominant economic activity in the district. The Net Sown Area (NSA) and Gross Cropped Area (GCA) are 0.98 lakh ha and 1.08 lakh ha., respectively. Nearly 33% of the NSA is under irrigation. Paddy is the major kharif crop. Farmers are also engaged in raising plantation/horticulture crops like coconut, arecanut, cashew, etc. Fisheries is another major economic activity in the district. There were around 14,000 MSME units (including Food & Agro processing units) in the district, and about 400-500 units are being set up every year. Well connected by air, sea and road, the district is an education hub and is also known for religious tourism. Medical facilities available in the district are also state of the art.

2. Sectoral trends in credit flow:

The banks in the district have not been able to achieve the targets specified under the District Credit Plan in the previous three years. The ground level credit flow under Priority Sector during 2016-17, 2017-18 and 2018-19 stood at ₹ 5,103.65 crore, ₹ 4794.36 crore and ₹ 5515.02 crore, respectively. The CD ratio of the district has been hovering around the 50% mark in all these years. For the year 2018-19, the CD ratio slightly decreased to 49.59%. Low CD ratio in the district is mainly due to higher growth in deposits as compared to growth in advances.

3. Sector/sub-sector wise projections for 2020-21:

The exploitable potential for 2020-21 has been estimated at ₹ 8350.91 crore; Agriculture sector accounts for a major share of 54% of the total projections. The realization of potential would, however, largely depend on the removal of various constraints and developing the critical infrastructure as discussed below. The theme for PLP 2020-21 is High Tech Agriculture.

4. Major constraints:

Some of the major constraints faced include inadequate extension services in both agriculture and horticulture sectors, acute labour shortage, crop damage due to animal menace, absence of assured irrigation, inadequate storage facilities and erratic power supply in the district. Inability of the farmers to access credit from formal financial institutions for cultivating leased lands (without affecting the rights of the owner of the land) is another major hurdle which needs to be addressed.

5. Suggested Action points/issues to be addressed

State Government

- To improve productivity in paddy and to make it a profitable crop for the farmers, there is a need for establishment of a large scale Seed Processing Unit, which can cater to all the three coastal districts of the State.
- As marine fish catch is showing a declining trend, introduction of an 'Estuarine Leasing Policy', to promote cage culture and to aid institutional credit flow to the activity.
- Implementation of holistic measures to prevent crop damages due to animals.
- Strengthening extension network and provide training on soil and water conservation.
- Creation of model horticulture farm/ strengthening of post-harvest infrastructure
- Strengthening the infrastructure of veterinary institutions for providing breeding/ health services to farmers at door-step and setting up of disease diagnostic labs.
- Early allotment of plots in Nandikur, Belepu and Miyar Industrial Areas.
- Ensure regular & assured power supply to existing and prospective industrial units; promote use of solar irrigation pump sets and solar rooftops.

- Recognition to landless cultivators to ensure access of farm credit from banks/cooperative institutions.

Banks

- Need to resort to alternative modes of lending, including JLGs
- To lend to farmers on the strength of negotiable warehouse receipts
- To finance small Lift Irrigation Schemes, preferably under SHG/ JLG mode.
- To finance construction of artificial recharge structures of bore wells for irrigation, rain water harvesting structures, farm ponds, roof water harvesting system, etc.

6. Thrust areas for 2020-21

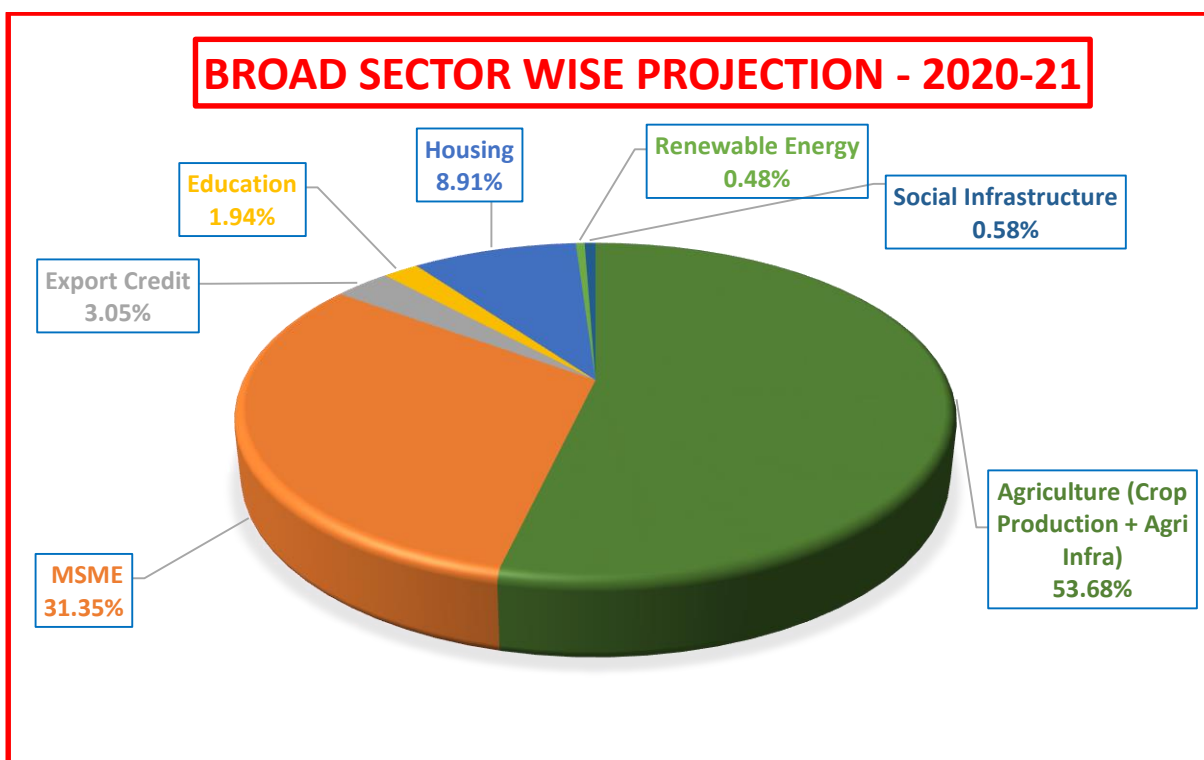
- **Promotion of Hi Tech Agriculture:** The district offers good scope for adopting high tech agriculture, horticulture and aquaculture practices.
- **Formation and Credit linkage of FPOs:** Formation and nurturing of crop cluster-wise FPOs, and linking them to market and institutional credit.
- **Implementation of Area Development Schemes (ADS):** ADSs on dairy and poultry sectors, which were identified by NABARD for the district, need to be broad based to cover other areas of the district.
- **Water Conservation-Per Drop-More Crop:** Although Udupi is the highest rainfall receiving district in the State, the district reels under severe drought during the summer months. Impervious soil, run-off, leaching of nutrients etc. highlights the need for adopting proper water Conservation measures. This will be the major thrust area for the district.
- **Doubling of Farmers' income:** Reorienting interventions in the farm and non-farm sectors to pave way for doubling of farmers' income by 2022. Thus, focus has to be gradually shifted from food security to income security, and from productivity to profitability of the farmers.
- **Mainstreaming the financially excluded:** The past year has seen a number of steps taken towards promoting financial inclusion in a big way viz., the Pradhan Mantra Jan Dhan Yojana (PMJDY), Prime Ministers Social Security Schemes, Mudra Yojana etc.
- **Accelerating the pace of capital formation in agriculture and allied sector:** Banks to give thrust to term loans for agriculture with a focus on loans for land development, water resources and farm mechanization activities. This would create farm assets that in turn would lead to capital formation in agriculture.
- **Promotion of JLGs:** Banks need to switch to JLG mode of lending, at least when lending to individual farmers is not possible due to land title or other related issues.
- **De-risking farm income:** Given the uncertainties in yield due to vagaries of nature, there is a need to de-risk farm income. Banks may explore financing allied activities like mini-dairy /broiler poultry etc.
- NABARD & Department of Horticulture have promoted a number of FPOs/crop specific clusters in all the taluks. Bankers, on their own are encouraged to adopt such models, and extend cluster based financing to farmers.

7. The way forward :

The projections made in the PLP for 2020-21 call for coordinated approach by all stakeholders viz., Government, Banks, Government departments, extension agencies, NGOs etc. This is expected to significantly enhance capital formation in agriculture. Banks on their part are required to ensure timely reporting of credit flow data to the Lead Bank, so that timely/corrective action, if required, could be initiated through discussions in the various fora, like DCC, DLRC, etc.

BROAD SECTOR-WISE PLP PROJECTIONS - 2020-21
(₹ lakh)

S.No	Particulars	PLP Projections 2020-21
A	Farm Credit	
i.	Crop Production, Maintenance and Marketing	98282.39
ii.	Term Loan for agriculture and allied activities	100485.35
	Sub-total	198767.74
B	Agriculture Infrastructure	28077.86
C	Ancillary activities-including others	221465.50
I	Credit Potential for Agriculture (A+B+C)	448311.10
II	Micro, Small and Medium Enterprises	261823.20
III	Export Credit	25500.00
IV	Education	16200.00
V	Housing	74400.00
VI	Renewable Energy	3982.05
VII	Social Infrastructure involving bank credit	4875.00
	Total Priority Sector (I to VII)	835091.35



SUMMARY OF SECTOR/SUB-SECTOR WISE PLP PROJECTIONS – 2020- 21
(₹ lakh)

S.No.	Particulars	PLP Projections
I	Credit Potential for Agriculture	
A	Farm Credit	
i.	Crop Production, Maintenance and Marketing	98282.39
ii.	Water Resources	8138.16
iii	Farm Mechanisation	3606.76
iv	Plantation/Horticulture/Sericulture	21579.30
v	Forestry & Wasteland Development	240.89
vi	Animal Husbandry – Dairy	17090.10
vii	Animal Husbandry – Poultry	14334.21
viii	Animal Husbandry - Sheep, Goat & Piggery	4772.07
ix	Fisheries	30600.68
x	Others	123.18
	Sub-total	198767.74
B	Agriculture Infrastructure	
i	Construction of storage facilities (warehouses, market yards, godowns, silos, cold storage units/ cold storage units)	6138.68
ii	Land development, soil conservation, watershed development	19101.63
iii	Others (Tissue culture, agri bio-technology, seed production, bio pesticides/fertilisers, vermi composting)	2837.55
	Sub-total	28077.86
C	Ancillary Activities	
i	Food and Agro Processing	112441.50
ii	Agriculture Ancillary Activities-Others (Loans to Cooperative societies of farmers for disposing of their produce, agri clinics/agri business centres, loans to PACS/FSS/LAMPS, loans to MFIs for on lending; Loans to SHGs/JLGs, Loans to distressed persons to prepay institutional lenders, PMJDY, loans to state sponsored organisations for SC/ST).	109024.00
	Sub-total	221465.50
	Total Agriculture	448311.10
II	Micro, Small and Medium Enterprises	
i	MSME, Working Capital	250800.00
ii	MSME - Investment Credit	11023.20
	Total MSME	261823.20
III	Export Credit	25500.00
IV	Education	16200.00
V	Housing	74400.00
VI	Renewable Energy	3982.05
VII	Social infrastructure involving bank credit	4875.00
	Total Priority Sector	835091.35

DISTRICT PROFILE

1. PHYSICAL & ADMINISTRATIVE FEATURES			2. SOIL & CLIMATE				
Total Geographical Area (Sq.km)	3582	Agro-climatic Zone	Western Plains and Ghat- Coastal Midland(Zone-12)				
No. of Sub Divisions/Hoblies	9	Climate	Hot and humid				
No. of Blocks(incl. 4 new blocks, which are yet to be made operational)	7	Soil Type	Laterite, red loamy, coastal alluvium.				
No. of Villages (Inhabited)	233						
No. of Panchayats	158						
3. LAND UTILISATION [ha]		4. RAINFALL & GROUND WATER (*Data from IMD)					
Total Area Reported	356446	Rainfall [mm]	Normal	Actual	2016*	2017*	2018*
Forest Land	100102		4234		3400	4094	4636
Land Not Available for Cultivation	53984		Variation from Normal		(-) 834	(-) 140	402
Permanent Pasture and Grazing Land	10623	Avail. Of gr. Water [Ham].	Net annual recharge (BCM)		Net annual draft (BCM)		Balance (BCM)
Land under Misc. Tree Crops	43940	32775	0.555		.126		0.429
Cultivable Wasteland	36700	5. DISTRIBUTION OF LAND HOLDING (2011 Census)					
Current Fallow	2715	Classification	Holding	Area			
Other Fallow	10463		Nos.	% to Total	ha.	% to Total	
Net Sown Area	97919	<= 1 ha	158750	79.20	51551	34.45	
Total or Gross Cropped Area	108433	>1 to <=2 ha	25316	12.62	34886	23.32	
Area Cultivated More than Once	10514	>2 ha	16419	8.18	63180	42.23	
Cropping Intensity [GCA/NSA]	1.11	Total	200485	100.00	149617	100.00	
6. WORKERS PROFILE-['000] (2011 Census)		7. DEMOGRAPHIC PROFILE - ['000] (2011 Census)					
Cultivators	63.14	Category	Total	Male	Female	Rural	Urban
Of above, Small/Marg. Farmers	58	Population	1177	562	615	843	334
Agricultural Labourers	63.39	Sch. Caste	75	37	38	56	19
Workers in Household Industries	10.58	Sch. Tribe	53	26	27	42	11
Workers in Allied Agro-activities	N.A	Literate	926	466	460	645	281
Other workers	376.13	BPL card holders	114	-	-	99	14
8. HOUSEHOLDS['000] (2011 census)		9. HOUSEHOLD AMENITIES ['000] (2011 census)					
Total Households	246	Having brick/stone/ concrete houses	246	Having electricity supply		225	
Rural Households	178	Having source of drinking water	246	Having latrines		215	
BPL Households (Dist.at glance)	114	Access to banking services		231	Having TV sets		173
10. VILLAGE-LEVEL INFRASTRUCTURE [Nos]		11. INFRASTRUCTURE RELATING TO HEALTH & SANITATION [Nos]					
Villages Electrified	233	Anganwadis		1191	Dispensaries		14
Villages having Agriculture Power Supply	233	PHCs		61	Hospitals		1118
Villages having Post Offices	233	Comm. Health Sub Cent		6	Hospital Beds		4600
Villages having Banking Facilities	233	12. INFRASTRUCTURE & SUPPORT SERVICES FOR AGRICULTURE					
Villages having Primary Schools	233	Fertiliser/Seed/Pesticide Outlets [Nos]		183	Agriculture Pump sets [Nos]		67118
Villages having Potable Water Supply	233	Total N/P/K Consumption [MT]		5463	Pump sets Energized [Nos]		66199
Villages connected with Paved Approach Roads	233	Certified Seeds Supplied [MT]		2390	Agro Service Centres [Nos]		120
		Pesticides Consumed [MT]		1650	Soil Testing Centres [Nos]		2
13. IRRIGATION COVERAGE [ha]		Agriculture Tractors [Nos]		295	Plantation nurseries [Nos]		18
Total Area Available for Irrigation (NIA + Fallow)	45035	Power Tillers [Nos]		3611	Farmers' Clubs [Nos]		46

Irrigation Potential Created			31857	Threshers/Cutters [Nos]	N.A		Kristi Vigyan Kendra [Nos]		1
Net Irrigated Area(Total area irrigated at least once)			31857	14. INFRASTRUCTURE FOR STORAGE, TRANSPORT & MARKETING. (Dist. Statistics Handbook – 2017-18)					
Area irrigated by Wells			25223	Rural/Urban Mandi/Haat [Nos]		6		Wholesale Market - Regulated [Nos]	6
Area irrigated by Tube wells			1696	Length of Pucca Road [km]		4334.79		Godown [Nos]-in APMCs	84
Area irrigated by LIS			1785	Length of Railway Line [km]		100.86		Godown Capacity[MT]-in APMCs	4864
Area irrigated by Other Sources			4711	Public Transport Vehicle [Nos]		2781		Cold Storage [Nos]-Fisheries	15
Irrigation Potential Utilized (Gross Irrigated Area)			32182	Goods Transport Vehicle [Nos]		21541		Cold Store Capacity[MT]	9605
15. AGRO-PROCESSING UNITS				16. AREA, PRODUCTION & YIELD OF MAJOR CROPS					
Type of Processing Activity		No of units	Cap.[MT]	Crop		2016-17		2017-18	
Food-& Agro based		3086	NA			Area (ha)	Prod. (MT)	Area (ha)	Prod. (MT)
									Avg. Yield [Kg/ha]
Sugarcane (Gur/Sugar)		Nil	NA	Paddy		47023	137096	47095	131725
Fruit (Pulp/Juice/Fruit drink)		173	NA	Arecanut		7961	13932	8106	13947
Spices (Masala Powder/ Paste)		NA	NA	Cashewnut		19565	35217	19565	39120
Cotton (Textiles and garments)		1439	NA	Coconut-'000 nuts		17952	199266	17960	2155
Milk(Chilling/Cooling/Processing)		22	120	Banana		953	22160	955	23073
Meat (Chicken/Mutton/Pork)		2	NA	Production details for arecanut and Cashew are expressed in terms of processed nuts.					
Animal feed(Cattle/Poultry/Fish)		13	NA						
17. ANIMAL POPULATION AS PER CENSUS 2012				18. INFRASTRUCTURE FOR DEVELOPMENT OF ALLIED ACTIVITIES					
Category of animal		Total	Male	Female	Veterinary Hospitals/ Dispen.& Prim. Vet. Centres [Nos]		89	Animal Markets [Nos]	-
Cattle - Cross bred['000]		96758	8990	87768	Mobile Veterinary Clinics [Nos]		3	Milk Collection Centres [Nos] (functional)	326
Cattle – Indig ['000]		155309	21178	134131	AI Centers [Nos]		-	Fishermen Soc.Nos]	54
Buffaloes['000]		8846	6833	2013	Animal Breeding Farms [Nos]		-	Fish seed farms [Nos]	1
Sheep - Cross bred		9	5	4	AH Trng Centres [Nos]		-	Fish Markets [Nos]	109
Sheep – Indig. (No)		61	43	18	Dairy Coop Soc. [Nos]		326	Poultry hatch.[Nos]	-
Goat (No)		6600	1740	4860	Improved Fodder Farms [Nos]		2	Slaughter houses [Nos]	1
Pig - Cross bred (No)		2035	785	1250	19. MILK, FISH, EGG PRODUCTION & THEIR PER CAPITA AVAILABILITY				
Pig – Indigenous (No)		1063	499	564	Fish	Production [MT]-18-19	117895	Per cap avail. [gm/day]	274
Rabbits		1396	545	851	Egg	Production [lakh nos.]	344	Per cap avail. [no's/p.a.]	29
Poultry-CB (000)		944656	8264	936392	Milk	Production [000 MT]	162	Per cap avail. [gm/day]	378
Poultry – Indigenous		249116	118272	130844	Meat	Production [MT]	3873	Per cap avail. [Kg/pa]	3.29
Sources		(1) District Statistical Handbook – 2017-18 (2) Census data -2011 (3) National Livestock Census 2012 & (4) Horticulture Department, Udupi (5) Fisheries Department (6) CDAP (7) Dist. Irrigation Plan (8) IMD website							

Rainfall: Udupi is one of the highest rainfall receiving districts in the State of Karnataka and receives rainfall in excess of 4000 mm per annum (mostly received during June to October). Normal rainy days during the year range from 115-134. Despite heavy rainfall, the district witness acute water shortage during summer months, both for agriculture and domestic use.

Predominant economic activities of the district: Agriculture is the predominant economic activity in the district. Majority of the population is engaged in raising field crops and plantation/horticulture crops like coconut, areca, cashew, rubber etc. The district is endowed with a long coast line (98 km) and fishing is a major activity in Udupi and Kundapura taluks of Udupi district. There are 1,98,759 persons who are engaged in fishing in the district. The total fish catch during 2018-19 stood at 1.18 lakh MT at an estimated value of ₹ 1142.59 crore. There were about 14,000 MSME units in the district providing employment opportunities to a large number of local populace. Other agriculture activities like agro - processing and processing of fish meal and fish oil extraction, fish processing units, etc., are also present in the district. The district has a large number of cashew processing units which imports raw cashew nuts from all over the world for processing. The processed nuts are then sold to different markets, both nationally as well as internationally. The district with its large number of pilgrim centres is also known for religious tourism. The district has reputed universities and colleges, and is a preferred destination for students to pursue their high school as well as collegiate education. Beedi rolling is a dominant household activity, giving part time employment to a large number of rural women.

Major food / commercial and plantation / horticulture crops: The cropping pattern in the district reveals that about 45% of the GCA is under food grains/ pulses and the remaining under Plantation and Horticultural crops, oilseeds & vegetables. Among cereal crops, paddy is the major agriculture crop of the district accounting for nearly 43% of the total cultivated area. The major P&H crops grown are coconut, cashew, arecanut, rubber etc. Green gram, black gram, horse gram and cow pea are the pulses grown in the district.

Gross District Domestic Product (GDDP) – As per the Economic Survey for 2018-19 released by the GoK, the Gross District Domestic Product (GDDP) at current prices, for Udupi district for 2017-18 (provisional) stood at ₹ 30,966 crore and the Net District Domestic Product (NDDP) at current prices stood at ₹ 28,309 crore representing 2.68% and 2.69 % of the state GDP and NDP respectively.

Per capita income for the district at current prices stood at ₹ 2,26,349 as compared to the state per capita income of ₹ 1,61,922. Udupi ranked third in respect of per capita income behind Bangalore Urban and Dakshina Kannada districts.

BANKING PROFILE

State: Karnataka Lead Bank: Syndicate Bank

1. NETWORK & OUTREACH (As on 31/03/2019)										
Agency	No. of Banks Soc.	No. of Branches (including PACS & its branches)				No. of non-formal agencies associated			Per Branch Outreach	
		Total	Rural	Semi-urban	Urban	mFIs/ mFOs	SHGs/JLGs	BCs/BFs	Villages	Households
Commercial Banks	28	339	172	80	87	6	25	78	0.74	727
Regional Rural Bank	1	23	16	4	3	1	1	9	0.07	10709
Dist.Cent.Coop. Bank	1	43	37	4	2	1	1	-	0.16	5728
PCARDB	3	3	1	1	1	-	3	-	0.00	82104
PACS	54	195	195	NA	NA	-	56	-	0.84	1263
Others (KSFC)	1	1	NA	NA	1	-	-	-	0.00	246313
All Agencies	88	604	421	89	87	8	86	87	1.81	408
2. DEPOSITS OUTSTANDING FOR THREE YEARS – 2016-17 TO 2018-19										
Agency	No. of accounts					Amount of Deposit [₹ 000]				
	31-Mar-17	31-Mar-18	31-Mar-19	CAGR (%)	Share (%)	31-Mar-17	31-Mar-18	31-Mar-19	CAGR (%)	Share (%)
Commercial Banks	2834770	2117098	1552425	-26.00	81.82	194783700	209750000	222509900	6.88	93.39
Regional Rural Bank	134985	141323	195362	20.30	10.30	2336300	2450000	2843700	10.33	1.19
Cooperative Banks	247308	260999	149646	-22.21	7.89	9931800	11440000	12916100	14.04	5.42
Others	0	0	0	-	-	0	0	0	-	-
All Agencies	3217063	2519420	1897433	-23.20	100	207051800	223640000	238269700	7.27	100
3. LOANS & ADVANCES OUTSTANDING FOR THREE YEARS – 2016-17 TO 2018-19										
Agency	No. of accounts					Amount of Loan [₹ 000]				
	31-Mar-17	31-Mar-18	31-Mar-19	CAGR (%)	Share (%)	31-Mar-17	31-Mar-18	31-Mar-19	CAGR (%)	Share (%)
Commercial Banks	235849	264341	213558	-4.84	77.48	93125400	103680000	108516300	7.95	91.84
Regional Rural Bank	21083	19625	16701	-11.00	6.06	1845900	1800000	1996600	4.00	1.69
Cooperative Banks	79222	73654	45261	-24.41	16.42	6290500	6770000	7431500	8.69	6.29
Others	140	110	120	-7.42	0.04	313200	270000	215100	-17.13	0.18
All Agencies	336294	357730	275640	-9.47	100	101575000	112520000	118159500	7.86	100
4. CD-Ratio					5. Performance under Financial Inclusion Accounts (₹ lakh)					
Agency	CD Ratio				Agency	During 2018-19		Cumulative		
	31-Mar-17	31-Mar-18	31-Mar-19			Deposit	Credit	Deposi	Credit	
Commercial Banks	47.81	49.43	48.77		Commercial Banks	2116	NA	21846	NA	
Regional Rural Bank	79.01	73.47	70.21		Regional Rural Bank	645	NA	7145	NA	
Cooperative Banks	63.34	59.18	57.54		Cooperative Banks	0	NA	0	NA	
Others (KSFC)	-	-	-		Others	0	NA	0	NA	
All Agencies	49.06	50.31	49.59		All Agencies	2761	NA	28991	NA	
6. PERFORMANCE TO FULFILL NATIONAL GOALS (As on 31/03/2019)-o/s ₹ lakh										
Agency	Priority Sector Loans		Loans to Agr. Sector		Loans to Weaker Sections		Loans under DRI Scheme		Loans to women	
	Amount	% of Total Loans	Amount	% of Total Loans	Amount	% of Total Loans	Amount	% of Total Loans	Amount	% of Total Loans
Commercial Banks	738159	90.54	234468	87.00	102716	75.76	708	55.36	403967	92.06
Regional Rural Bank	16144	1.98	4904	1.82	12858	9.48	571	44.64	7217	1.64
Cooperative Banks	58787	7.21	30129	11.18	20002	14.75	0	0.00	27125	6.18
Others (KSFC)	2151	0.26	0	0.00	0	0.00	0	0.00	491	0.11
All Agencies	815241	100	269501	100	135576	100	1279	100	438800	100
7. AGENCY-WISE PERFORMANCE UNDER ANNUAL CREDIT PLANS (₹ '000)										
Agency	2016-17			2017-18			2018-19			Average Ach[%] last 3 years
	Target	Ach.	Ach. [%]	Target	Ach.	Ach. [%]	Target	Ach.	Ach. [%]	
Commercial Banks	47424189	46613800	98.29	55216900	43073800	78.01	65568700	49984100	76.23	83.03

Regional Rural Bank	350000	1250600	357.31	2934400	1132100	38.58	3061400	1257600	41.08	57.37
Cooperative Banks	5842300	3102300	53.10	6709701	3705300	55.22	6086300	3902600	64.12	57.46
Others (KSFC)	350000	69819	19.95	340000	32400	9.53	340000	5900	1.74	10.5
All Agencies	56377389	51036519	90.53	65201001	47943600	73.53	75056400	55150200	73.48	78.38
8. SECTOR-WISE PERFORMANCE UNDER ANNUAL CREDIT PLANS [Amount ` ₹ 000]										
Broad Sector	2016-17			2017-18			2018-19			Average Ach[%] in last 3 year
	Target	Ach	Ach [%]	Target	Ach	Ach [%]	Target	Ach	Ach [%]	
Crop Loan	9775753	2720100	27.82	10847800	3515200	32.4	94418	30593	32.40	30.24
Term Loan (Agr)	19024100	15436100	81.14	19393100	18254800	94.13	212916	201920	94.84	87.74
Total Agri. Credit	28799853	18156200	63.04	30240900	21770000	71.99	307334	232513	75.65	67.67
Non-Farm Sector	5037400	21400219	424.83	13524700	15920500	117.71	251903	190020	75.43	199.38
Other Priority Sec.	22540136	11480100	50.93	21435400	10253100	47.83	191327	128969	67.41	49.5
Total Priority Sector	56377389	51036519	90.53	65201000	47943600	73.53	750564	551502	73.48	81.36

10. Performance of Banks:

Business: The total deposits outstanding of all banks in the district stood at ₹ 23,827 crore, while the total loans and advances outstanding stood at ₹ 11,816 crore. The CAGR of deposits outstanding for the last three years until March 31, 2019 grew at 7.27%, while loans and advances outstanding during the same period, grew at a CAGR of 7.86%. The CD ratio of the district as on 31 March, 2019 stood at 49.59%, much below the prescribed level of 60%. One of the reasons for low CD ratio is that deposits growth in the past had always been outpacing the loan growth of banks. Further, there are also a large number of PACS & other cooperatives, which are financially strong and meet the credit requirement of their members. Advances made by such institutions do not get reflected in the CD ratio.

District Credit Plan: Banks in the district could not achieve the District Credit Plan priority sector targets for 2018-19. As against the annual priority sector DCP target of ₹ 7505.64 crore for 2018-19, the total disbursements stood at ₹ 5515 crore and recorded an achievement of 73.48%.

11. Financial inclusion plan:

Extending banking services in villages with population of more than 2000 - There are 195 villages with a population of more than 2,000. Of these, 123 villages are unbanked. All the villages with population above 2,000 have been covered by either a brick-and-mortar branch or by way of a BC. Of the 123 villages, 36 villages were covered by brick-and-mortar branch, while 87 villages were covered by a BC.

Road map for providing banking service in every village with population less than 2,000

All the 50 villages with a population of less than 2000 have been covered.

METHODOLOGY OF 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 realizable potential.

Objectives of PLP

The objectives of PLP are:

- To enable various organizations involved in the process of rural development in directing their efforts in a planned manner in accordance with the potential 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 of for exploiting potential and prioritise resource requirements for the purpose.

Methodology

NABARD, in 1988-89, took up the initiative of preparing PLPs for agriculture and rural development. The broad strategy followed by NABARD in 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 natural and human resource endowments and a phased annual programme for development, keeping in view relative national and state priorities. NABARD has been constantly endeavoring to introduce refinement in the methodology of preparing PLPs and improvement of its contents so that the PLPs could be used as support reference documents for Annual Credit Plans of banks. NABARD has been continuously reviewing the methodology in estimation of potential through a consultative process over the years. It adopts a detailed methodology for assessing the physical potential in major sectors of investment activity conducive to development of agriculture and allied areas in 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 the Head Office of NABARD. The methodology consists of assessment of sector-wise/sub sector-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 used while arriving at the total financial outlays. The broad methodology for arriving at the potential for major sectors is given below:

S. No.	Sector	Methodology of estimation of credit potential
1	Crop loans	<ul style="list-style-type: none"> • 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 farmers/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 • Make assumptions to cover 100% of small/marginal farmers and 20% to 50% of other farmers; • Study the cropping pattern • Estimation of credit potential taking into account Scale of Finance and also KCC guidelines • Block-wise allocation of potential taking into account credit absorption capacity in a particular block, cropping pattern, etc.
2	Water Resources	<ul style="list-style-type: none"> • MI potential is the area that can be brought under irrigation by ground and surface water • Collection of data on ultimate irrigation potential, area already brought under irrigation and balance potential available under groundwater and surface water for the district

		<ul style="list-style-type: none"> 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 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. Preference of farmers for different MI structures like dug wells, bore wells, DCBW, etc. is to be taken into account 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.
3	Farm Mechanisation	<ul style="list-style-type: none"> 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 Calculation of requirement of number of tractors assuming one tractor per 30 acres and 45 acres of irrigated and unirrigated cropped area Adjustment of tractor potential with land holdings Based on the cropping pattern, topography etc. similar assessment is made for power tillers, combine Harvesters etc.
4	Plantation and Horticulture	<ul style="list-style-type: none"> Estimation of additional area that could be brought under plantation crops based on trend analysis of land utilization pattern and cropping pattern of the district, area of cultivable wasteland likely to be treated and brought under plantation crops Feasibility and possibility of shifting from food crops to plantation crops Estimation of replanting by taking into account approximate economic life of a few plantation crops Estimation of potential for rejuvenation of existing plantation
5	Animal Husbandry – Dairy	<ul style="list-style-type: none"> 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 1/6th 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 2nd and 3rd lactation. 50% of the number of animals so arrived at 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	<ul style="list-style-type: none"> Provides inputs/information on exploitable potential vis-a-vis credit available Potential High Value Projects/Area Based schemes Infrastructure support available which can form the basis for their business/development plans
2	Government Agencies/ Departments	<ul style="list-style-type: none"> 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 programmes
3	Individual/ Business entities	<ul style="list-style-type: none"> 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 potential realistically, the following limitations and constraints are noticed in the exercise of PLP preparation:

- Non-availability of accurate ground level 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

Following important announcements have been made in Union Budget 2019-20 for agriculture and farmers' welfare:

- For the year 2019-20, the target set for agriculture credit is ₹13.50 lakh crore.
- Focus on zero budget farming – go back to basics – States will be encouraged to replicate innovative models.
- Robust fisheries management through value chain approach.
- In the current year, 10,000 new FPOs will be formed.
- Under PMAY Phase II (2019-20 to 2021-22), 1.95 crore houses with toilets and electricity are proposed to be provided to eligible beneficiaries.
- About 35 crore LED bulbs in Ujjala Yojana facilitating savings of about ₹ 18,000 crore.
- Every willing single family will be provided with electricity and clean cooking facility.
- Drinking water to every household by 2024.
- Training of 10 million youth through Prime Minister's Kaushal Yojana.
- Under innovations – 80 livelihood and 20 technology incubators will be set up to cover 75,000 skill entrepreneurs in agro rural industries.
- Focus on promotion of use of solar stoves.
- Dairying through cooperatives to be encouraged by creating infrastructure for cattle feed manufacturing, milk procurement, processing & marketing.
- 10,000 new Farmer Producer Organizations to be formed, to ensure economies of scale for farmers.
- Union Government to work with State Governments to allow farmers to benefit from e-NAM.
- Scheme of Fund for Upgradation and Regeneration of Traditional Industries (SFURTI) - 100 new clusters to be setup during 2019-20 with special focus on Bamboo, Honey and Khadi, enabling 50,000 artisans to join the economic value chain.
- Pradhan Mantri Matsya Sampada Yojana (PMMSY) - A robust fisheries management framework through PMMSY to be established by the Department of Fisheries.

1.2 Policy Initiatives – Reserve Bank of India

The following major initiatives have been taken by RBI:

- Extend KCC facility to Animal Husbandry farmers and Fisheries for their working capital requirements vide circular dated 04 February 2019.
- "Interest subvention scheme for MSMEs-2018" to all Scheduled Commercial Banks and RRBs, vide circular dated 21 February 2019.
- Instructions issued, vide circular dated January 01, 2019, to all Banks and NBFCs to facilitate meaningful restructuring of MSME accounts {MSME as defined in the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006} that have become stressed, and decided to permit a one-time restructuring of existing loans to MSMEs classified as 'standard' without a downgrade in the asset classification subject to conditions specified in the circular.
- Raise the limit for collateral free agricultural loans from the existing level of ₹ 1 lakh to ₹ 1.6 lakh. Accordingly, banks may waive margin requirements for agricultural loans up to ₹ 1.6 lakh vide circular dated 07 February 2019.
- The Co-origination Model between Banks and Non-Banking Financial Companies - Non-Deposit taking - Systemically Important (NBFC-ND-SIs) for providing competitive credit to priority sector to all Commercial banks excluding RRBs & SFBs vide circular dated 21 September 2018.

- Implementation of the Interest Subvention Scheme with modifications for the years **2018-19 and 2019-20** for short term crop loans up to ₹ 3 lakh by all Public & Private Sector Scheduled Commercial Banks vide circular dated 07 March 2019.
- Instructions issued, vide circular dated 22 February 2019 to all NBFCs for harmonisation of different categories of NBFCs. Accordingly, it has been decided to merge the three categories of NBFCs viz. Asset Finance Companies (AFC), Loan Companies (LCs) and Investment Companies (ICs) into a new category called **NBFC - Investment and Credit Company (NBFC-ICC)**.
- Circular dated 22 February 2019 issued to all Schedule Commercial Banks (Excluding Regional Rural Banks and Small Finance Banks) prescribing Risk Weights for exposures to NBFCs.
- Circular dated 06 May 2019 issued to all Regional Rural Banks and Small Finance Banks prescribing eligibility criteria of housing loans for classification under priority sector.

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 has been allocated for the year 2019-20.

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 2019-20 is ₹ 45,000 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 2019-20 is ₹ 10,000 crore.

1.3.3 Rural Infrastructure Development Fund (RIDF)

The corpus under RIDF is announced every year by GoI/RBI and for the year 2019-20, a corpus of ₹ 28000 crore has been allocated.

The major policy changes and initiatives during 2018-19 were as under:

Sectoral and Sub-Sectoral Caps

- **Cap on sanction of rural connectivity projects** were revised and made effective for tranche XXIV onwards. Cap of up to 75% of Normative Allocation for roads / bridges in North Eastern States including Sikkim and Hilly States & Jammu & Kashmir, Himachal Pradesh and Uttarakhand) was removed.
- Sub-sectoral cap for bridges was removed.
- Sectoral cap for Social Sector relaxed to 25% of the total RIDF allocation under a particular tranche.

Inclusion of new activity, viz., Mechanization of Farm Operations and Related Services under RIDF was approved by Government of India. The list of eligible activities for financing under RIDF now has 37 activities.

Launch of new products/schemes

Swachh Bharat Mission–Gramin (SBM-G) - The arrangement was rolled out during the year 2018-19 for part funding construction of 3 crore household toilets, 1500 community sanitary complexes & solid and liquid resource management works.

1.3.4 Digitization of SHGs under EShakti project

The coverage of EShakti has been extended and at present EShakti is in operation in 100 districts spread over 22 States and One UT. As on 31 March 2019, a total of 4.34 lakh SHGs were digitized involving 47.91 lakh members across the country.

1.3.5 Financial Inclusion

- Banks are being supported for their initiative of having set up Aadhaar Enrolment and Update Centres (AECs) in their branches on or before 31 March 2019, with grant support from FIF.
- A scheme under FIF to support Scheduled Commercial Banks and Regional Rural Banks for enabling dual authentication facility in the micro ATMs of BCs for SHG transactions was launched.
- Support extended to RRBs and RCBs for on-boarding to BHIM UPI Platform in order to provide mobile banking services to their clients using BHIM.
- Support for on boarding to Public Financial Management System (PFMS) extended to RCBs so that their clients could avail the benefits of Direct Benefit Transfer under Government schemes.
- Support extended for opening Kiosk outlets in unbanked villages of North Eastern States in order to augment the banking outlets through BCs for providing comprehensive financial services in unbanked villages with population less than 500.
- To address the regional and institutional inadequacies and bring about inclusive and equitable financial inclusion across the country, it has been decided to adopt a differentiated strategy in 2019-20 for focussed FIF interventions. The strategy for grant assistance will be geography, activity / scheme and agency specific.

1.3.6 Farm Sector Policy – Important Initiatives

- A comprehensive policy to promote Local Organic Farmers Group (LOFG) under PGS – India, has been formulated
- Policy for development of beekeeping through institutional credit and promotional grant support has been put in place.
- Policy for holistic development of bamboo value chain through institutional credit and promotional grant support has been formulated.
- With a view to providing greater autonomy to the Regional Offices, operational guidelines of Climate Change Fund (CCF) were revisited and revised operational guidelines issued.
- Towards climate action, 38 projects involving financial assistance of ₹ 1819.43 crore were sanctioned through three funding mechanisms—the Green Climate Fund (GCF), the Adaptation Fund (AF) and the National Adaptation Fund for Climate Change (NAFCC).
- In respect of GCF project (FP081) “Line of credit for solar rooftop segment for commercial, industrial and residential housing sectors”, Funded Activity Agreement (FAA) was signed between GCF & NABARD and Subsidiary Agreement (SA) was signed between NABARD and TCCL (Tata Cleantech Capital Ltd.).
- Three new projects were sanctioned under NAFCC by MoEF&CC with a total outlay of ₹ 173.81 crore for Tamil Nadu, Arunachal Pradesh and one regional proposal for Maharashtra, Rajasthan, Telangana on “Restoration of degraded landscapes to natural states of ecosystem for climate resilience and livelihood improvement”.
- With a view to enhancing the water availability and improve the water-use efficiency in select villages, operational guidelines for implementing "Integrated Water Management Scheme through Watershed Approach", were issued on 6th June 2018 to be implemented during 2018-19 & 2019-20 in 250 villages, spread over 50 districts (which were covered under NABARD's water campaign), including 40 aspirational districts.

PRODUCE FUND

In order to encourage emerging FPOs, which are not supported under SFAC scheme, NABARD has introduced a pilot scheme for providing Credit Guarantee cover to subsidiaries of NABARD for financing POs, without insisting on collateral requirements.

1.3.7 Off Farm Sector Initiatives

Marketing initiatives - Exhibitions, melas, rural haats and marts :- For the first time exclusive exhibitions/melas were organized by NABARD. A total of 360 exhibitions and melas supporting around 5000 artisans were organized by 17 ROs / HO, with grant assistance of ₹ 4.32 crore. A sales turnover of ₹14 crore was reported.

1.3.8 Agri- Market Infrastructure Fund (AMIF)

Pursuant to the Union Budget 2018-19 announcement, a dedicated Agri - Market Infrastructure Fund (AMIF) with a corpus of ₹ 2000 crore has been established with NABARD to develop and upgrade the existing 585 APMCs and 10000 rural *haats* into Grameen Agricultural Markets (GrAMs).

1.3.9 Tribal Development Fund

Revision of TDF Guidelines: The TDF Guidelines were revised on 19 December 2018. A few important changes made are as under:

- Per family grant assistance has been increased from ₹ 6000 to ₹ 11,000, for laying barbed wire fencing, in place of live fencing for wadis.
- Grant assistance has been introduced for setting up of rural haats/ marts under TDF.
- Grant support for 'Business Development Assistance' for FPOs has been introduced.
- Rewards for best wadi/project and best PIA have been introduced.

1.4 Government of India Sponsored Programmes with Bank Credit

The Administrative approval conveying the continuation of the following subsidy schemes for 2019-20 has been received from GoI:

- Agri Clinics and Agri Business Centres Scheme
- Dairy Entrepreneurship Development Scheme
- Credit Linked Capital Subsidy Scheme (CLCSS)
- Agri Marketing Infrastructure (AMI)
- EDEG Component of National Livestock Mission

1.5 Hi-Tech Agriculture in India

1.5.1 Govt. Interventions

The important promotional interventions of Government departments towards high value agriculture sector include:

- Incentives/subsidy support for adopting high value agriculture production technologies especially under National Horticulture Mission and other programmes of National Horticulture Board.
- Export facilitation and promotional interventions of Agricultural & Processed Food Products Export Development Authority (APEDA)/ Marine Products Export Development Authority (MPEDA).
- Promotional interventions of Commodity Boards.
- Programmes like precision farming supported by the State Governments with focus on high value crops.

1.5.2 Initiatives and Role of NABARD

- Guidance to banks in appraisal of hi-tech agricultural projects including investment assessments, techno-financial appraisal, risk management and monitoring systems.
- Over 143 model bankable projects have been developed including important hi-tech and high value agriculture sector activities and state/location specific model projects by the respective Regional Offices.
- Financial support being extended to the State Govt. for infrastructure development (food parks) under RIDF.

- Support for Training cum Exposure visits of small/ marginal farmers.
- Resource mapping and infrastructure needs assessment.
- Credit facilitation through banks and other financial institutions including subsidiaries of NABARD.
- Professional consultancy services through NABCONS for project development, monitoring, etc.

1.6 Policy Initiatives – State Government

The state has allocated 10.1% of its total budget towards agriculture and allied activities. This is significantly higher than the allocations of other states (6.5%).

- Grant of ₹ 250 crore to Krushi Bhagya scheme.
- Grant of ₹ 40 crore to Zero budget farming scheme.
- Grant of ₹ 35 crore to Organic farming scheme.
- Grading of Organic and Zero budget farm produce, encouragement to grading and packaging and branding units; 50% subsidy to eligible entrepreneurs and Start-up entrepreneurs with a grant of ₹ 2 crore.
- Grant of ₹ 145 crore to Israel model farming scheme.
- Encouragement to growers of minor millets with cash incentive of ₹ 10,000 per hectare under “Raitha Siri” scheme with a grant of ₹ 10 crore.
- Grant of ₹ 5 crore to give assistance of ₹ 7,500 per hectare under “Karavali package” to motivate farmers of Coastal and Malnad District to cultivate paddy.
- Grant of ₹ 368 crore for “Mukhyamanthrigala Sukshma Neeravari Yojane”, during the year 2019-20.
- Grant of ₹ 100 crore to take up drought proofing watershed activities till 2024 in 100 drought prone taluks and where groundwater levels have come down.
- Grant of ₹ 5 crore each has been earmarked for up-gradation of Karnataka State Seeds Certification Agency and for the developmental activities of Karnataka State Seeds Corporation.
- Establishment of Farm Demonstration Centres at V.C.Farm in Mandya District and Sindhnur taluk in Raichuru District with a grant of ₹ 10 crore.
- Special package of ₹ 150 crore to improve the economic condition of Pomegranate and Grape growers.
- Grant of ₹ 20 crore to establish international standard Mango produce processing units in Ramanagara and Dharwad Districts, and Tomato produce processing units in Kolar District with private partnership.
- Grant of ₹ 2 crore for post harvest management of horticultural produce and market encouragement related activities under private partnership.
- Grant of ₹ 5 crore to encourage Bee farming.
- Special package of ₹ 6 crore for the benefit of Gherkin growers and to increase export turnover.
- Grant of ₹ 2 crore for sericulture extension programmes through progressive farmers.
- Grant of ₹ 10 crore to strengthen Karnataka Silk Industries Corporation.
- Grant of ₹ 2 crore for modernization of Santhemarahalli Silk Factory and for imparting training to youth.
- Grant of ₹ 5 crore for the rejuvenation of Chamarajanagar silk factory.
- Grant of ₹ 10 crore for modernization and strengthening of Silk Markets in Ramanagara and Haveri.
- Grant of ₹ 10 crore to showcase the achievements in the sericulture sector in the emporium of Filature factory of Karnataka Silk Industries Corporation at Channapatna and to encourage marketing of silk products.
- Grant of ₹ 2 crore to provide Well Equipped Veterinary Mobile Vehicles.

- Grant of ₹ 5 crore to encourage “Country chicken Poultry Farming” (Nati Koli Sakanike) for 10,000 unemployed poor youth.
- Grant of ₹ 2 crore for the establishment of Laboratory for Genetic Improvement (Twinning) of Indigenous Ram sheep.
- Grant of ₹ 5 crore to extend support for manufacture of Kyasanur forest disease vaccination (KFD vaccination)
- Incentive to milk producers increase from ₹ 5 per litre to ₹ 6 per litre at a cost of ₹ 1,459 crore. Expenditure of ₹ 638 crore under Ksheera Bhagya scheme for school going children and ₹ 405 crore for Anganavadi children. Total expenditure of ₹ 2,502 crore for the welfare of milk producers.
- Assistance of 50% of subsidy for installation of ISRO authorized DAT equipment to Fishing Boats with a grant of ₹ 3 crore.
- Encouragement to Prawn and Fish farming in inland and backwater resources. Subsidy of ₹ 2 crore to 400 units.
- Continuation of “Mathshashraya scheme”; action to complete ongoing construction of 2500 houses.
- ₹ 15 crore grant for construction of fishing jetty for development of fishing activities in Malpe fishing harbour of Udupi District, waste management unit and other sanitation facilities.
- ₹ 148.5 crore grant to provide subsidy on Diesel and kerosene to all boats in the State holding Diesel and kerosene pass book.
- “Raitha Kanaja” scheme with a Revolving fund to provide minimum support price to 12 notified farm produce; opening a permanent collection centre throughout the year in all Agricultural Produce Marketing Committees; provision of ₹ 510 crore grant.
- ₹ 50 crore grant for implementation of “Price Deficiency Payment Scheme” for onion, potato and tomato produce.
- Encouragement for production of minor millets in the State. Grant of ₹ 10 crore for providing profitable price to 6 minor millets and formulation of marketing facility in HOPCOMS, Nandini and other outlets.
- Grant of ₹ 160 crore for establishment of Quality Analysis and Processing Units at Gadag, Haveri, Kundgol, Hubballi and Annigeri.
- Grant of ₹ 5 crore for establishment of 500 Land operations co-operative societies in cooperative sector.
- Gruhalaxmi crop loan scheme to provide loan facility at 3% interest on mortgage of ornaments by small and tiny farmers.
- Grant of ₹ 5 crore to purchase 500 Automated Milk Storage Machines for Milk Producers Co-operative Societies.
- Smart Weighing Machine Systems to all 162 Agricultural Produce Marketing Committees; 18,000 market functionaries to be changed to new system.
- Establishment of “Integrated Scientific Vegetable Waste Management Units” in 5 vegetable markets of the State at a cost of ₹ 10 crore.
- Reservation of 10% and rebate of 50% in the allotment of site, godown, shops, shop-cumgodowns in the APMCs to Farmer-Producer Organizations.
- Establishment of a “Debt Relief Commission” in Karnataka on the Kerala model.
- Grant of ₹ 200 crore for providing free scientific storage facility for maximum of 8 months in Karnataka State Warehousing Corporation, interest subvention on mortgage loan and minimum freight expenses.
- Grant of ₹ 1 crore per shandy for providing infrastructure facilities in a phased manner in the next 5 years to nearby 600 rural shandies to develop them into rural mini markets to enable farmers to get profitable prices by directly selling their produce with reduced transportation cost.
- Grant of ₹ 1,563 crore for Lift Irrigation Projects, ₹ 1,680 crore for Tank filling projects, ₹ 445 crore for Comprehensive Tank Development Works, ₹ 477 for Micro irrigation projects,

₹ 860 crore Canal modernization development works, ₹ 160 crore for construction of Bridge and Barrages, ₹ 506 crore for Infrastructure development works and ₹ 125 crore for Manchanabele reservoir downstream garden development, and for development tourism activities, ₹ 75 crore for rejuvenation works of Harangi reservoir achcut and river basin works.

- Grant of ₹ 40 crore for the work of laying of pipeline for utilizing 40 M.L.D water being carried to Karnataka Industrial Area Development Board under K.C. Valley project.
- Grant of ₹ 100 crore for Water filling works for the tanks in the limits of Balaghatta Gram Panchayathi in Pandavapura taluk.
- Tank improvement works of all tanks in Bidar district in phased manner in the next 3 years at a cost of ₹ 300 crore.
- A grant of ₹ 13 crore for tank filling works of 8 tanks of through lift irrigation from Tunga river flowing near Hole Hasanavadi village in Shivamogga District.
- Kallamardi Lift irrigation scheme for 2500 acres of land of Koujalagi, Gosabala and neighboring villages of Gokak taluk in Belagavi District.
- Grant of ₹ 10 crore to improve the underground water level in taluks where ground water has severely dipped by constructing Check dams, Barrages, Bandars and Recharge shafts.
- Grant of ₹ 100 crore to control human elephant conflict by constructing rail track barriers under the project - 'Prevention of Human-Elephant Conflict by Used Rail Barriers'.
- Grant of ₹ 5 crore to remove Lantana and Eupatorium weeds to make way for the growth of grass which is congenial to forests.
- Grant of ₹ 15 crore for developing Vrukshodyanas in urban areas.
- Grant of ₹ 9 crore for establishment of Continuous Ambient Noise Quality Monitoring Stations in 10 corporation areas in the State, 4 each per district.
- Grant of ₹ 9 crore for establishment of 17 Continuous Water Quality Monitoring Stations at polluted water-banks identified by the Central Pollution Control Board, Bellandur tank, Agara tank and Varthur tank.
- Grant of ₹ 60 crore to Karnataka State Pollution Control Board for development of 21 Districts laboratories, 16 Sub- laboratories and for purchase of 10 Automated Flow Analyser.
- Grant of ₹ 2 crore to Climatic Change Strategic Knowledge Centre under Environmental Management and Policy Research Institute (EMPRI) to take up research and study relating to climate change.

1.7 State Government Sponsored Programmes with Bank Credit

S. No	Programme	Objectives	Implementing Department	Target Group	Quantum of subsidy
1	Udyogini	To create self employment opportunities to women in Trade & Service Sector	Women & Child Development Department of Govt. of Karnataka	Women within the age group of 18 to 45 in Rural and Urban areas within specified income norms	Subsidy ranging from 20% to 30% depending upon the category, subject to the specified ceiling.
2	Swavalamban Scheme	To provide self-employment opportunities for persons from minority communities	Karnataka State – D. Devraj Urs BC&MD Corporation	Persons from Minority Communities within specified income norms	Upto 50% subject to a ceiling of ₹ 5,000.
3	Chaitanya Scheme	To provide self-employment opportunities for persons from backward class BPL families	Karnataka State – D. Devraj Urs BC&MD Corporation	Persons from backward class BPL families within specified income norms	Maximum subsidy of ₹ 25000.
4	Pashu Bhagya Scheme	To establish livestock units viz. cattle, sheep, goat, poultry and pigs	Animal Husbandry Department, GoK	Farmers & Entrepreneurs	Back end subsidy of 25% to General and 33% subsidy to SC/ST subject to specified ceiling under respective

					activities. Also has a provision of loans at 0% upto a maximum amount of ₹ .50,000/- through Cooperative Banks for maintenance/input costs
5	Krishi Bhagaya	To have sustainable growth in agriculture through conservation, storage and efficient use of rainwater, adoption of profitable cropping system, cultivation of horticulture	Department of Agriculture, GoK	Eligible farmers in Dry Land Region 9 5 agro climatic zones in 23 districts	Subsidy ranging from 50-90% for undertaking activities viz. pumpsets, horticultural crops with and without polyhouse etc.
6	Farm Mechanisation	Mechanising of farming operations for enhancing production and productivity	Department of Agriculture	Farmers	General Farmers- subsidy of 50% farmers belonging to SC/ST subsidy of 90 % subject to ceiling of 1 lakh Amount provided under Rashtriya Krishi Vikas Yojane is used as matching grants with State Fund to provide the subsidy.
7	Under horticulture- Watermelon production	Enhancing production and productivity of Watermelon	Department of horticulture, GoK	Farmers	Eligible subsidy @50%(maximum ₹42, 385 for Gen and @ 90% (max. ₹76,293)
8	Bee- keeping	Adoption of scientific /best practices in Apiculture	Department of horticulture, GoK	Farmers	Subsidy @40% and maximum of ₹ 1800 for farmers who wish to purchase honey boxes, stand etc.

1.8 High Tech Agricultural practices in the State

Karnataka is one of the leading State in adoption of hi-tech agriculture. Among various technologies, protected cultivation is being adopted on large scale in the State for commercial cultivation of various horticultural crops. A wide range of structures and technologies are used in commercial protected cultivation. The level and type of adoption of technology depends upon location, type of crops grown, type of market targeted and quality of production required. Poly house cultivation is reported to be most ideal, economical and successful in the State

The major clusters and potential crops under poly house cultivation are as under

Cluster	Potential Crops/plants
Bangalore and Mysore	Flowers: Rose, Gerbera, Carnations Vegetables: Colored Capsicum, English Cucumber, Cherry Tomato, Tomato, Pole Beans , off season vegetables etc. Fruits : Melons and Cantaloupe Exotic herbs : Chives etc. Nurseries
Malanad Region	Vegetables: Colored Capsicum, off season vegetables Flowers : Anthurium and Orchids
Belgaum Region	Flowers: Gerbera, Carnations , off season vegetables etc. Vegetables: Colored Capsicum Nurseries

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

CHAPTER 2

CREDIT POTENTIAL FOR AGRICULTURE

2.1.1 CROP PRODUCTION, MAINTENANCE AND MARKETING

2.1.1.1 Introduction

Udupi district, has a Gross Cropped Area (GCA) of 1.084 lakh ha and a Net Sown Area (NSA) of 0.98 lakh ha, of which 87% of the area comes under Kharif and the remaining 13% under Rabi. The gross cropped area declined from 1.33 lakh ha in 2000-01 to 1.084 lakh ha in 2017-18. The district has one of lowest percentage of area under cultivation (27% of geographical area) in the state. Further, the cropping intensity stands at 1.11 as against state average of 1.24%. The low cropping intensity is mainly due to lack of adequate irrigation facilities. The district has only 33% of the Net Sown Area under assured irrigation through various sources, with wells accounting for 79% of the total irrigation. In spite of abundant rainfall (normal rainfall-4234 mm), irrigation development in the district is way below the desired levels. The soil in general is acidic due to heavy run-off; rich in nitrogen and deficient in potassium and phosphorous, which leads to low productivity.

The area under food grains in the district is steadily declining mainly due to rapid urbanization, high cost of cultivation and labour scarcity. The area under paddy cultivation has declined from 69,892 ha in 1999-2000 to 47,095 ha in 2017-18. The area under pulses witnessed a decline from 11,759 ha to 3,195 ha during the same period. Apart from paddy and pulses, groundnut cultivation is taken up in 1774 ha. The district has substantial acreage under horticulture and plantation crops such as Cashewnut (0.20 lakh ha), coconut (0.18 lakh ha) and arecanut (0.08 lakh ha). Other important horticulture crops grown in the district include banana, mango and vegetables. [Reference year: 2017-18]

The agriculture scenario in the district is dominated by small and marginal farmers as 79% are marginal farmers and they own 34% of the land area. Small farmers constitute 13% and own 23 % of the land. Thus marginal and small farmers, together, account for 92% of the farming community. The average size of land-holding works out to 0.74 ha. In the district, only 27,586 KCCs have been distributed.

The ground level credit flow for the last three years viz., 2016-17, 2017-18 and 2018-19 stood at ₹ 27,201 lakh, ₹ 35,152 lakh and ₹ 30,593 lakh, respectively. The drastic decline in GLC, may be attributed to drop in Rabi crop area by 25% due to drought conditions. The agency-wise GLC under crop loan is indicated in Annexure-II.

2.1.1.2 Infrastructure and linkage support available, planned and gaps

- Under NABARD's Warehouse Infrastructure Fund (WIF), four warehouses with a combined capacity of 600 MT have been constructed in APMC market yard, Udupi.
- GoK through Department of Agriculture has opened seven Custom Hire Centres (CHCs), spread across three blocks in the district. Two more CHCs have been approved for Vandse and Udupi. Karkala Horticulture Farmers Producers Company is also extending CHC services to the farmers. This has resulted in increased use of farm machineries (through hiring) in the district and to a certain extent has ameliorated the farm labour shortage
- Agricultural extension activities of the district are being carried out by Krishi Vigyan Kendra (KVK), Brahmavar
- The Zonal Agricultural & Horticultural Research Station at Brahmavar caters to the need of farmers of Udupi district in the area of Farm mechanization, Integrated Farming, dissemination of latest farm technologies etc.
- Further, nine RSKs are functioning in the district, out of which eight RSKs are upgraded with financial assistance from NABARD's RIDF. These support services are considered adequate
- The district has two seed farms; one each at Koteshwara and Sanoor.
- There are 118 fertilizer dealers, 54 agro chemical outlets and 11 seeds outlet in the district,

in addition to irrigation systems dealers (9 nos.), farm equipment/machinery suppliers (8 nos.), consultancy services (9 nos.) and diagnostic services providers (9 nos.).

- At present, two Soil Testing Labs (STL) are available in the district and the STL at KVK, Brahmavara has recently been upgraded for taking up micro nutrient analysis. These STLs are considered adequate to provide soil testing facilities to the entire district. About 25,555 soil samples (grid based) were analysed under Soil Health Mission and soil health cards were generated and distributed.
- Further, DoA, on a pilot basis, will be taking up soil testing exercise on every farm holding in one village in each of the three undivided taluks.
- Procurement and marketing operations are carried out through three APMCs, which are located at every Block. For areca nut and cocoa purchases, CAMPCO outlets are operating in most of the PACS.

2.1.1.3 Assessment of Credit Potential for the FY 2020-21 (₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Paddy (Rainfed)	ha	26300	12887.00	12887.00
2	Pulses	ha	2550	204.00	204.00
3	Oil seeds-Groundnut	ha	1520	623.20	623.20
4	Banana	ha	800	1304.00	1304.00
5	Vegetables	ha	1000	1360.00	1360.00
6	Maintenance of Areca Plantations	ha	6300	12852.00	12852.00
7	Maintenance of Coconut Plantations	ha	14300	11726.00	11726.00
8	Maintenance of cashew plantations	ha	14500	7830.00	7830.00
9	Maintenance of rubber plantations	ha	3450	3760.50	3760.50
10	Maintenance of Mango groves	ha	780	234.00	234.00
11	Other crops	ha	3420	3009.60	3009.60
12	Fodder cultivation (in part of cultivable waste land)	ha	5000	1350.00	1350.00
	Sub-total			57140.30	57140.30
13	Post-Harvest (@10%)	-			5714.03
14	Repairs & Maint. of farm assets (@20%)	-			11428.06
15	Loans issued against Warehouse Receipts				24000.00
	Total (Crop Production, Maintenance and Marketing)				98282.39

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are furnished in Annexure I.

2.1.1.4 Critical interventions required for creating a definitive impact

- **Seed Processing Unit:** State Govt. should consider establishing a mega seed processing unit under the aegis of Karnataka State Seed Corporation, as none of the three coastal districts have this facility. If Seed Processing unit is established, seed-villages can be initiated and the farmers will get quality seeds at a reduced cost.
- **Seed Production through Seed-Village Concept:** The seed requirement for the district is partly being met from seed production units in Bhadravathi area of Shivamoga district. Any adverse climatic conditions (esp. drought) in these areas, will affect the quality seed availability for the farmers of Udupi district. Hence, Seed Production needs to be encouraged through seed-village concept in the district.
- **Augmenting the Staff strength:** The Department of Agriculture is functioning with only 32% of the sanctioned staff strength. To provide proper guidance and extension support to the farmers, the technical staff strength of the department needs to be augmented.
- **Improvement in seed replacement rate (SRR):** The SRR (paddy) at present is around 4%. There is an urgent need to increase the SRR to around 33% through conduct of awareness and sensitization programmes for farmers. Improved SRR will result in

increase in yields.

- **Land development:** Soil in the district is acidic in nature, which hampers nutrient absorption by crops. Field trials have shown that lime application in acidic soil will increase the yield by 20-30%. The entire cultivated area in the district needs to be covered with application of soil ameliorants (lime).

2.1.1.5 Suggested action points

- **Direct seeded rice (DSR) cultivation:** DSR cultivation need to be promoted in the district to save water and to take care of the late onset of monsoon.
- **Alternative credit delivery:** Many small farmers do not have clear title to land to enable them to avail of institutional credit. The Department of Agriculture under the K-Kisan programme has built a database of around 10,000 farmers to extend benefit of government subsidies/programmes to such farmers. There is a need to sensitise bankers to resort to alternative modes of lending including Joint Liability Groups (JLG) mode of lending to provide bank credit to these segment of the farming population.
- **Broad basing the Bhoomi software:** The Bhoomi software introduced by the GoK may be extended to all Cooperative Banks as well as Cooperative Societies and permission to create and release charge may be given to the identified officials.
- **Thrust on Farm Mechanisation:** Promotional programmes are to be conducted by the department before the sowing season, to create awareness among the farmers regarding the benefit of farm mechanization and utility of Custom Hiring Centers.

2.1.1.6 Other related matters

- The 'Karavali package' which aims at providing grant assistance of ₹ 7500/ha for paddy cultivation, announced in the 2019-20 State Government's budget, is expected to revive paddy cultivation in the district.
- Department of Agriculture has planned to form nine Farmers' Producers' Organisations (FPOs) in the district, which will ensure increased price realization for the farmers through collectivization.
- Paddy has been notified for coverage in the district, under PMFBY for the year 2019-20.

2.1.2 WATER RESOURCES

2.1.2.1 Introduction

Udupi district which receives an annual normal rainfall of 4234 mm has the lowest cropping intensity (1.11) in the State. The district is witnessing steady decline in area under irrigation and the net irrigated area during 2010-11 was 34348 ha as against 31857 ha in 2017-18. The percentage share of gross irrigated area in the gross cropped area works out to 30%, which is below both the state and national averages. At present, open-wells are the main sources of irrigation. Out of 32,182 ha of gross irrigated area, 73% are irrigated by open-wells. Tanks and tube wells only play a minor role. Drip and sprinkler systems are generally preferred by farmers for irrigating their plantation crops like arecanut, cashewnut, coconut and banana. The district has 36768 open wells, 291 tanks, 2245 lift irrigation and 2077 tube wells.

As per the latest Central Ground Water Board notification (2013), the overall stage of ground water development in the district is 37%, and as such, the district could be termed as conducive for further development of irrigation potential as all the taluks are under safe category. Hence, irrigation expansion through exploitation of both surface and ground water for accelerated agricultural development is a distinct possibility in the district.

The ground level estimated credit flow under this sector during the last three financial years 2016-17, 2017-18 and 2018-19 stood at ₹ 836.57 lakh, ₹ 1590 lakh, and ₹ 1802 lakh, respectively. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trends, the same has been estimated. Hence the credit flow data is not representative of the actual credit flow.

2.1.2.2 Infrastructure and linkage support available, planned and gaps

- The District Irrigation Plan for Udupi district aims at bringing additional 35615 ha cultivated area under irrigation with a financial outlay of ₹ 1988.06 crore.
- Series of vented dams are being built in the district, which aid in ground water recharge.
- With the completion of the Varahi Irrigation Project and related lift irrigation projects, the district expects to bring 18,912 ha land cultivated in Kundapura and Udupi under canal irrigation.
- The overall state of ground water development in the district is conducive for further development on irrigation potential.
- Good network of pump-set dealers and after sales service is available at all taluks.
- Erratic power supply hampers irrigation besides damaging pump-sets.

2.1.2.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Dug wells 14 m	Nos.	110	100.1	90.09
2	Bore wells 300 m	Nos.	170	425	382.50
3	SIP Sets (Replacement)	Nos.	500	255	229.50
4	I P Sets (Replacement)	Nos.	1750	770	693.00
5	Pump house -(2.7mx2.7mx2.4m)	Nos.	1600	752	676.80
6	Drip-Arecanut	Nos.	2670	2082.6	1874.34
7	Sprinkler	Nos.	2000	1460	1314.00
8	Lift Irrigation	Nos.	60	43.8	39.42
9	Pipeline -per ha	Nos.	1000	260	234.00
10	Repair of wells	Nos.	500	180	162.00
11	DW Recharge structure	Nos.	1390	458.7	412.83
12	Storage Tanks (3.5mx3.5mx2.5m)	Nos.	2580	1135.2	1021.68
13	Rainwater Harvesting structures - (10mx10mx3m)	Nos.	2000	1120	1008.00
	Total- Water Resources			9042.40	8138.16

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.1.2.4 Critical interventions required for creating a definitive impact

- Completion of on-going Varahi Irrigation project through construction of canal distribution system to identified 33 villages in Kundapura taluk and 35 villages in Udupi taluk.
- Construction of Lift Irrigation Schemes from Varahi at Irabailu, Siddapura and Sowkuru and one at Yennehole.
- Construction of 432 new vented dams on rivers to control entry of salt water, augment underground water recharge of wells and tube wells, and enhance ground water table in their command areas and encourage lift irrigation.
- Rehabilitation of existing tanks/Madagas for rain harvesting and irrigation through channels
- Construction of bunds/barricades/Kattas to streams and rivulets for community irrigation during Rabi and summer seasons.

2.1.2.5 Suggested action points

- Micro and precision irrigation methods need to be encouraged at the farm level.
- Capacity building, training and awareness campaigns need to be conducted for the farmers to attain 'more crops per drop'.
- Banks may, in suitable locations, finance small lift irrigation schemes, preferably under SHG/ JLG route.

2.1.3 FARM MECHANIZATION

2.1.3.1 Introduction

The district faces acute shortage of labour during the cropping season and hence farm mechanization assumes greater significance for farm operations. Small size and scattered holdings of the farmers stand in the way of mechanization. As a result, farm machinery generally remains underutilized. Lack of proper knowledge on utility, operation and maintenance of farm machinery leads to wrong choice, which makes it uneconomical. There is a need to popularize mechanized farming in order to reduce drudgery in farm operations, lessen labour use, save time, and to cover more area in a short span of time.

Nearly half the net sown area in Udupi district is under paddy cultivation. Power tillers are preferred and have great potential, especially due to the acute shortage of farm labour. Other farm equipment like paddy transplanters, motorized reapers/harvesters, power weeders, cono-weeders and peeling machines for arecanut, also have considerable demand in the district. Establishment of Custom Hiring Centres (CHCs) has eased the situation to a certain extent.

During the last three financial years, 2016-17, 2017-18 and 2018-19 an amount of ₹ 490.21 lakh, ₹ 511 lakh and ₹ 440 lakh, respectively were estimated to be disbursed by banks in the district. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trends the same has been estimated. Hence the credit flow data is not representative of the actual credit flow.

2.1.3.2 Infrastructure and linkage support available, planned and gaps

- There are seven CHCs and two more CHCs will be established during 2019-20 in Vandse and Udupi. Besides custom hiring service centres, farm machinery hiring services are also offered by one FPO in Karkala taluk of the district.
- There were 295 registered tractors in the district as on 31.3.2018.
- All the taluk headquarters in the district have adequate outlets for repairs & maintenance of farm equipment.
- Farm equipment dealer network is well established and there are adequate diesel outlets across the district.
- Incentive from State Government/Dept. of Agriculture for providing farm equipment on hire basis to farmers is also available.

2.1.3.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Tractors 23 hp	Nos.	35	173.25	147.26
2	Power Tillers	Nos.	770	1694.00	1439.90
3	Farm Equipment (motorised mini-reapers/harvesters, motorised power weeder, sprayers, etc.)	Nos.	2160	2376.00	2019.60
	Total-Farm Mechanisation			4243.25	3606.76

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.1.3.4 Critical interventions required for creating a definitive impact

- Large network of Primary Agriculture Cooperative Societies (PACS) in the district could be used to provide easy access to mechanization.
- Mechanization is the need of the hour. Bankers may encourage financing for power tillers, areca peeling machines and other small farm equipment required by farmers.
- Taking into account the small land holdings and topography of the district, banks need to finance small tractors (23 hp), to cater to the need of the farmers effectively.

- There is a need to impart training on operational aspects of various farm implements/equipment. Extension agencies need to advise farmers on suitability of various makes, models and horse powers for different size of landholdings.
- There is a need to further encourage custom hiring operation of power tillers and farm machinery. Agriculture Universities/Research Institutes need to devise smaller machinery suitable for small farms.
- Mobile service units may be set up by farm machinery dealers for providing after-sale services to the farmers, which at times is not available in close proximity.
- In addition to providing credit, banks need to provide loans to SHG/JLGs for setting up of enterprises on 'sale of spare parts, lubricants etc., pertaining to farm implements.

2.1.3.5 Suggested action points

- The operational efficiency of low-cost farm equipment such as arecanut peelers, coconut climbing machines, motorized weeders etc., needs to be improved, as farmers' feedback regarding utility of equipment is not encouraging
- Farmers of the district are coming out with innovating farm machinery prototypes, which need to be popularized after due testing and standardisation.
- Mobile service units may be set up by farm machinery dealers for providing after-sales services to farmers, which at times is not available in close proximity.

2.1.3.6 Other related matters

The district has eight Farmers' Producer Organisations (FPOs), formed under the aegis of NABARD and Department of Horticulture. These organisations may be entrusted with the running of new custom hiring centres.

2.1.4 PLANTATION AND HORTICULTURE (INCLUDING SERICULTURE)

2.1.4.1 Introduction

Plantation & Horticulture (P&H) crops occupy 57% of the total net sown area in the district, and the area coverage under this segment is increasing every year. As on March 31, 2018, 55,948 ha are under plantation & horticulture crops in the district. The major crops grown are arecanut, cashewnut, coconut, banana, rubber, sapota, and papaya. Other important P&H crops grown in the district include brinjal, guava, cocoa, and spices like pepper. The total production of all plantation and horticulture crops in the district for the year 2017-18 was estimated at 1.97 lakh MT.

During the last three financial years, viz., 2016-17, 2017-18 and 2018-19, an amount of ₹ 912.71 lakh, ₹ 3480 lakh, and ₹ 2920 lakh, respectively were estimated to be disbursed by the banks in the district. The wide variation in credit flow data is due to lack of proper reporting system. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trends the same has been estimated, hence the credit flow data is not representative of the actual credit flow.

2.1.4.2 Infrastructure and linkage support available, planned and gaps

- The climatic conditions of Udupi district are conducive for raising nurseries.
- There are six horticulture nurseries (@2 per taluk) being maintained by Department of Horticulture, and 17 private nurseries, in the district, which caters to the demand for quality seedlings.
- There is an oil palm nursery maintained by M/s Godrej Agrovet in Udupi district.
- There are a large number of cashew processing factories which absorb the raw cashew nuts produced locally.
- The district has a number of organized institutional arrangements for procurement and sale of plantation crops like arecanut by PACS on behalf of CAMPCO; procurement centre for rubber by PACS on behalf of Belthangady Taluk Rubber Growers Society, Ujire (in neighbouring Dakshina Kannada dist.) and various other societies. These cooperative

societies procure produce from farmer directly thereby assuring them of a fair price for the produce.

- There are many institutions and research universities like Zonal Agricultural Research Station (ZARS), Brahmavara, Udupi, CPCRI, Vittala, Directorate of Cashew Research (DCR) at Puttur; all in the neighbouring district of Dakshina Kannada, which provide latest technical inputs/demonstrations to the farmers.
- The district is well connected by air, road and sea due to its close proximity to Mangalore Airport. Innovative/hi-tech/export oriented projects especially protected cultivation of flowers and vegetables, cultivation of medicinal and aromatic plants along with processing facilities like distillation have tremendous domestic & overseas potential, and can be easily tapped.

2.1.4.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Coconut NP	ha	700	1631.00	1386.35
2	Coconut (Rejuvenation)	ha	4510	3968.80	3373.48
3	Rubber	ha	1200	4524.00	3845.40
4	Rubber Infra. (No)	Nos	150	363.00	308.55
5	Cocoa	ha	950	608.00	516.80
6	Arecanut	ha	650	2483.00	2110.55
7	Cashew	ha	1200	2772.00	2356.20
8	Fruits (Sapota)	ha	1000	2040.00	1734.00
9	Other Fruits –Pineapple	ha	720	2181.60	1854.36
10	Pepper (With arecanut)	ha	550	638.00	542.30
11	Betelvine	ha	450	738.00	627.30
12	Jasmine (Open cultivation)	ha	350	675.50	574.17
13	Medicinal & aromatic plants	ha	170	103.70	88.14
14	Floriculture	ha	15	18.15	15.43
15	Nurseries	Nos	10	48.40	41.14
16	Nursery Infrastructure	ha	100	242.00	205.70
17	Apiculture (20 Columns)	Nos	200	72.00	61.20
18	Vegetable cultivation through precision farming	ha	270	2227.50	1893.38
Sub-total - Plantation/Horticulture				25334.65	21534.45
Sericulture					
19	Plantation Mulberry (2 ac unit)	Nos.	11	7.26	6.17
20	Rearing Equipment (for one acre model)	Nos.	11	9.90	8.42
21	Rearing House	Nos.	4	35.60	30.26
Sub-total-Sericulture				52.76	44.85
Total -Plantation/Horticulture/Sericulture				25387.41	21579.30

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are given Annexure I.

Sericulture offers very little scope for development due to the climatic conditions that prevail in the district.

2.1.4.4 Critical interventions required for creating a definitive impact

- A detailed survey has to be carried out to identify senile orchards and plantation, and a plan has to be prepared for replanting/ rejuvenation, especially for crops like coconut and arecanut. Improved varieties/hybrids which suit the present climatic conditions need to be introduced. Kundapur and Udupi taluks offers more potential in this regard. This will improve the productivity of the crops and also will help direct flow of bank credit to this

sector.

- Utilizing at least 5% per year of the cultivable wastelands (36700 ha) and other fallow lands (10463 ha) over next 5 years, will bring in an additional area of about 11,700 ha under cultivation for horticultural crops. Karkala and Udupi taluks offer more scope for the said area expansion activities.
- Under 'Paramparagat Krishi Vikas Yojana' (PKVY) organic farming needs to be promoted through adoption of organic village by cluster approach and PGS certification. Vegetable clusters can be identified for coverage under the programme.
- A special Insurance product needs to be introduced for covering the risk of crop damages due to wild animals.
- A model horticulture farm needs to be created in the district.
- Potential for commercial nurseries: Increased area under horticulture crops due to various government schemes necessitates promotion of new commercial nurseries for production of planting material. Banks may be encouraged to identify and finance commercial nurseries, so that gap in demand for planting material is fully met.
- The district is well connected by air, road and sea. Potential for innovative/hi-tech/export oriented projects may be encouraged, especially in protected cultivation of flowers and vegetables; cultivation of medicinal and aromatic plants along with processing facilities like distillation set up; cultivation of high value crops; establishment of tissue culture units for production of planting material etc.
- Need to strengthen the extension and marketing facilities for fruits/other perishable horticulture crops. APMCs should set up cold storage facilities, especially for the use of small farmers.
- Tremendous scope exists for bankers to finance cultivation of Udupi Mallige, through JLG/SHG mode, as this activity is more suitable for small and marginal farmers.

2.1.4.5 Suggested action points

- As replacing old palms will require enormous quantity of seedlings, establishment of seed gardens with private participation need to be explored for increasing planting material production. Community nurseries to be established with farmers' participation.
- Private nurseries to be upgraded or FPOs/ matured SHGs can be encouraged to take up nursery activities.
- High density cashew cultivation need to be promoted through supply of quality grafts from Research stations/University farms.

2.1.5 FORESTRY AND WASTELAND DEVELOPMENT

2.1.5.1 Introduction

Forests contribute to bio-diversity and play a key role in maintaining environmental and economic sustainability. The forest cover of Udupi district is one lakh ha forming 28% of the total geographical area, which is higher than the state average of 19%, but lower than the requirement of 33%. Kundapura taluk has the maximum forest cover at 62.50% followed by Karkala at 32.80% and Udupi at 4.70%. The Western Ghats, part of which also falls in Udupi district is one of the 25 global priority hotspots for conservation.[Source: Udupi-District at a glance 2017-18, GoK publication]

The district has substantial wastelands which could be developed for raising forest tree crops for commercial purposes under the purview of farm/ agro forestry – if appropriate forward and backward linkages are developed. There is also a good scope for farm and agro forestry in the district. The district has cultivable wastelands (0.37 lakh ha) and fallow land (0.13 lakh ha), which provides an opportunity for developing the green cover. Also, opportunity exists to take up cultivation of some economically important species such as panama, sandalwood, silver oak, rosewood, teak, white cedar, etc.

During the last three financial years, viz., 2016-17, 2017-18 and 2018-19, no credit flow was reported under this sector.

2.1.5.2 Infrastructure and linkage support available, planned and gaps

- There are nine permanent forest nurseries in the district that are maintained by the Karnataka Forest Department. These are at Perudoor, Haladai, Mala, Mavinagudi, Sarpanamane, Baikady, Metkalgudde, Madamakki and Shirlal.
- There is a good potential for raising bamboo, acacia hybrids, melia plantations in the district. However, there may be a need to liberalise the harvesting rules to encourage farmers/ entrepreneurs for taking up such plantation.
- To encourage private cultivation of bamboo under Bamboo Mission, there is a need for addressing certain issues such as restrictive felling rules, transit pass and double taxation for the species under forestry.
- There is a good potential for bio-diesel plantation on private/revenue wastelands through private investments. However, ground level response for the same is low.

2.1.5.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit (Area)	Phy. Units	Financial Outlay	Bank Loan
1	Wasteland Dev.	ha	100	73.00	62.05
2	Farm Forestry	ha	160	80.00	68.00
3	Agro Forestry	ha	280	95.20	80.92
4	Bio-diesel plantations	ha	40	14.80	12.58
5	Bamboo Plantation	ha	30	20.40	17.34
	Total- Forestry & Wasteland Development			283.40	240.89

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.1.5.4 Critical interventions required for creating a definitive impact

- Absence of major user industries of forest produce in the district limits the potential for credit flow to this sector.
- As per Karnataka Forest (Amendment) Act 2001, every occupant or holder of land shall be legally entitled to the sandal tree in his land except where such sandal tree is declared to be the property of the state government in any grant, lease, contract or other instrument. Accordingly, farmers need to be motivated to cultivate sandal trees in their land.

2.1.5.5 Suggested action points

- More awareness needs to be created about the socio-economic benefits of forestry/wasteland development among farmers/ bankers.
- Of the total land available in Udupi district, 3 % is barren and uncultivable, 12% under non-agricultural use and 3% fall under other fallows. At least 5% of these need to be covered under forestry over a period of five years.
- Under Corporate Environmental Responsibility there is immense scope to lease out wasteland for afforestation and to promote open forests. Neem is a versatile tree species that can be used favourably to meet essential oil and bio-agent extract demands of the pharmaceutical industry. Under PPP mode such ventures can be supported with bank finance.
- Farmers need to be encouraged to take up plantation of fruit species such as mango, drumstick, custard apple, aonla, chikoo and guava under agro-forestry.
- User industries like paper mills, large scale furniture manufacturing units etc. need to be established in the district by providing suitable incentives, as requisite backward linkage is available.

2.1.5.6 Other related matters

- Out of the total wasteland in the district about 0.91 lakh ha (26%), at least 10% of the area can be economically used for raising forestry plantations on commercial scale.

- There is a need to address the lack of policy on leasing revenue wastelands to interested entrepreneurs.

2.1.6. ANIMAL HUSBANDRY - DAIRY

2.1.6.1 Introduction

As per the 2012 census, total cattle population in the Udupi district was at 2, 52,067 (Indigenous: 1, 55, 309 and Cross bred: 96,758). Buffalo population was at 8846. Breedable bovine population was at 1,34,169 (Indigenous: 79953; CBCs: 52958 and Breedable buffaloes: 1258). The density of livestock population is 3,64,933 and livestock to human population ratio is 0.31:0.69 (excluding poultry population). Udupi district offers good scope under dairy sector as it falls under the operational area of Dakshina Kannada Milk Union (DKMUL), which covers both Dakshina Kannada and Udupi districts. The district turned surplus in milk production from 2015-16. The change has been on account of sustained efforts of DKMUL and all the other stakeholders involved in this activity. The total production of milk in the jurisdiction of DKMUL has touched 4.60 lakh litre per day, sufficient to cater to the demand in the two districts of Udupi and Dakshina Kannada. Udupi district has 326 registered Dairy Societies and the milk production in the district stood at 1.62 lakh MT during the year 2017-18. However, Udupi district ranked 25th among the districts in Karnataka in terms of milk production. The per capita daily milk availability in Udupi district, during 2017-18 is about 378 grams, as compared to the State average of 320 grams. Small dairy units predominantly occupy the dairy sector of the district.

The ground level estimated credit flow during the last three years viz., 2016-17, 2017-18 and 2018-19 stood at ₹ 2872.55 lakh, ₹ 3147 lakh and ₹ 2778 lakh, respectively. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trends the same has been estimated. Hence the credit flow data is not representative of the actual credit flow.

2.1.6.2 Infrastructure and linkage support available, planned and gaps

- DKMUL has commenced its operation of new milk processing unit with a capacity of 2.5 LLPD in Uppoor, Manipal, which was built under funding assistance (₹ 65 crore loan) from NABARD's Dairy Infrastructure Processing and Development Fund (DIDF).
- There are 11 veterinary hospitals, 38 veterinary dispensaries, 35 primary veterinary centres, 3 mobile dispensaries and one Polyclinic in the district, which provides requisite support services to the sector. These support services are found adequate, keeping in view the number of adult cattle units in the district.
- Department of AH & VS is in the process of establishing 2 Veterinary dispensaries and one Veterinary hospital in Kundapura taluk, one Veterinary Polyclinic and one Primary Veterinary Centre at Udupi taluk under funding support from NABARD's RIDF. These infrastructure support services will give necessary impetus to the growth of dairy sector in the district.
- Out of the 326 MPCs in the district, 40 are equipped with BMCs (5000 l- 2 nos., 3000 l – 34 nos., 2000 l – 4 nos.)
- DKMUL provides the highest price per litre of milk in the State. GoK's additional incentive of ₹ 6 per litre of milk has made dairying very attractive. Further, the Milk Union provides various incentives/subsidy to farmers to undertake dairying: mini dairy, milking machines, subsidized cattle feed, fodder, chaff cutter, deworming medicines, incentives for calf rearing and financial assistance through Janashree scheme and from Farmers Welfare Trust.
- Under NABARD's loan assistance, DKMUL has commissioned a Flexi Pack unit in its premises at Mangalore, with a capacity 135 TLPD which has the provision for packing and dispensing pouches of different capacities. The flexi packed milk with a shelf life of 30 days under ambient temperature is marketed under the brand name 'Trupti'. Thus this

additional processing capacity created by DKMUL will generate substantial demand for milk.

- Artificial Insemination (AI) services in the district are provided by all the Veterinary hospitals, veterinary dispensaries and KMF AI centres. To give fillip to the AI programme and to increase the success rate, Department of AH&VS is receiving adequate doses of sexed semen for administering AI on elite cows.
- Department of AH & VS has established Liquid Nitrogen Silos (Cryogenic Tank) with a capacity of 6000 litre in Udupi with financial assistance from Karnataka Livestock Development Agency.
- NABARD is implementing an Area Development Scheme on Dairy Development in Kundapura taluk of the district, wherein measures are being taken to increase the credit flow through convergence of initiatives.
- All the dairy animals in the district are vaccinated under the 15th round of 'Foot and Mouth Disease Control Programme' by adopting Micro Planning concept. No disease incidence is reported.
- Dry fodder availability in the district is grossly inadequate.

2.1.6.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit (No.)	Phy. Units	Financial Outlay	Bank Loan
1	Cross Bred Cows 2 animal unit	Nos.	6500	9945	8950.50
2	Indigenous Cows-(Sahiwal) 2 animal unit	Nos.	600	936	842.40
3	Mini Dairy (No)- 10 animal unit	Nos.	400	3340	3006.00
4	Calf Rearing - 5 heifer calves unit	Nos.	1600	4768	4291.20
	Total - Animal Husbandry-Dairy			18989	17090.10

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.1.6.4 Critical interventions required for creating a definitive impact

- Manpower of Department of AH&VS needs to be augmented to provide better technical input and services to the dairy farmers. As on 31.03.2019, the department is functioning with only 37% of the sanctioned staff strength.
- Fodder briquette making units need to be encouraged to take care of the acute dry fodder shortage.
- As of now, only 12% of the MPCS operating in the jurisdictional area of DKMUL have BMCs. Efforts should be made to cover maximum DCSs with BMC facility.
- Women SHGs may be encouraged to taken up fodder cultivation in fallow land, without affecting the rights of the land owners.
- In the district, dairy activity is predominantly practiced by small and marginal farmers and hence small silage units need to be popularised.
- Heifer calf rearing need to be promoted through supply of quality feed and veterinary care.
- Strengthening of infrastructure of veterinary institutions for providing breeding and health services to farmers at door-step needs to be undertaken.

2.1.6.5 Suggested action points

- The issue of shortage of dry fodder availability in the district has to be addressed and promotion of areca sheaths as alternate fodder has to be taken up on a large scale due to availability of large tract of land under areca plantation.
- Dairy financing through Joint Liability Group (JLG) mode has to be adopted by the Banks due to the predominance of marginal farmers and landless labourers who are opting for establishment of mini dairy units.
- Low cost hydro phonic fodder cultivation units need to be set up in MPCS to take care of the green fodder shortage during the summer months.

2.1.6.6 Other related matters

‘One taluk-one model village’ scheme is being implemented by the Department of AH&VS from 2019-20, which aims at convergence of all the dairy related interventions in that particular village. This initiative is expected to have a demonstrative effect in neighbouring villages.

2.1.7 ANIMAL HUSBANDRY – POULTRY

2.1.7.1 Introduction

Poultry is one of potential income generating activity for farmers in Udupi district, as a predominant non-vegetarian population offers a good scope for poultry products. It provides cheaper source of animal protein through eggs and meat. As per the data available from the 2012 Livestock Census, the district had a poultry population of 11,93,772 birds. During 2017-18, 344 lakh eggs were produced and the district ranks 25th in Karnataka State in terms of egg production. However, bulk of the eggs is imported from Mysore and Namakkal district in Tamil Nadu. The annual egg and meat consumption in the district is estimated to increase by 10%. Considering the demand for poultry meat, a large number of farmers have taken up poultry units in the district through integrators. The contract farming arrangements provided by these units have been very encouraging and a large number of farmers have taken to poultry farming (broiler) in the last couple of years. The scope for layer farming is very limited, as climatic conditions in the district are not favourable for this venture.

The ground level estimated credit flow for the last three years viz., 2016-17, 2017-18 and 2018-19, stood at ₹ 765.20 lakh, ₹ 760 lakh and ₹ 671 lakh, respectively. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trends the same has been estimated. Hence the credit flow data is not representative of the actual credit flow.

2.1.7.2 Infrastructure and linkage support available, planned and gaps

- Presence of several poultry firms, which takes up contract farming by engaging small & marginal farmers in the district.
- Giriraja bird hatchery has been established recently in the Livestock Breeding & Training Centre, Koila, Puttur taluk (in the neighboring district of Dakshina Kannada), which will cater to the need of the increased demand for these birds in Udupi district also.
- Department of AH&VS is planning to establish a hatchery with funding support from RKVY.
- NABARD is implementing an Area Development Scheme on poultry-broiler farming in Udupi and Kundapura taluks of the district, wherein measures are being taken to increase the credit flow through convergence of initiatives.

2.1.7.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Layers (5000 birds per unit)	Nos	30	993.90	894.51
2	Broilers (500 birds per week)	Nos	490	6051.50	5446.35
3	Broilers (5000 birds, under integration-contract farming)	Nos	930	8881.50	7993.35
	Total -Animal Husbandry – Poultry			15926.90	14334.21

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.1.7.4 Critical interventions required for creating a definitive impact

- The feed prices of poultry are vulnerable to many factors. A dedicated system of price strategy may be developed and implemented.
- One of the major hurdles faced by the sector is that the insurance companies either are unwilling to provide insurance or they charge high premium looking at the high risk

profile of the sector. Steps should be taken by the State Government to subsidize the high premium insurance rates.

- Disease diagnostic lab needs to be set up in the district.
- Hatcheries need to be established in all the three Blocks of the district. SHGs can be effectively used to source eggs from the nearby places and to run the hatcheries.
- SHGs may be encouraged to rear brooding units / mother of commercial Giriraja chicks. Such units may be credit linked. Assistance from Backyard Poultry Scheme can be sought for. Backyard poultry birds like Cauvery, Chabro may also be encouraged.
- Transition from live-bird-market to frozen-product-market may happen in poultry sector. Hence, supporting infrastructure such as cold chain and modern abattoirs need to be strengthened.
- Training and capacity building of farmers require to be strengthened. Arrangements for training need to be made in all taluks on a large scale.

2.1.7.5 Suggested action points

- Need of insurance cover for poultry (broiler) units has to be looked into by all stakeholders. A suitable product for insurance may be conceptualized wherein the interests of the poultry farmers are appropriately addressed.
- While financing for poultry, adherence to bio-security norms may be strictly followed; the guidelines on distances between poultry farms need to be strictly adhered to.
- Banks need to encourage contract farming to ensure proper market linkage while providing financial assistance to farmers.

2.1.7.6 Other related matters

Government of India is exploring the possibility of shifting poultry from cage based production to welfare based production. Readiness of the industry for welfare based production need to be assessed. Centre will soon come out with the rules on protection of hens from a practice of keeping these poultry birds in battery cages under the Prevention of Cruelty Act (PCA) Act.

2.1.8 ANIMAL HUSBANDRY – SHEEP, GOAT, PIGGERY

2.1.8.1 Introduction

The district has a good potential for developing goat farming and piggery in view of the high local demand. As per the 2012 livestock census data, there were 6600 goats, 3098 pigs and 1396 rabbits in the district. Under meat production, the district ranks 18th among the districts in Karnataka with a production level of 3873 MT, during the year 2017-18. Sheep rearing is not a preferred activity for the district

The estimated Ground Level Credit flow for the last three years viz., 2016-17, 2017-18 and 2018-19, stood at ₹ 720.45 lakh, ₹ 728 lakh and ₹ 651 lakh, respectively. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trends the same has been estimated. Hence the credit flow data is not representative of the actual credit flow.

2.1.8.2 Infrastructure and linkage support available, planned and gaps

- There are a few large goat breeding units in Udupi district which may act as a stimulus for this sector and encourage farmers to take up this activity.
- Pig Breeding Station is located in Koila in the neighbouring district of Dakshina Kannada. Among other activities, this station is engaged in production and distribution of pure breed piglets to beneficiaries of various social-economic programmes; training and extension services in modern pig rearing. This Breeding station caters to the need of Udupi district farmers also.
- Non availability of adequate grazing lands is one of the major constraints for farmers taking up goat rearing.
- Slaughter houses are inadequate. There is also a need to set up clean and hygienic

slaughter houses/abattoirs in the district for selling meat.

2.1.8.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Goat (10+1)	Nos	4900	4214.00	3792.60
2	Piggery (3+1)	Nos	260	369.20	332.28
3	Pig Fattener (5 animals)	Nos	180	471.60	424.44
4	Rabbit (10+2)	Nos	75	247.50	222.75
	Total-			5302.30	4772.07

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.1.8.4 Critical interventions required for creating a definitive impact

- Stall-fed goat farming could be promoted and farmers could be suitably trained in this regard.
- Encourage establishment of pig breeding cum fattening farms, as there is a good pork eating population in the district.
- Establishment of hygienic/modern Slaughter House.

2.1.8.5 Suggested action points

- Small ruminants viz. Sheep and Goat are being reared by small and marginal farmers for supporting their livelihood. Banks may formulate special schemes for financing small ruminants in all the districts.

2.1.8.6 Other related matters

- Development of adequate grazing lands to address the fodder constraints faced by farmers in taking up goat rearing, needs to be attempted by State Government on a priority basis.
- During 2019-20, ex-gratia scheme for sheep farmers has been announced by DAH&VS, wherein support to the farmers on death of animals is given by the Government. Awareness may be created amongst farmers and Bankers about this scheme.

2.1.9 FISHERIES

2.1.9.1 Introduction

Udupi is one of the three coastal districts of Karnataka and has 98 km of coastline (Kundapura block– 63 km and Udupi block – 35 km). The coastline is dotted with 64 fishing villages and six fish landing centres. As on 31.03.2019, the total fishermen population in the district stood at 1,98,759 (17% of the total population), out of which 80,681 persons were actively engaged in fishing. The important varieties of fish caught from the sea are Mackerel, Sardine, Shark, Cat fishes and Prawns. With introduction of mechanised fishing vessels like purse seiners, gil netters and long liners in the recent years, there has been a marked increase in marine fish production/catch. The total fish catch in the district, during 2018-19, stood at 1.18 lakh MT. The total value of fish catch stood at ₹ 1143 crore. The quantum of fish catch has been decreasing for the past two years, primarily due to over exploitation. There are about 35 registered export oriented units in the Marine products sector in Dakshina Kannada and Udupi districts. The major marine products exported from the district are frozen fish (frozen Mackerel, Cuttle fish, Ribbon fish etc.) & fish products, ornamental fishes, fish meal, fish oil etc.

The estimated Ground Level Credit flow for the last three years viz., 2016-17, 2017-18 and 2018-19 stood at ₹ 4,935.77 lakh, ₹ 28,332 lakh and ₹ 25,527 lakh, respectively. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trend in credit flow the same has been estimated. Hence the credit flow data is not representative of the actual credit flow.

2.1.9.2 Infrastructure and linkage support available, planned and gaps

- The available infrastructure in Udupi district for fisheries sector consists of two fishing harbours (at Malpe and Gangoli - combined berthing capacity of about 500 boats), six fish landing centres, 95 ice plants (3150 MT/day), 15 cold storage units (9605 MT), five freezing units, four frozen storage structures, five fish meal plants, 15 boat building yards, 109 fish markets and 87 fishing link roads of 154 km length.
- There are 2060 trawlers, 45 Purse seiners, 4354 Outboard Motor Engine boats, and 2009 Country crafts registered in the district as on 31.3.2019.
- A new fishing harbour at Hejjamadi, involving a project outlay of ₹ 122 crore, is proposed to be taken up by the Central Government, under the Sagar Mala project.
- Pre-processing Plant with a blast freezer, chiller room and frozen storage is available at Malpe harbour for the use of entrepreneurs and KSFD.
- NABARD through its RIDF, is creating six critical infrastructure projects (with a total project outlay of ₹ 6.08 crore), viz., Fisheries link roads (3 nos.), extension of Malpe fish jetty, construction of hygienic Fish Market at Sasthan and construction of fish auction hall at Hangarkatte, which are in advanced stages of completion. On completion of these projects, fisheries sector is going to get a major impetus in Udupi district.
- The district also has a network of 54 functional fishermen cooperative societies.
- The fishermen cooperative societies extend substantial credit to their members for their entrepreneurial and consumption needs.
- There is a shortage of ice in the district during the fishing season.
- Contribution of marine fisheries in the economic wellbeing of the State necessitates creating more infrastructure and provides great opportunity for financing more number of boats, fish nets, other accessories, post-harvest infrastructure like ice-plants, cold storages, and processing units in the district.

2.1.9.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Mechanised Boats – Replacements	Nos.	45	4119.30	3707.37
2	Non Mechanised Boats & Nets	Nos.	550	3025.00	2722.50
3	Motorisation of Traditional Boats	Nos.	300	561.00	504.90
4	Replacement of Engine	Nos.	800	4400.00	3960.00
5	Renovation of Hull	Nos.	550	3327.50	2994.75
6	Repairs to nets and other accessories	Nos.	540	1960.20	1764.18
7	Ornamental Fisheries	Nos.	5	8.25	7.43
8	Fish Seed Hatcheries	Nos.	4	58.08	52.27
9	Pig cum fish culture	ha	20	60.60	54.54
10	Mussel culture	Nos.	5	6.05	5.45
11	Brackish Water shrimp culture-(new farms; 5 lakh PL20 seeds)	Nos.	30	1158.30	926.64
12	Brackish Water shrimp culture-Vannamei (Working capital for 1 ha water area)	Nos.	125	2681.25	2413.13
13	Working capital for motorised boats	Nos.	2000	9500.00	9500.00
14	Aqua clinics	Nos.	2	19.36	17.42
15	Ice Plant (40 MT capacity)	Nos.	12	1320.00	1188.00
16	Fish Retail Outlets-KSFD Model	Nos.	22	264.00	237.60
17	Freezer vans	Nos.	25	605.00	544.50
	Total – Fisheries			33073.89	30600.68

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF. The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.1.9.4 Critical interventions required for creating a definitive impact

- Recent amendment in Merchant Shipping Act, 1958 allows increase in length of the steel hull boats from 20 m to 24 m. This may necessitate reconstitution of jetties in both the fishing harbours, in order to accommodate bigger boats.
- GoK may establish an 'Integrated Fish Seed Hatchery' in the district, which may cater to the demands of other coastal districts also.
- Ornamental fisheries and brackish water fisheries need to be promoted in a big way as adequate potential exists in the district.
- To address the shortfall in the availability of ice, there is a need for establishing ice plants in the coastal part of the district.
- Facilities in Malpae and Gangoli fishing harbors need to be augmented by providing more landing areas, fisheries jetty, and cold chains and should be made HACCP compliant to take care of marine product exports.
- Aqua clinics may be encouraged. Fisheries Department/Fisheries College may encourage and train interested youths to set up aqua clinics. Banks may encourage financing to this sector.
- Fisherwomen engaged in fish trading and retailing may be formed into JLGs and banks may extend financing to these groups by taking advantage of the interest subsidy scheme of the Government of Karnataka.
- There are new areas like cage culture in reservoirs and back waters. Necessary policy interventions on leasing the common water bodies are required to make further progress in these areas. GoK should introduce an 'Estuarine Leasing Policy', which will give fillip to cage culture and aid in institutional credit flow to this activity.
- The subsidy schemes under fisheries sector need to be credit linked for developing the sector with formal credit. This will also ensure effective end use of resources.

2.1.9.5 Suggested action points

- Norms related to registration and licensing of aquaculture farms should be strictly implemented.
- Testing laboratories to be established at Udupi or in Mangalore, to test the quality of fish to aid hassle free transportation and export.
- Small scale private feed units need to be encouraged through bank financing.
- The State Fisheries department should initiate the marine leasing policy for cage culture in open sea waters.
- The State government should also initiate a leasing policy for allotting the reservoir area for undertaking cage culture to the entrepreneurs and societies.

2.1.10. FARM CREDIT-OTHERS

2.1.10.1 Introduction

More than 90% of the land holdings in the district comprise of small/marginal land holdings. Considering that tractors or power tillers might be beyond the reach of these farmers, some of the households, although negligible in number, still depend on bullocks for their farming operations, though steps have been taken to promote mechanization in a big way. These are normally procured from other districts like Dharwad, Hubli and Davangere. Further, two wheeler financing for agriculture purposes offer good scope in the district.

Credit flow to this sector has not been reported by the Banks during the past three years.

2.1.10.2 Infrastructure and linkage support available, planned and gaps

- Good quality breeds for draught purpose are not readily available in the district.
- Wooden carts are prepared at the village level by carpenters in a traditional way and carts are available almost in all hobli places.
- Two wheeler show rooms and service centres are available in all the taluk headquarters.

2.1.10.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Bullock-Descript (Pairs)	Nos.	15	15	13.38
2	Bullock Carts	Nos.	15	5	4.20
3	Two wheelers	Nos.	220	132	105.60
	Total -Farm Credit-Others			152	123.18

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF.

The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.1.10.4 Critical interventions required for creating a definitive impact

- Organised cattle markets need to be encouraged/setup in all taluks.
- Encouraging pneumatic tyre carts made by CARTMAN.
- FMD certificates may be made mandatory for all the animals traded in livestock markets.

2.1.10.5 Suggested action points

- Department of AH & VS may formulate schemes for Special Breeding Programmes for rearing of male calves and for improving availability of good quality bullocks/ to preserve native plough bullocks.

2.2 AGRICULTURE INFRASTRUCTURE**2.2.1 Construction of Storage and Marketing Infrastructure****2.2.1.1 Introduction:**

Udupi district offers good scope for creation of storage infrastructure in the form of warehouses for storing paddy, arecanut, pepper, cashew etc., and in the form of cold storage units for fish and milk. The total fish catch during 2018-19 stood at 1.18 lakh MT and these high value fishes require proper cold-chain for processing and export. The district has become self-sufficient in milk production. The incremental milk production is expected to give rise to value addition and there is a need for creating additional cold storage facilities for storing milk and milk products.

The estimated Ground Level Credit flow for the last three years viz., 2016-17, 2017-18 and 2018-19, stood at ₹ 4550.15 lakh, ₹ 1158 lakh and ₹ 1122 lakh, respectively. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trends the same has been estimated. Hence the credit flow data is not representative of the actual credit flow.

2.2.1.2 Infrastructure and linkage support available, planned and gaps

- There are three APMCs in the district, housing 84 small godowns in the district with a storage capacity of 4864 MT.
- Under NABARD's Warehouse Infrastructure Fund (WIF), four warehouses with a combined capacity of 600 MT have been constructed in APMC market yard, Udupi.
- Many godowns owned by PACS in the district are old and were not constructed keeping in view the technical specifications prescribed by WDRA. Resultantly, these godowns cannot be WDRA accredited. There is an urgent need to renovate godowns/demolish old and dilapidated godowns and ensure that these are WDRA compliant. This would pave the way for financing against NWRs by PACS/Banks.
- Under NABARD's PACS as MSC Scheme, financial assistance was extended to various

PACS viz., Maravanthe Badakere VSS, Basrur VSS, Mananje VSS, Hirgana VSS, and Kota VSS etc. in order to create additional storage capacities /renovate existing storage capacities. Around 700 MT capacity has come up in these institutions.

- NABARD provides financial assistance to the State Govt., State Owned Agencies, PACS & Producers' Organizations for construction of Rural Godowns, Cold Storages and Agri. Marketing infrastructure in the State.
- Frequent power cuts and non-availability of timely power connections for new units are deterrents in establishment of cold storages, which are very essential for preserving processed foods/perishable agri produce.
- No significant progress made under ReMs in the district.

2.2.1.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Market yards	Nos	6	396.36	297.27
2	Cold Storage for horticulture produce	MT	12000	1320.00	990.00
3	Cold storage for milk and milk products	MT	4000	440.00	330.00
4	Cold storage for fish products	MT	32000	3520.00	2640.00
5	Storage godowns (500 MT)	Nos.	75	1443.75	1082.81
6	Bulk Milk Coolers(BMCs (upto 5000 litres capacity) /Milkotesters/Milking Machines	Nos.	44	1064.80	798.60
	Total-Storage facilities			8184.91	6138.68

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF.

The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.2.1.4 Critical interventions required for creating a definitive impact

- All the APMCS and Warehouses of Udupi district have to be brought under Unified Marketing Platform initiative of GoK on a priority basis.
- As of now only 12% of the Dairy Cooperative Societies (DCS) [40 out of 326 DCS] operating in the Udupi district have Bulk Milk Coolers (BMCs). Efforts should be made to cover maximum DCSs with BMC facility.
- Farmers need to be educated about the benefits of scientific storage facilities.
- Bankers need to lend to farmers on the strength of negotiable warehouse receipts.
- Banks may also explore financing cold storages by integrating with roof-top solar panels.

2.2.1.5 Suggested action points

- Grading and standarisation facilities should be established in the APMC warehouses to enable them to effectively implement UMP initiatives of GoK.
- Bankers need to step up lending to warehouse and storage infrastructure facilities by leveraging the Agri marketing infrastructure subsidy which is routed through NABARD.

2.2.1.6 Other related matters

Awareness creation regarding scientific warehousing, benefits of warehouse accreditation, negotiable warehouse receipts etc., need to be imparted to all the stakeholders viz., farmers, bankers, entrepreneurs, mill owners, FPOs etc.

2.2.2 LAND DEVELOPMENT, SOIL CONSERVATION AND WATERSHED DEVELOPMENT

2.2.2.1 Introduction:

Land development and soil conservation assumes greater significance for the district as it receives heavy rainfall during the monsoon, which results in run off losses and leaching of nutrients from the top soil. The total net sown area in the district is 0.98 lakh ha. The district has 0.37 lakh ha under cultivable wastelands (38% of NSA) and 0.13 lakh ha (13% of NSA) in

the nature of fallow land. The district is a plantation district and continuous land development works in areca, rubber and other plantations is essential for higher productivity. Due to heavy rainfall, sub-surface drainage (construction of drainage channel between the rows) to drain out excess water needs to be taken up in arecanut gardens to ensure that there is no water logging in these plantations. Many parts in the district falls on the Western Ghats which are home to a lot of wild animals. Some of these wild animals like pigs, boars, etc., have been a menace in the recent years destroying the crops and hence fencing is a priority, especially to prevent crop losses at least from small wild animals.

The estimated ground level credit flow for the last three years viz., 2016-17, 2017-18 and 2018-19 stood at ₹ 882 lakh, ₹ 7164 lakh and ₹ 6177 lakh respectively. The subsector-wise credit flow is not being generated through the LBR system. Based on previous trends the same has been estimated. Hence the credit flow data is not representative of the actual credit flow.

2.2.2.2 Infrastructure and linkage support available, planned and gaps

- Solid and liquid waste resource management centres have been established in different Gram Panchayats, which convert wastes into manure and the same are made available for agriculture purposes.
- There are two soil-testing laboratories in the district and these labs are able to meet the soil testing requirements of the district. Out of the two lakh farm holdings in the district, under I & II cycle, all the farm holdings have been covered and 80,000 Soil Health Cards have been printed and distributed.
- Further, Department of Agriculture, on a pilot basis, will be taking up soil testing exercise on every farm holding in one village in each of the three undivided taluks.
- Participatory approach involving NGOs in 'land development on watershed basis' needs to be encouraged and strengthened.
- Producers' groups, typically comprising organic farmers, need to be encouraged & set-up.

2.2.2.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Soil Conservation	ha	4800	1488.00	1264.80
2	LD in Areca Gardens	ha	6400	3072.00	2611.20
3	LD in Coconut Gardens	ha	2600	1118.00	950.30
4	Land Reclamation	ha	2850	940.50	799.43
5	OFD in well command areas	ha	800	704.00	598.40
6	Fencing	ha	8000	9680.00	8228.00
7	Water Mgt/ Channelling	ha	750	232.50	197.63
8	Water Harvesting Structures	ha	1300	429.00	364.65
9	Land Dev. Activities under Watershed dev.	ha	2000	680.00	578.00
10	Sub-surface drainage for areca garden	ha	1500	2640.00	2244.00
11	Compost making using agro waste	Nos	600	726.00	617.10
12	Misc-Composite Farm development	ha	1250	762.50	648.12
Total-Land Development, Soil Conservation, Watershed Development				22472.50	19101.63

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF.

The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.2.2.4 Critical interventions required for creating a definitive impact

- Conducting regular awareness programmes/capacity building programmes for farmers as well as bankers on the need for soil conservation measures in order to protect the fertility of the soil is needed.
- Suggest area based measures like terracing, bunding, growing vegetative cover, etc., that could be taken-up by farmers, preferably on community basis.
- Encourage promotion of farmers' cooperatives exclusively for promotion of organic

farming, which can also act as business platform for the farmers.

2.2.2.5 Suggested action points

- Udupi district has cultivable wasteland to the tune of 10% of the total geographical area. By suitable land development and soil & water conservation, methods like land levelling, land reclamation & drainage, soil conservation etc., efforts should be made to cover at least 25% of this cultivable wasteland in another five years (@ 5% per year).
- Increasing the organic matter content of the soil by growing green manure and green leaf manure crops need to be encouraged among the farmers.

2.2.3 AGRICULTURE INFRASTRUCTURE - OTHERS

2.2.3.1 Introduction

The district being a plantation district, arecanut is grown in 8106 ha with a total production of nearly 13,947 MT. Arecanuts are usually sun-dried by farmers before either storing them in warehouse or disposing off the produce. There is a huge potential for financing drying yards for arecanuts. Organic farming is gaining increased importance amongst the farmers. Bankers have tremendous opportunity of financing standalone vermi-composting pits that would help promote organic farming in a big way. An Organic Producers' Federation consisting of farmers from 44 organic clusters in D.Kannada, Udupi and Chikmagalur districts have been registered and functioning of this federation is expected to give fillip to establishment of vermi-compost units on a large scale.

The segregated data on ground level credit flow under this sector is not available. However, bank credit being purveyed for these activities are being classified under different sectors.

2.2.3.2 Infrastructure and linkage support available, planned and gaps

- 'Dakshina Kannada, Chikmagalur and Udupi districts' Regional Cooperative Organic Farmers Federation', an Organic Producers' Federation consisting of farmers from 44 organic clusters in D.Kannada, Udupi and Chikmagalur districts has been registered and functioning of this federation is expected to bring more area under organic farming. Under this federation, Udupi district has six organic clusters covering 655 ha.
- There are two Tissue Culture laboratories in the district producing Banana TC plantlets and both are not accredited with DBT.

2.2.3.3 Assessment of credit potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Drying yards for arecanut, etc. (RCC)	Nos.	700	322	241.50
2	Drying Yards for arecanut, etc. (Interlock tiles)	Nos.	3300	2541	1905.75
3	Vermi Composting	Nos.	5900	767	690.30
	Total –Others			3630	2837.55

The credit projection shown above is inclusive of the stipulated minimum 8% of the bank credit to SF/MF.

The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.2.3.4 Critical interventions required for creating a definitive impact

- Common covered drying yards need to be constructed in cashew growing clusters, as the last phase of cashew harvesting season coincides with monsoon and the cashew processing units are facing major problems due to arrival of wet raw nuts.
- Dairy farmers, through the milk producers' cooperative societies, need to be encouraged for establishing vermi-compost units, depending upon on the unit size of their dairy units.

2.2.3.5 Suggested action points

- Awareness on the importance of proper drying before storage needs to be created.
- Promoting organic farming through vermi-composting needs to be encouraged.

2.3 AGRICULTURE - ANCILLARY ACTIVITIES

2.3.1 FOOD AND AGRO PROCESSING

2.3.1.1 Introduction:

The food and agro processing industries help the farmers in realizing better prices for their produce and also creates employment opportunities for local population. Udupi district offers good scope for food & agro processing for the commodities such as paddy, cashew, coconut, milk and fish. The major agro industries in the district are rice mills, cashew processing units, fish processing units, fish meal plants and coconut processing units (desiccated coconut powder and oil extraction). Processing of cashew is done extensively by procuring the locally available raw material and also by importing of raw cashewnuts from the East African countries. There are private players in the poultry industry who undertake processing of poultry meat. As per the latest available data from DIC, there are about 3760 units in the food and agro processing sector in the district viz., pappad and pickle making units, ice-cream and candy making units, bakery units, soft drinks units, cashew processing units, rice mills, units manufacturing sweets and condiments, oil mills, poultry & cattle feed units, desiccated coconut powder units, fish meal plants, fish processing units etc.

Ground level credit flow to this sector is not reported separately and the banks are reporting under different sectors. Due to the non-availability of data for previous year, estimation of credit flow was not attempted.

2.3.1.2 Infrastructure and linkage support available, planned and gaps

- Post-harvest infrastructure for arecanut and rubber appear to be adequate due to the presence of large cooperatives and the presence of private sector in the cashew processing business. However, these facilities are totally lacking for fruits and vegetables.
- The district has good network of rail & road connectivity and its proximity to Mangalore, which has both sea and air connectivity, augurs well for procurement of raw materials and distribution and marketing of finished products.
- The government has proposed to form one cashew cluster between Hebri of Karkala Taluk and Belve of Kundapura Taluk for modernization of peeling, cutting and grading of cashews. The same needs to be expedited.
- Processing of dairy into products like curd, butter, ghee, pedas, etc., are undertaken by DKMUL under its brand 'Nadini'. There are also a few large private players in the dairy processing sector. There are private players who undertake processing of poultry meat.
- Low share of sale of food products through organized retail, which are the usual drivers of quality, scale and integration.
- Shortage of post-harvest storage facilities leading to inferior quality of processed fruit and vegetables.

2.3.1.3 Assessment of Credit Potential for the FY 2020-21 (₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Agro Processing Units (Cashew and other agro based units)	Nos.	60	4800	3840.00
2	Dairy processing Units	Nos.	6	150	120.00
3	Working capital for food processing industries	Nos.	2750	137500	103125.00
4	Working capital for fish & fish processing units	Nos.	75	5250	3937.50
5	Working capital for ice plants	Nos.	86	1892	1419.00
	Total- Food and Agro Processing			149592	112441.50

The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.3.1.4 Critical interventions required for creating a definitive impact

- Awareness needs to be generated among various stakeholders to suitably utilize this enabling environment. Various schemes of the GoI/GoK need to be shared at regular

intervals with all stakeholders.

- Proposals for establishing agro processing units should also include a component for formation of Producers' organization, which in turn will address the entire value chain issues.
- Agriculture and food sector have a long and fragmented supply chain, which is a critical bottleneck in the growth of the sector. There is a need to organize the sector and activity specific cluster in the district.
- Most of the processing units belong to the unorganized sector, where applications of food-based laws for hygiene are not followed strictly. There is need for creation of awareness.

2.3.1.5 Suggested action points

- Coconut, areca and cashew are the major plantation crops in the district. Industries based on Coconut such as tender coconut water, coconut chips, desiccated coconut, coconut shell powder, activated carbon, brooms made out of dried coconut leafs, coconut fibre based activities such as ropes and nets are to be promoted on a large scale.
- Low cost processing equipment needs to be devised to enable the farmers to take up processing activities on a cluster basis near the farm gate.

2.3.2 AGRICULTURE ANCILLARY ACTIVITIES-OTHERS

2.3.2.1 Introduction

Considering that price realization by farmers for most plantation crops like arecanut, rubber, etc., are subject to market fluctuations, there is a need for providing farm produce loans or loans against warehouse receipts to farmers to prevent distress selling. The loans under this category would be to those institutions who are typically farmers' producers' societies and other PACS for providing loans against agri-produce. Further, given that the extension services of various departments are inadequate to meet the demands of the farmers, it is necessary that agriculture graduates are encouraged to set up Agri-clinic and Agri-Business Centres to provide last mile service to farmers as and when they need. Udupi is one of the pioneer districts in nurturing and developing the SHG movement and has now graduated into a district with one of the matured SHG models in the country. Both banks and NGOs are actively involved in the promotion and credit linkage of SHGs and JLGs. Banks have also actively taken part in the Pradhan Mantri Jan Dhan Yojana (PMJDY) and other PM's Social Security Schemes.

Ground level credit flow to this sector is not reported separately and banks are reporting them under different sectors. Due to lack of data for previous year, estimation of credit flow was not attempted.

2.3.2.2 Infrastructure and linkage support available, planned and gaps

- All the PACS in the Udupi district are financially sound and are in a position to effectively utilize the loans extended to them for on-lending (Produce loans) to their members.
- With a large number of Farmer Producers' Cooperatives formed by NABARD as well as Horticulture Department/SFAC in the district, banks may actively engage with these societies to meet their credit requirements, especially considering that these societies are start-ups and do not have adequate resources for these activities.
- Banks may suitably sensitise their branch managers to encourage agriculture graduates to set up agri-clinics/agri-business centres to provide last mile services to farmers.
- The district has large NGOs like SKDRDP, Navodaya Grama Vikas Charitable Trust (NGVCT), Karnataka Integrated Development Society (KIDS), etc., who are involved in nurturing and in the financial intermediation of SHGs. SKDRDP has transferred its entire SHG portfolio to banks and is now acting as a BC for those banks. Now these groups can avail interest subvention from Government and will be in a position to avail higher quantum of loan from banks.

- Women and Child Development department, has formed 3015 SHGs in the district, with a membership of 43,967. These groups have availed loans from Banks to the tune of ₹ 20.27 crore and has an accumulated savings of ₹ 6.36 crore.
- The SHGs avail of both consumption loans as well as loans for productive purposes either directly from the banks or through the NGO.
- Good network of bank branches and cooperative societies are the positive features and provide increased access to credit at the last mile.

2.3.2.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Loans to Coop. Societies (Produce loans)	Nos	19	3800	3420
2	AC / ABCs	Nos	13	130	104
3	SHGs	Nos.	14200	85200	85200
4	JLGs	Nos.	6200	15500	15500
5	Consumption Loan	Nos.	6000	3000	2700
6	Miscellaneous	Nos.	700	2100	2100
	Total - Agriculture Ancillary activities-Others			109730	109024

The block-wise & activity-wise, physical and financial projections are given Annexure I.

2.3.2.4 Critical interventions required for creating a definitive impact

- Banks in the district need to make an assessment of the credit requirement of the PACS, FPOs and other Farmers' societies so that these Societies will be in a position to meet the credit requirements of their members.
- Bankers to consider providing higher quantum of loans to matured SHGs.
- JLGs availing crop loan should be made eligible for crop loan interest subvention.

2.3.2.5 Suggested action points

- Banks may suitably sensitise their branch managers to encourage agriculture graduates to set up agri clinics/agri business centres to provide last mile services to farmers
- JLG promotion and credit linkage needs to be taken up as a major activity. Bankers need to closely work with NGOs & VAs with good credentials in reaching out to the unreached
- Each rural bank branch should aim for a self-set annual target of forming/linking at least 30 SHGs/branch and should lend to 10 JLGs/branch.

Promoting progress through convergence of NABARD initiatives

Convergence initiative of FPO and JLGPI projects

Under NABARD's PRODUCE assistance, Benegal Tharkari Belegara Sangha, a Farmers' Producer Organisation (FPO) has been formed in Benegal Village, Udupi Taluk, Udupi district which consists of 190 farmer members. Most of these farmers are vegetable growers, who don't have a clear title deed for the land cultivated by them. Thus these farmers' were not in a position to access institutional credit. Due to the twin challenges of lack of affordable credit from the institutional sources and low price realisation for the vegetables grown by them, many farmers have left their land fallow. To address this twin challenges, Udupi Zilla Thottagarika Belegara Sangha Ltd. (UZTBLSL), the JLGPI who has been sanctioned a JLGPI project from NABARD for formation, linkage and nurturing of 250 JLGs, Manipal University (POPI), FPO office bearers and Vijaya Bank Officials were brought into a single fold. Several rounds of discussions were held with the Senior Officials of Vijaya Bank (now BoB) regarding the possibility of Vijaya Bank, linking the JLGs of FPO farmers. After due diligence by Vijaya Bank Officials and facilitation by DDM, JLGPI, FPO Office bearers and POPI, Vijaya Bank, Mandarthi Branch was assigned the task of providing credit access to JLG members. Accordingly, Vijaya Bank, Mandarthi Branch, Kokarne, Udupi dist., sanctioned ₹ 58 lakh loans to 21 JLGs for vegetable cultivation involving 118 FPO members.

The availability of institutional credit for vegetable cultivation to these farmers is expected to bring in more area under vegetable cultivation and the FPO through collective marketing will be in a position give better price realisation to the farmers.

CHAPTER-3

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

3.1 Introduction

Micro, Small and Medium Enterprises (MSME) sector has emerged as an important driver of economic growth for Udupi district. High literacy rate, good entrepreneurship qualities, spirit of enterprise, financial acumen, availability of eminent professional institutions, skill development training institutes etc., are the key enablers for establishment of business enterprises in the district. On an average, there were around 300 units registered every year with DIC of which almost 65% of the units were in the 'Service sector', while the rest were in the manufacturing sector. Under the Service Sector, almost 90% of the units were under 'Micro Enterprises' category.

As per the latest data available with DIC, as on 31.03.2019, 14,010 units are registered in the Udupi district under MSME category, involving an investment of ₹ 1,78,623 lakh and these units created employment opportunities for 1,09,591 persons.

The ground level credit flow under MSME for the years 2016-17, 2017-18 and 2018-19, stood at ₹ 2,14,002 lakh, ₹ 1,59,205 lakh, and ₹ 1,90,020 lakh, respectively.

3.2 Infrastructure and linkage support available, planned and gaps

- **Special Economic Zone (SEZ):** Padubidri SEZ houses two industrial units viz. S.E. Blades Ltd., a European aerodynamics technology based wind turbine component manufacturer and Suzlon Wind International Limited, a German engineering equipped technology based wind component manufacturer, which sources components from MSME units in the district.
- **Industrial Areas:** Karnataka Industrial Area Development Board (KIADB) has developed four Industrial Areas in Udupi district viz., Shivally in Manipal (90 acres; 97 plots), Nandikoor (86.64 acres; 73 plots), Belapu (68 acres; 61 plots) and Miyar (20.20 acres; 31 plots). There are 27, 61, 31 plots available for allotment in Nandikoor, Belapu and Miyar respectively.
- **Industrial Estate** There are three Industrial Estates developed by Karnataka Small Scale Industrial Development Corporation (KSSIDC) in Manipal, Koteshwara and Karkala, which in all houses 72 plots and 78 sheds.
- **Proposed Industrial Area-Suvarna Corridor Project:** The Government proposes to acquire 298.75 acres of land at Bola and Mulladka of Karkala Taluk for Suvarna Corridor Project. Land acquisition is under progress.
- The Government is also proposing to build industrial complexes at industrial estates for micro enterprises viz. textile, electronics units and computer hardware manufacturing units.
- There is also a proposal to establish Industrial estates at Brahmavara, Perdoor, Padubidri of Udupi Taluk, Hebri in Karkala Taluk and Byndoor, Bidkalkatte of Kundapura Taluk for MSE.
- **Printing Cluster:** At present there are 527 units in the printing section. These units are manufacturing printing materials in offset printing. Presently, multimedia colour printing is being done in Mangalore and Bangalore. It is proposed to establish one printing cluster in Udupi taluk for multicolour printing.
- The district is in close proximity to Mangalore that has a sea-port, airport and very good road infrastructure. This provides good connectivity to important places, both within and outside the country. The presence of this infrastructure provides great opportunity to tap export potential.
- Land availability at affordable prices to start new units/industries is a major constraint.
- Erratic and inadequate power supply.

3.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
A	Term Loan				
(a)	Manufacturing Sector Enterprises				
1	Micro Enterprises	Nos.	180	2700	2160
2	Small Enterprises	Nos.	31	2480	1984
3	Medium enterprises	Nos.	2	2000	1500
	Sub-total - Manufacturing Sector Enterprises			7180	5644
(b)	Service Sector Enterprises				
1	Micro Enterprises	Nos.	360	3600	2880
2	Small Enterprises	Nos.	50	2500	2000
3	Medium enterprises	Nos.	1	500	375
	Sub-total -Service Sector Enterprises			6600	5255
B	Working Capital				
(a)	Manufacturing Sector Enterprises				
1	Micro Enterprises	Nos.	4000	60000	45000
2	Small Enterprises	Nos.	130	6500	4875
3	Medium enterprises	Nos.	12	6000	4500
	Sub-total - Manufacturing Sector Enterprises			72500	54375
(b)	Service Sector Enterprises				
1	Micro Enterprises	Nos.	26000	260000	195000
2	Small Enterprises	Nos.	45	1800	1350
3	Medium enterprises	Nos.	1	100	75
	Sub-total - Service Sector Enterprises			261900	196425
C	Khadi and Village Ind. Units	Nos.	100	138.00	124.20
Total-MSME Investment & Working Capital for Development of Enterprises & Self Employment				348318	261823.20

The block-wise & activity-wise, physical and financial projections are given Annexure I.

3.4 Critical interventions required for creating a definitive impact

- Assured and reliable power supply is a must to promote industries in a sustained manner.
- Promoting solar rooftops to mitigate adverse impact of power shortage to be explored wherever feasible.
- RUDSETIs/RSETIs train a large number of youth every year under various Government sponsored programmes as well as other general EDP/REDPs. However, the settlement rates (especially under self-employment category with bank finance) is generally very low (excluding govt. sponsored programmes). With a view to promoting new entrepreneurs, who are essentially wage providers, each branch manager of a commercial bank should sponsor at least one candidate every quarter for training in his/her area of interest, so that skilling and subsequent credit could be provided to such trained candidates for starting their own enterprise.

3.5 Suggested action points

- Banks may follow appropriate assessment norms to ensure adequate working capital financing
- DIC may develop database on mapping of block-wise MSME potential and set up counseling centers to guide the entrepreneurs.

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

CHAPTER -4

CREDIT POTENTIAL FOR EXPORT, EDUCATION and HOUSING

4.1 CREDIT POTENTIAL EXPORT CREDIT

4.1.1 Introduction

Export plays major role in the economy of our country and is the major source of earnings in foreign currency. Major products exported from Udupi district are agricultural & horticultural commodities (including cashews & spices), marine products, processed food, chemicals and plastics. These are exported to various countries like South Africa, USA, UAE and Middle-East. The destination countries for cashew exports from the district include US, UAE, Netherlands, etc. The district has large number of processing units in the fishing sector, food and agro based sector viz., cashew processing units, pepper processing units etc., where banks provide pre & post shipment export credit. The district has 79 units exporting various commodities as indicated above.

The ground level credit flow under export credit for the years 2016-17 and 2018-19, stood at ₹ 3,526 lakh and ₹ 24,912 lakh, respectively. For the year 2017-18, separate data on disbursement under the sector is not available.

4.1.2 Infrastructure and linkage support available, planned and gaps

- Karnataka has a dedicated nodal agency for promotion of export viz., Visvesvaraya Trade Promotion Centre (VTPC). In addition to compiling data on the State's exports, VTPC conducts various capacity building programmes and provides services for market intelligence, export documentation, finance etc.
- The district has large number of processing units in the fishing sector, food and agro based sector viz., cashew processing units, etc., where banks provide pre-shipment and post shipment export credits.
- Mangalore, which is 60 km away, has a Major Sea port (New Mangalore Port Trust-NMPT) and an International Airport in Mangalore, which aids in hassle free export of marine and other agricultural products.
- To boost the growth of exports, NMPT is initiating various measures for maritime infrastructure development like mechanisation of cargo and container handling, creation of additional container storage area of 20,000 Square meters, mechanisation of general cargo berths etc.
- There are about 35 registered export oriented units in the Marine products sector in Dakshina Kannada and Udupi districts. The major marine products exported from the district are frozen fish (frozen Mackerel, cuttle fish, Ribbon fish etc.) & fish products, ornamental fishes, fish meal, fish oil etc.

4.1.3 Assessment of Credit Potential for the FY 2020-21

(₹lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Pre-shipment Export Credit (Working capital)	Nos.	170	17000	12750
2	Post-shipment Export Credit (Working capital)	Nos.	170	17000	12750
	Total - Export Credit			34000	25500

The block-wise & activity-wise, physical and financial projections are given Annexure I.

4.1.4 Critical interventions required for creating a definitive impact

- The Terminal Handling Charges (THC), fixed by Tariff Authority for Major Ports, needs to be rationalized, to give fillip to the marine product export from the district.
- Availability of power supply and road connectivity needs to be improved.
- Settling the pre-shipment credit within the stipulated time after the dispatch of goods or converting them into post-shipment credit may be ensured.

- Exporters may be encouraged to avail the export credit insurance facilities extended by Export Credit Guarantee Corporation.
- Micro, Small and Medium Exporters should be properly trained by MSME / export organizations with technical assistance from banks regarding correct filling up of forms.
- Strengthening of post-harvest infrastructure facilities like collection & grading centres, washing & packing facilities, reefer vans, pre-cooling & cold storages, intermediate cold storages, processing units & export house.

4.1.5 Suggested action points

- Banks should put in place a control and reporting mechanism to ensure that applications for export credit are disposed of within the prescribed timeframe
- Wide publicity in media regarding trade fairs on exports by VTPC

4.2 CREDIT POTENTIAL EDUCATION

4.2.1 Introduction

The district has some of the finest education institutions under the umbrella of Manipal University viz., Manipal Institute of Technology, Manipal Institute of Management, KMC, etc., NMAMIT Engineering College at Nitte, Karkala, Justice K.S.Hegde Institute of Management, etc. The district has four engineering colleges, seven medical colleges, one dental college, two management institutions, 23 general degree colleges and six polytechnics. The total student strength in these colleges is close to 21,500.

The ground level credit flow under education sector for the years 2016-17, 2017-18 and 2018-19 stood at ₹ 7,278 lakh, ₹ 6,919 lakh and ₹ 11,000 lakh, respectively.

4.2.2 Infrastructure and linkage support available, planned and gaps

- The district has large number of reputed education institutions and perceived to be an 'education hub' of Karnataka.
- The district has an excellent network of bank branches providing easy access to students to avail of 'education loans' from banks.

4.2.3 Assessment of Credit Potential for the FY 2020-21 (₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Education Loans to Students	Nos.	3600	18000	16200
	Total - Education Loan			18000	16200

The block-wise & activity-wise, physical and financial projections are given Annexure I.

4.2.4 Critical interventions required for creating a definitive impact

Some of the private education institutions are charging exorbitant fees for basic arts and science courses, and based on their fee quotes, bankers are not comfortable in extending educational loans. To address this issue, Government of Karnataka need to circulate model fee structure for different degree courses as being done for medical and engineering courses.

4.2.5 Suggested action points

- Banks need to conduct awareness/sensitization programmes at the start of the academic season to enable students to avail of the facility. Camps may be organized at regular intervals in college premises in this regard.
- FLCCs, while visiting schools, colleges and Gram Sabhas may sensitize the general public about the scheme on education loans available for students to undertake higher education.

4.3 CREDIT POTENTIAL FOR HOUSING

4.3.1 Introduction

Housing sector is one of the prime engines of economic growth as it satisfies social needs, generates employment and stimulates economy with its spill-over effects. There were 2,46,313 households in the district (as per 2011 census). The decadal rate of population growth in the district stood at less than 6%.

The ground level credit flow under education sector for the years 2016-17, 2017-18 and 2018-19 stood at ₹ 32,264 lakh, ₹ 44,202 lakh, and ₹ 51,030 lakh, respectively.

4.2.2 Infrastructure and linkage support available, planned and gaps

- There is a good network of roads in the district. Besides, there is also an international airport in the neighbouring district of Mangalore, which is just around 60 km away.
- Due to good connectivity by rail, road and air, Udupi has also become a preferred location for many NRIs who prefer to come back and settle down.
- There is also a large student population who share accommodation, resulting in a booming housing industry, especially in Manipal. This has generated a continuous demand for housing in Udupi/Manipal and other important places in the district.
- Rapid pace of urbanization and industrialization offers scope for investment in housing sector both for residential and commercial / industrial purposes.

4.2.3 Assessment of Credit Potential for the FY 2020-21 (₹ lakh)

S. No.	Activity	Unit (No./Area)	Phy. Units	Financial Outlay	Bank Loan
1	Housing Loan	Nos.	4650	93000	74400
	Total - Housing Loan			93000	74400

The block-wise & activity-wise, physical and financial projections are given Annexure I.

4.3.4 Critical interventions required for creating a definitive impact

- Availability of uninterrupted power supply for the increasing residential market is a must to retain Udupi as a preferred location for people who prefer to settle down here.
- Need to de-congest the Udupi town, especially in some critical areas to enable citizens the ease of access to services provided by both the government as well as private sector.

4.3.5 Suggested action points

- Bankers have a great opportunity to lend to the affordable housing segment, as reduction in interest rate in combination with credit linked subsidy scheme (PMAY), has changed the economics guiding the home loan segment. Under this scheme, the effective rate of interest may work out to as low as 4%, for a home loan of ₹ 25 lakh, after adjusting for tax benefits.
- Semi-Urban Bank Branches in Udupi district should strive to utilize the opportunity presented under PMAY, and lend on a thematic mode to Housing sector in areas falling under four Urban Local Bodies (one CMC and three TMCs) of the district.

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

CHAPTER-5

INFRASTRUCTURE SUPPORT

5.1 Infrastructure – Public Investments

5.1.1 Introduction

Good infrastructure is essential for increasing productivity of land, capital and labour, which in turn would improve the quality of life and reduce vulnerability of the rural economy. Rural infrastructure means both physical: roads, irrigation etc. and social : health, education etc. It mainly includes irrigation structures for agriculture, rural roads, bridges, water supply, sanitation, rural energy, education, health and communication systems. NABARD has been financing the state Government since 1995-96 for various rural infrastructure projects like rural roads, rural bridges, irrigation projects, projects in the fisheries sector like jetties etc. and social sector projects like schools, colleges, anganwadis, primary health care centres, raitha samparka kendras, etc. RIDF now covers 37 activities in the agriculture and rural development space. Similarly, the state Government has also been involved in infrastructure creation out of its own resources as well as with financial assistance from the central Government under various programmes like PMGSY.

5.1.2 Infrastructure indicator

The basic indicators in the district reveal the comparative status of the development of infrastructure in the district vis-a-vis the State average. The indicators are categorised under 11 major heads and each component has been categorised as 'A+' (where the district indicator is 100% or more compared to the state average), 'A' (Between 85% to 99.9%), 'B' (Between 70% to 84.9%), 'C' (Between 50% to 69.9%), & 'D'(less than 50%), depending upon the district's position vis-a-vis State Level.

S.No	Indicators	Karnataka	Udupi	Category
1	Electricity			
a.	Proportion of electrified villages including hamlets (%)	100	100	A+
b.	% of rural households having access to electricity	99	100	A+
2	Transportation			
a.	Road length in km per 1000 sq. km – 31.03.2018	1599.11	2420.76	A+
b.	No. of transport vehicles (registered vehicles of all types) per 1000 sq. km, as on 31.03.2018	106771	111988	A+
c.	Proportion of villages having access to all weather roads, 2017	65.00	90.72	A+
3	Irrigation – 31.03.2017			
a.	% of net area irrigated to net sown area	30.12	32.53	A+
b.	% of net area irrigated through groundwater (wells, bore wells etc.)	54.67	78.58	D
c.	% of net area irrigated through surface water	45.33	21.42	D
d.	No. of bore wells per 100 ha of cropped area	11.23	39.67	D
4	Communication			
a.	No. of telephones (Land) per hundred population, 2017	13.40	3.29	D
b.	Population served per post office as on 31.03.2018	6323	3557	A+
c.	Average area served per post office (sq. km) as on 31.03.2018	19.87	10.82	A+
5	Education			
a.	Literacy rate, 2011(%)	75.40	86.24	A+
b.	Literacy rate - Male (%)	82.50	91.41	A+
c.	Literacy rate - Female (%)	68.10	81.58	A+
d.	No. of primary schools per lakh population, as on	101	81.89	B

S.No	Indicators	Karnataka	Udupi	Category
	31.03.2018			
e.	No. of high schools and pre-University Colleges (PUCs) per lakh population, as on 31.03.2017	34	34.06	A+
F	No. of pupils per teacher (1 to 10 std.), as on 31.03.2017	23	23.66	A+
g.	No. of degree and professional colleges per 1 lakh population as on 31.03.2017	2.38	2.89	A+
6	Health			
a.	Crude Birth Rate (per 1000 persons), 2017	17.60	13.00	A+
b.	Crude Death Rate (per 1000 persons), 2017	6.70	4.30	A+
c.	Maternal Mortality Rate (MMR) per 1 lakh live births	108	0.03	A+
d.	Infant Mortality rate (IMR) per 1000 live births.	24	7.00	A+
e.	Life expectancy at birth, 2012			
	Male	69	70.20	A+
	Female	73.50	71.20	A
f.	Family welfare sub centres/ primary health centres/ primary health units per 1 lakh population - 2017	18.58	5.69	D
g.	No. of dispensaries and hospitals (inc. under Indian system of medicines) per 1 lakh population – 2017	29.73	101.16	A+
h.	No. of doctors (inc. under Indian system of medicines)/ 1000 population, 2017	1.72	1.52	A
i.	No. of beds (in Government hospitals) per 1000 population, 2017	1.08	3.90	A+
7	Water Supply			
	% of habitations having drinking water facility of 50 or more LPCD.	55.14	99.91	A+
8	Agriculture Markets			
	No of agriculture markets per 100 sq km	0.50	0.17	D
9	Poverty			
	% of families (rural) below poverty line	37.50	9.60%	A+
10	Agriculture Marketing			
	Regulated markets and sub-markets/ lakh population, 2018	0.84	0.51	C

5.1.3 RIDF Projects in Udupi district:

The details of the sanctioned projects in the district (up to XXIV tranche) as on 31 March 2019 are furnished hereunder:

S.N o.	Rural Infrastructure	No. of Projects (Nos.)		Financial details (₹ lakh)		Benefits accrued
		Sanc tioned	Compl eted	Proj. Cost	RIDF loan	
1	Anganwadi	93	92	326.86	280.19	Children from 92 villages benefitted.
2	Animal Husbandry	27	23	706.21	670.92	250 villages
3	Fisheries projects	13	5	3391	3221.45	Road connectivity, berthing of boats.
4	Ground water Recharge	30	30	125.95	107.06	672 ha of land
5	Irrigation	166	160	4818.36	4554.39	6454 ha of land
6	Infrastructure for Rural Education	172	155	7143.77	6072.98	0.78 lakh population
7	Public Health	15	11	1527.89	1299.79	165 villages

	Institutions					
8	Rural Bridges	141	110	6250.89	5216.01	3323 meters connectivity
9	Rural Markets	9	9	215.78	190	135 villages
10	Rural Roads	291	261	12526.84	10218.68	795.31 km
11	Rural Service Centre	6	3	115.50	108.07	Improved access of services in rural areas
12	Raitha Samparka Kendras	5	4	193	183.35	Improved agricultural extension services
13	Flood Protection Works	26	23	694	659.3	569 ha of land
	Total	994	886	38,036.05	32782.19	

The impact of the above projects revealed that the infrastructure created resulted in:

1. Increase in agricultural production, increase in GDP
2. Improvement in education and health care facilities to the rural populace
3. Employment and income generation for rural mass and thus brought overall development and prosperity to the rural areas

5.1.4 Sector-wise critical infrastructure requirements and their current status

Some of the issues/constraints and action points suggested under major sectors are as under:

S. No	Sector-wise infrastructure requirements	Action suggested / recommended	Agency	Current status
1	<u>Crop Loans</u>			
a.	Setting up seed testing laboratories	Opening of at least one seed testing lab in the district.	Agriculture Department/ KVK	Seed testing is being done at a lab in Mangalore.
b	Strengthening of technical staff in existing Raitha Samparka Kendras. There is a need to open more Raitha Mitra Kendras to provide proper guidance to the farmers and to sell good quality seeds.	RSKs may be opened in potential areas with adequate technical staff.	Dept.of Agriculture	The GoK has taken steps under the Bhoo-Chetana Programme to improve soil productivity and this has yielded good results with the active support of the staff of RSKs/Tech. Officials of Agri. dept. There is however, a need for further strengthening the mechanism for providing inputs.
c	Lack of good rural roads/bridges for movement of farm inputs/farm produce.	Need to strengthen rural roads/bridges for movement of farm inputs/farm produce.	PWD/ZP Engineering Division	The GoK has been taking steps to improve rural road connectivity. There were however, 4152 km of Kuccha roads that were still to be taken up[data as per DSH-2017-18].
d	Setting up of Seed Processing unit	Localized seed production needs to be augmented, as seed availability at local level is insufficient.	KSSC and Dept. of Agriculture	Udupi district's Paddy area (47095 ha) depends on other districts for the quality seeds. If Seed Processing unit is set up, seed village concept can be introduced into the district for localized production of seeds.
2	<u>Minor Irrigation</u>			

S. No	Sector-wise infrastructure requirements	Action suggested / recommended	Agency	Current status
a.	Irregular and inadequate supply of power to LIS causes damage to pump set and loss to the standing crops.	Assured power to be supplied to farmers for their farming operations. Solar Irrigation pump sets to be promoted.	MESCOM	The power situation continues to affect the farmers.
b.	Cover more area under assured irrigation to improve production and productivity.	Speedy implementation of the second phase of Varahi Irrigation project. Early implementation of Paschima Vahini project.	MI Department	Vented dams being constructed but not as part of Paschima Vahini Project. Need to implement on mission mode to yield desired results.
3.	Plantation & Horticulture			
a	Strengthening post-harvest infrastructure like cold chains, etc.	Cold storage facilities may be provided in APMCS	APMC/State Government	Cold storage facilities for farmers in the district are absent.
4.	Poultry			
a	Disease diagnostic centres have to be opened in other centres for meeting the needs of poultry farmers.	Arrangements may be made to set up diagnostic centres.	Department of Animal Husbandry.	These have not fructified as yet. There is a need for opening disease diagnostic centres in all the taluks to encourage more farmers to take up poultry farming.
5	MSME and Food and Agro Processing			
a	Power supply is irregular and qualitative power supply is not ensured.	KPTCL may streamline supply of power. Banks may have to consider captive power generation as loan component.	KPTCL/Banks	Power supply continues to remain erratic.

5.1.6 Prioritisation of projects

In terms of priority, irrigation and rural road projects continue to remain a priority area for the district. Under irrigation, the Government of Karnataka has been undertaking construction of vented dams. There is however, an urgent need to bring more area under irrigation. Early completion of the second phase of 'Varahi' irrigation project would ensure that nearly 18,500 ha of agricultural land is brought under irrigation. Early implementation of the Paschima Vahini project and constructions of rural roads are the other priority areas in the district. Absence of pucca roads at the last mile is a deterrent to the farmer to access the markets. As indicated in the table above, there are 4152 kilometre of kuchha roads under the rural/panchayat roads category. Further, as per the infrastructure index, the marketing infrastructure is placed under category 'D'. There is an urgent need for creation of critical marketing infrastructure for agriculture produce. These need to be taken up in a time-bound manner in order to improve rural connectivity and ensure access to market for farmers.

5.1.7 Critically important projects for consideration under RIDF

Nearly half the cultivated area is still rain-fed with paddy. The district receives high rainfall close to 4000 mm every year. Assured irrigation to farmers by way of construction of vented dams would encourage them to undertake multiple cropping and thereby increase their farm incomes. Construction of vented dams which is essential, could be considered under RIDF. Details in this regard are given in the Appendix at the end of the chapter.

5.1.8 Crop-wise storage capacity required and available

5.1.8.1 The main crops in the district and their production were as follows: rice at 1.32 lakh MT, pulses at 1786 MT, oilseeds at 3385 MT, arecanut at 13947 MT and cashewnut at 39120 MT. While the storage capacity for cashewnuts was adequate (there were 229 cashew processing units, with each one having their own storage facility); the requirement of storage space for paddy, arecanut and pulses were observed to be deficient.

5.1.8.2 The APMC has godown capacity of 4864 MT in the three taluks. Besides, Primary Agriculture Cooperative Societies in Udupi district also had their own godowns with an approximate capacity of 5500 MT. However, keeping in view the trend in production of paddy, pulses and arecanut, which together aggregate around 1.48 lakh MT, it is estimated that around 37,500 MT of godown capacity would be immediately required to take care of the agriculture storage requirement in the district.

5.1.8.3 There are other horticultural crops like banana, sapota, mango and fish products which need cold storage facilities for preservation and prolonging the shelf-life of these products. Given that horticulture produce (other than arecanut, cashewnut, rubber, etc.) is more than 55,000 MT; fish production at around 1.18 lakh MT and the daily milk production at around 1.0 lakh MT in Udupi district alone; the total cold storage potential has been estimated at 48,000 MT.

5.1.9 Scope & Potential for infrastructure facilities related to Agri. Marketing.

Drying yards (RCC and interlock) have tremendous potential in the district, considering that there are a large number of farmers growing various plantation crops like arecanut, cashewnut, etc. The potential for drying yards is estimated at 4000 in number for the year 2020-21. The credit potential for storage godowns, cold storage and drying yards have already been projected separately under Chapter 2.2.1.

5.2 Social Infrastructure involving bank credit

5.2.1 Introduction

Though the district is among the top districts in Karnataka in terms of literacy rates and health indices, the infrastructure indicator for number of primary schools per lakh of population ('B'), number of primary health units for per lakh of population ('D') and number of beds per 1000 population ('A') are below the state indicators. There is therefore, a need for setting up more schools to improve the literacy rates further. Under the health-care sector, there is an imperative need to increase the number of hospitals and also to augment the existing facilities.

Separate GLC data is not available, as loans disbursed under this sector were being reported under 'Other Priority Sector'.

5.2.2 Infrastructure and linkage support available, planned and gaps

- Given that the district is lagging behind the State in terms of the health-care and education infrastructure, there is a greater need to promote the setting up of schools/hospitals.
- The district has premium medical colleges that produce qualified doctors, who look forward to setting up their own clinics/dispensaries/hospitals. Banks should take steps to encourage financing for such activities.
- Given the large number of colleges in the district, there is no dearth of qualified teachers to take up teaching in new schools.

5.2.3 Assessment of Credit Potential for the FY 2020-21

(₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Education Institutions (Schools/Colleges)	Nos.	4	2000	1500
2	Health Care (Hospitals/Clinics/Nursing homes, etc.)	Nos.	9	4500	3375
	Total-Social Infrastructure			6500	4875

The block-wise & activity-wise, physical and financial projections are given Annexure I.

According to the revised Priority Sector guidelines, issued by RBI, Bank loans up to a limit of ₹ 5 crore per borrower for building social infrastructure for activities namely schools, healthcare facilities, drinking water facilities and sanitation facilities (including loans for construction/ refurbishment of toilets and improvement in water facilities in the household) in Tier II to Tier VI centres are eligible for classification under priority sector.

5.2.4 Critical interventions required for creating a definitive impact

- The cost of land being very prohibitive; affordable health-care and education can be provided, only if the cost of land is subsidized by the Government.
- State Government could consider providing incentives to qualified people for purchase of land at below the market rates.

5.2.5 Suggested action points

Banks should come forward to finance social infrastructure projects, which are socially desirable and commercially viable.

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 contribution of renewable energy to the power sector has increased and is expected to increase in the future. Ministry of New and Renewable Energy (MNRE) is targeting a huge capacity of renewable energy in India and aims to 175,000 MW capacity by 2022. Wind energy will continue to dominate the future capacity addition from RE in India, and India is expected to harness around 88% of its available potential of wind by 2022. The potential of Small Hydro Power (SHP) is also expected to be harnessed up to 43% of its potential. Core drivers for development and deployment of new and renewable energy in India have been energy security, electricity shortages, energy access, climate change etc. GoK has promoted Karnataka Renewable Energy Development Ltd., as nodal agency for promotion of Renewable Energy and Energy Conservation.

Karnataka Government endeavor to achieve 3% of total consumption through solar power by adding capacity of 2000 MW by 2021. A minimum capacity addition of 86792 MW through renewable energy is targeted by year 2020. Though Udupi district has presence of large number of players in renewable energy space, the products have largely been confined to solar water heaters and solar lighting applications.

Separate ground level disbursement figures are not available under this sector for the year 2015-16 and for 2017-18. Disbursement under this sector was earlier reported under 'Other Priority Sectors'. For the years 2016-17 and 2017-18, an amount of ₹ 3863 lakh and ₹ 46 lakh, respectively, are reported as disbursements under this sector.

5.3.2 Infrastructure and linkage support available, planned and gaps

- There is a general shortage of power supply, both for domestic and industrial use; there exists tremendous potential for setting up of rooftop solar photo voltaic projects in the district. A few projects have been set up in the recent past, with tie up arrangements with MESCOM for long-term buy back of power.
- Electricity connections are available in all 233 villages in the district. The estimates of solar lighting are based on households in certain hamlets that might not have assured power supply.
- There has been rapid urbanization in the recent past and the dwelling units coming up are more in the nature of flats (in buildings) rather than independent houses. Consequently, the demand for water heating units is expected to come down due to this.
- High initial capital cost is perceived as a deterrent in the use of Solar energy based units.

- Selection of right products/design/technology is a major challenge to consumers.
- MESCOM enters into assured long-term buy back with producers of solar energy.

5.3.3 Assessment of credit potential for the FY 2020-21 (₹ lakh)

S. No.	Activity	Unit	Phy. Units	Financial Outlay	Bank Loan
1	Bio Gas (Units)	Nos.	900	252.00	226.80
2	Solar IP Sets (4 HP)	Nos.	50	396.00	336.60
3	Solar Water Heating Units	Nos.	10000	3100.00	2790.00
4	Solar Home Lighting Units	Nos.	750	247.50	222.75
5	Solar roof top panels	Nos.	40	440.00	396.00
6	Solid waste management units	Nos.	25	11.00	9.90
	Total-Renewable sources of energy & waste management			4446.50	3982.05

The block-wise & activity-wise, physical and financial projections are given Annexure I.

5.3.4 Critical interventions required for creating a definitive impact

- GIS mapping of roof space may be conducted. Average usable roof area may be derived to determine rooftop solar potential. Survey for assessment of rooftop potential in the district for solar home lighting needs to be conducted.
- Special incentives in the form of provision of rebate on property tax could be introduced for installation of rooftop solar systems in residences and commercial complexes.
- Deep sea fishing vessels may be encouraged to install solar panels to take care of energy needs for cooking and lighting during their deep sea fishing trips which often last up to 15 days at a stretch.

5.3.5 Suggested action points

- NGOs and other agencies involved in promoting use of renewable energy could be roped in to conduct various awareness programmes for the benefit of bankers and general public.
- There is a need to motivate dairy farmers to set up biogas plants which would be an integral part of their mini-dairy set up. Department of AH & VS could sensitise farmers on the advantages of adopting this system.
- Sensitising bankers, consumers and the rural population about the advantages and benefits of solar home lighting solutions needs to be done on a regular basis.

APPENDIX to Chapter 5
CRITICALLY IMPORTANT PROJECTS FOR CONSIDERATION UNDER RIDF

Critical Infrastructure Projects

S. No.	District	Project name and location	Nature of project (like irrigation, warehousing, market yard, etc.)	Expected benefit in production / productivity, Farmers income, market linkage, value addition (₹ lakh)	Phy. (Units)	Total Fin. Outlay (₹ lakh)	Time required to complete (months)	Remarks (Any other constraints)
(1) Projects having a large impact on Production/ Productivity								
1	Udupi	Ice plants at Malpe Fish Harbour and at the new jetties at Hangarkatte, Kodikanyana and Gangolli. Setting up of Terminal markets.	Fisheries	Easy availability of ice at the landing centre shall help in planning departures by fishing boats well in advance. Minimise loss of wages/income. Shall help in preserving fish catch and prolong shelf life. Establishment of terminal markets to facilitate increased price realisation.	11	2500.00	24	10 Ice plants and one terminal market
2	Udupi	Desiltation of tanks across Udupi district	Water Resources	Availability of drinking water/water for irrigation throughout the year (especially during the months of March-May). Increase in farm incomes due to multiple cropping. Scope for increased credit flow to Agriculture term loan and allied sectors.	748	50000.00	60	-
3	Udupi	Paschima Vahini Project across Udupi district	Irrigation	Increase in cropping intensity, more land can be brought under cultivation. Total area to be benefited is estimated at 4944.00 ha.	160	11139.00	24	- Project submitted by Minor Irrigation Department to the State Government. Pending approval. Project prepared for three coastal districts. - 8 Salt water exclusion dams & 152 Vented dams.
4	Udupi	Varahi Irrigation Project	Irrigation	Expected to bring around 18,000 acres under irrigation in Udupi and Kundapura taluks. Phase 1 covering 6000 acres amounting to ₹ 375.00 crore already spent so far.	1	67500.00	24	Phase 1 covering 6000 acres completed. Phase 2 yet to commence.
5	Udupi	Veterinary Infrastructure	VH-3, VD-12, PVC-2	Expected to bring in quality health care for animals and to provide timely AI services, which will ultimately lead to increased milk yield.	17	476.00	12	-
				Sub Total (1)		131615		

(2) Value Addition/ Post Harvest Management								
1	Udupi	Model Horticulture Farm at Karkala, Kundapura and Udupi taluks.	Horticulture	Information to farmers on latest horticultural practices, seed/plant varieties, disease and pest management, etc. Easy availability of planting material and other inputs.	3	1500.00	24	Important from the point of making horticulture an alternative viable activity for farmers.
2	Udupi	Cold Storages for storage of Horticulture Produce at Karkala, Udupi and Kundapura.	Horticulture	Increasing shelf-life and preventing distress sale.	3	1000.00	24	Important from the point of making horticulture an alternative viable activity for farmers. Also supports farmers supported under the State Government's Comprehensive Horticulture Development Programme (CHDP).
				Sub Total (2)	6	2500.00		
(3) Rural Connectivity								
1	Udupi	Improvement to Ayyapa Nagara-Posanottu-Nandarabettu road in Kukkundoor village, Karkala taluk.	Rural connectivity	Reduction in travel time as well as fuel expenditure, improved market access/connectivity.	1	100.00	6	-
2	Udupi	Construction of bridge in Mala village in Karkala taluk	Rural connectivity	-do-	1	50.00	6	-
				Sub Total (3)	2	150.00		-
				Total (A- (1)+(2)+(3))		134265.00		

C. Projects having linkages with Farmers' Livelihood/Social Sector Projects

S. No.	District	Project name and location	Nature of Project (like Education, Social Sector etc.)	Expected benefit (Saving of Farmers' income, Human capital formation etc.)	Physical Outlay (Nos.)	Total Financial Outlay (₹ lakh)	Time required to complete (months)	Remarks (Constraints, if any)
1	Udupi	Construction of PHC at Iruvattur, Karkala Taluk.	Social Sector-Health	Provision of qualitative health service to villagers, thereby improving their productivity.	1	180	12	-
2	Udupi	Construction of PHC at Kumbhashi, Kundapura Taluk	Social Sector-Health	-do-	1	180	12	-
			Total (B)		2	360	-	-
			GRAND TOTAL (B+C)			134625		

Note : Financial Outlays and Time required are approximate estimations based on discussions with concerned Depts/Officials/Functionaries.

Source: Various departments in the district.

CHAPTER -6

INFORMAL CREDIT DELIVERY SYSTEM

6.1 Introduction

The micro finance sector is an important tool for policy makers to reach out to the grass root level. It has a vital role to play in complementing the efforts of the Government of India in addressing the issues like financial exclusion, providing livelihoods and empowering the citizens - women in particular. The bank led SHG-BLP, pioneered by NABARD, has expanded across the States from a modest beginning in 1992. This has been recognized worldwide as the largest microfinance programme with an outreach spanning nearly 10 crore rural households.

6.2 Status of SHG-Bank Linkage programme (SHG-BLP)

Over the years, the SHG-BLP has financially empowered about 125 lakh poor families in the State of Karnataka. As on 31 March 2019, 12.07 lakh SHGs had opened savings bank accounts in various banks, and all the banks have played a major role in providing credit to the SHGs. The number of SHGs whose loans were outstanding as on 31 March 2019 stood at 5.80 lakh, and the loan amount outstanding was ₹ 9909.56 cr. (Source: SLBC)

Over the years, the programme has financially empowered SHGs comprising of poor rural women in the district of Udupi. As per the information furnished by the Lead Bank, in Udupi district, during 2018-19, a total of 3471 SHGs were credit linked and total loan disbursed to the SHGs was to the tune of ₹ 75.30 crore. On an average, loan disbursed per SHG during the year stood at ₹ 2.17 lakh. As on March 31, 2019, a total of ₹ 494.80 crore in respect of 40,579 SHGs (including dormant SHGs/accounts) were outstanding with the banking system. On an average loan outstanding per SHG worked out to be ₹ 1.22 lakh.

6.3 The Micro Finance Profile of the district

(₹ lakh)

No. SHG SB A/cs opened during 2018-19	Outstanding balance in SB A/C SHG's	No. of SHG's Credit Linked during the year	Bank Loan Disbursed during the year	No. of SHG's Loan A/c outstanding (including dormant SHGs)	Bank Loan outstanding of SHG's
548	N.A	3471	7530	40579	49480

(Source: Lead Bank, Udupi)

Given the past trends, the potential for credit linkage of SHGs and JLGs in Udupi district during 2020-21 have been assessed at 14,200 SHGs (only repeat linkage) and 3300 JLGs (including fresh and repeat linkages). For the year 2019-20, for Udupi district, SLBC has allotted a target for credit linkage of 11,000 SHGs and 5000 JLGs.

6.4 Issues related to microfinance

A sizeable share of population in India continues to remain outside the formal banking system despite considerable expansion in branch network. Against this background, microfinance faces several issues some of which are given as under:

- Focusing on quality of SHGs is key to sustenance of the SHG-BLP. Thrust for the current year would have to be geared towards sustaining the SHG-BLP. SHPIs/Banks need to introduce regular grading of SHGs. The SHGs need to be provided training for reinforcing the basic tenets of group dynamics and proper bookkeeping.
- Promotion of micro enterprises among mature SHGs needs to be given more focus. For this purpose, skill building and market oriented production training are to be provided to SHGs. Per group finance availability also needs to be increased for enabling SHGs to take up income generating activities.
- Identification/reactivating dormant/inactive groups by providing training/capacity building is another major issue faced by SHG-BLP. It needs support by conducting various capacity building initiatives of bank personnel, NGOs and other stakeholders.
- The issue of multiple membership/multiple financing also require attention.

6.5 Roadmap for the future

Most unbanked segments are largely served by the unorganized sector even today. Research into products, practices and procedures of this unorganized sector is an absolute imperative to identify and understand the same, which the bottom of the pyramid populace finds so convenient and comfortable to deal with. This could provide valuable leads for the organized sector – banks and financial institutions to follow. Banks/SHPs need to adopt following strategies:

- Introduce ongoing mechanism of grading
- Incorporate capacity building programmes for members of SHGs for refresher training - especially to book writers at periodic intervals. This will help the bank in increasing the confidence level with SHGs and may consider offering higher quantum of loans

6.6 Financing through Joint Liability Groups (JLGs)

The JLG mode of financing serves as collateral substitute for loans provided to the small, marginal, tenant farmers, oral lessees, share croppers, etc. It enables banks to reach farmers through the group approach, adopt cluster approach, facilitate peer education and ensure credit discipline. Hence, the banks in the district may increase their financing to the small, marginal, tenant farmers and oral lessees through JLG mode of financing. GoK has launched Rajiv Gandhi Chaitanya Yojane, with an aim to provide employment for two lakh rural unemployed youth (one lakh youth with self-employment and another one lakh youth with skill training). The scheme involves formation of youth groups into JLGs and empowering them with training & continuous support by Project Supporting Agencies (PSA).

6.7 Estimation of potential under SHG-BLP and JLG financing

The estimated potential for credit linkage and repeat linkage of SHGs/JLGs in Udupi district for the year 2020-21 is given in the table here under:

S.No	Particulars	Total (nos.)
1	No. of SHGs to be credit linked (only repeat finance)	14,200
2	No. of JLGs to be formed and credit linked	6,200

Block-wise details of potential available for credit linkage of SHGs and potential for credit linkage of SHGs/JLGs for 2020-21 are furnished below:

Block-wise potential available for promotion & saving linkage of SHGs:

(Amount in ₹ lakh)						
S.No.	Name of the block	Total potential for promotion of SHGs	No. of SHGs savings linked as on 31.3.2019	Balance potential as on 31.3.2019	No. of SHGs to be promoted and savings linked during 2019-20	No. of SHGs to be promoted and savings linked during 2020-21
1	Udupi	5100	5130	0	0	0
2	Karkala	3100	3110	0	0	0
3	Kundapura	6000	6055	0	0	0
	Total	14200	14295	0	0	0

Block-wise details of potential available for credit linkage of SHGs/JLGs

Potential for credit linkage of SHGs/JLGs																	
Name of the block	No. of SHGs	SHGs to be credit linked during								JLGs to be credit linked during							
	(credit linked) as	2019-20 (Amt. in ₹ lakh)				2020-21 (Amt. in ₹ lakh)				2019-20 (Amt. in ₹ lakh)				2020-21 (Amt. in ₹ lakh)			
	on 31 Mar.2019	Fresh		Repeat		Fresh		Repeat		Fresh		Repeat		Fresh		Repeat	
	(incl. dormant groups)	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
Udupi	22260	0	0	5100	30600	0	0	5100	30600	450	1125	1800	4500	500	1250	2000	5000
Karkala	8910	0	0	3100	18600	0	0	3100	18600	180	450	720	1800	250	625	1000	2500
Kundapura	18310	0	0	6000	36000	0	0	6000	36000	370	925	1480	3700	450	1125	2000	5000
Total	49480	0	0	14200	85200	0	0	14200	85200	1000	2500	4000	10000	1200	3000	5000	12500

ANNEXURE-1
ACTIVITY-WISE AND BLOCK-WISE PHYSICAL AND FINANCIAL PROJECTIONS – 2020-21 (₹ lakh)

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
1. AGRICULTURE - Farm Credit - a. Crop Production, Maintenance & Marketing							
Paddy (Rainfed)	0.490	ha	Phy	16000	8500	1800	26300
			B.L.	7840.00	4165.00	882.00	12887.00
Pulses	0.080	ha	Phy	1500	150	900	2550
			B.L.	120.00	12.00	72.00	204.00
Oil seeds-Groundnut	0.410	ha	Phy	320	0	1200	1520
			B.L.	131.20	0.00	492.00	623.20
Banana	1.630	ha	Phy	300	200	300	800
			B.L.	489.00	326.00	489.00	1304.00
Vegetables	1.360	ha	Phy	400	300	300	1000
			B.L.	544.00	408.00	408.00	1360.00
Maintenance of Areca Plantations	2.040	ha	Phy	900	2700	2700	6300
			B.L.	1836.00	5508.00	5508.00	12852.00
Maintenance of Coconut Plantations	0.820	ha	Phy	6300	3100	4900	14300
			B.L.	5166.00	2542.00	4018.00	11726.00
Maintenance of cashew plantations	0.540	ha	Phy	2500	5000	7000	14500
			B.L.	1350.00	2700.00	3780.00	7830.00
Maintenance of rubber plantations	1.090	ha	Phy	250	1200	2000	3450
			B.L.	272.50	1308.00	2180.00	3760.50
Maintenance of Mango groves	0.300	ha	Phy	280	150	350	780
			B.L.	84.00	45.00	105.00	234.00
Other crops	0.880	ha	Phy	720	2000	700	3420
			B.L.	633.60	1760.00	616.00	3009.60
Fodder cultivation	0.270	ha	Phy	2000	2000	1000	5000
			B.L.	540.00	540.00	270.00	1350.00
Sub-total (Crop production & Crop maintenance)			B.L.	19006.30	19314.00	18820.00	57140.30
Post-Harvest			B.L.	1900.63	1931.40	1882.00	5714.03
Repairs & Maint of farm assets			B.L.	3801.26	3862.80	3764.00	11428.06
Loans issued against Warehouse Receipts			B.L.	7600.00	8000.00	8400.00	24000.00
Sub-Total (Crop Production, Maintenance and Marketing)			B.L.	32308.19	33108.20	32866.00	98282.39
b. Water Resources							
Dug wells 14 m	0.910	Nos	Phy	50	30	30	110
			B.L.	40.95	24.57	24.57	90.09
Bore wells 300m	2.500	Nos	Phy	50	60	60	170
			B.L.	112.50	135.00	135.00	382.50

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
SIP Sets (Replacement)	0.510	Nos	Phy	200	150	150	500
			B.L.	91.80	68.85	68.85	229.50
I P Sets (Replacement)	0.440	Nos	Phy	750	400	600	1750
			B.L.	297.00	158.40	237.60	693.00
Pump house	0.470	Nos	Phy	400	600	600	1600
			B.L.	169.20	253.80	253.80	676.80
Drip- Arecanut	0.780	Nos.	Phy	820	800	1050	2670
			B.L.	575.64	561.60	737.10	1874.34
Sprinkler	0.730	Nos.	Phy	600	800	600	2000
			B.L.	394.20	525.60	394.20	1314.00
Lift Irrigation	0.730	Nos.	Phy	20	10	30	60
			B.L.	13.14	6.57	19.71	39.42
Pipeline	0.260	Nos.	Phy	350	250	400	1000
			B.L.	81.90	58.50	93.60	234.00
Repair of wells	0.360	Nos	Phy	200	125	175	500
			B.L.	64.80	40.50	56.70	162.00
DW Recharge structure	0.330	Nos	Phy	450	440	500	1390
			B.L.	133.65	130.68	148.50	412.83
Storage Tanks	0.440	Nos	Phy	950	650	980	2580
			B.L.	376.20	257.40	388.08	1021.68
Rainwater Harvesting structures	0.560	Nos	Phy	600	800	600	2000
			B.L.	302.40	403.20	302.40	1008.00
Sub-Total (Water Resources)			B.L.	2653.38	2624.67	2860.11	8138.16
c. Farm Mechanisation		-		-	-	-	-
Tractors 23 hp	4.950	Nos	Phy	10	10	15	35
			B.L.	42.08	42.08	63.10	147.26
Power Tillers	2.200	Nos	Phy	220	200	350	770
			B.L.	411.40	374.00	654.50	1439.90
Farm Equipment	1.100	Nos	Phy	580	680	900	2160
			B.L.	542.30	635.80	841.50	2019.60
Sub-Total (Farm mechanisation)			B.L.	995.78	1051.88	1559.10	3606.76
d. Plantation/Horticulture/Sericulture		-		-	-	-	-
Coconut NP	2.330	ha	Phy	250	150	300	700
			B.L.	495.13	297.08	594.14	1386.35
Coconut Rejuvenation	0.880	ha	Phy	2000	980	1530	4510
			B.L.	1496.00	733.04	1144.44	3373.48
Rubber	3.770	ha	Phy	300	400	500	1200
			B.L.	961.35	1281.80	1602.25	3845.40

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
Rubber Infra.	2.420	Nos	Phy	50	50	50	150
			B.L.	102.85	102.85	102.85	308.55
Cocoa	0.640	ha	Phy	150	500	300	950
			B.L.	81.60	272.00	163.20	516.80
Arecanut	3.820	ha	Phy	200	250	200	650
			B.L.	649.40	811.75	649.40	2110.55
Cashew	2.310	ha	Phy	350	550	300	1200
			B.L.	687.23	1079.93	589.04	2356.20
Fruits (Sapota)	2.040	ha	Phy	300	200	500	1000
			B.L.	520.20	346.80	867.00	1734.00
Other Fruits-Pineapple	3.030	ha	Phy	150	250	320	720
			B.L.	386.33	643.87	824.16	1854.36
Pepper	1.160	ha	Phy	150	200	200	550
			B.L.	147.90	197.20	197.20	542.30
Betel vine	1.640	ha	Phy	50	200	200	450
			B.L.	69.70	278.80	278.80	627.30
Jasmine	1.930	ha	Phy	200	50	100	350
			B.L.	328.10	82.03	164.04	574.17
Medicinal & aromatic plants	0.610	ha	Phy	60	25	85	170
			B.L.	31.11	12.96	44.07	88.14
Floriculture	1.210	ha	Phy	5	3	7	15
			B.L.	5.14	3.09	7.20	15.43
Nurseries	4.840	Nos	Phy	3	3	4	10
			B.L.	12.34	12.34	16.46	41.14
Infrastructure Units	2.420	ha	Phy	30	30	40	100
			B.L.	61.71	61.71	82.28	205.70
Apiculture (20 Columns)	0.360	20 Col	Phy	50	100	50	200
			B.L.	15.30	30.60	15.30	61.20
Vegetable cultivation through precision farming	8.250	ha	Phy	150	50	70	270
			B.L.	1051.88	350.63	490.88	1893.38
Sub-total (Plantation/Horticulture)			B.L.	7103.27	6598.48	7832.71	21534.45
Sericulture							
Plantation -Mulberry 1 acre unit	0.660	Nos	Phy	0	10	1	11
			B.L.	0.00	5.61	0.56	6.17
Rearing Equipment (for one ac model)	0.900	Nos	Phy	0	10	1	11
			B.L.	0.00	7.65	0.77	8.42
Rearing House (for a one ac model)	8.900	Nos	Phy	0	3	1	4
			B.L.	0.00	22.70	7.56	30.26

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
Sub-Total (Sericulture)			B.L.	0.00	35.96	8.89	44.85
Total (Plantation/Horticulture/Sericulture)			B.L.	7103.27	6634.44	7841.60	21579.30
e. Forestry & Wasteland Development							
Wasteland Dev.	0.730	ha	Phy	30	30	40	100
			B.L.	18.62	18.62	24.81	62.05
Farm Forestry	0.500	ha	Phy	50	50	60	160
			B.L.	21.25	21.25	25.50	68.00
Agro Forestry	0.340	ha	Phy	80	100	100	280
			B.L.	23.12	28.90	28.90	80.92
Bio-diesel plantations	0.370	ha	Phy	10	15	15	40
			B.L.	3.15	4.72	4.71	12.58
Bamboo Plantation	0.680	ha	Phy	5	5	20	30
			B.L.	2.89	2.89	11.56	17.34
Sub-Total (FF & WD)			B.L.	69.03	76.38	95.48	240.89
f. Animal Husbandry – Dairy							
a) CBCs -2 Animal unit	1.530	Nos	Phy	2000	2000	2500	6500
			B.L.	2754.00	2754.00	3442.50	8950.50
b) Indigenous Cows-(Sahiwal) 2 Animal unit	1.560	Nos	Phy	200	100	300	600
			B.L.	280.80	140.40	421.20	842.40
c) Mini Dairy-10 animals	8.350	Nos	Phy	100	150	150	400
			B.L.	751.50	1127.25	1127.25	3006.00
d) Calf Rearing-5 heifer calves	2.980	Nos	Phy	500	500	600	1600
			B.L.	1341.00	1341.00	1609.20	4291.20
Sub-total - Animal Husbandry-Dairy			B.L.	5127.30	5362.65	6600.15	17090.10
g. Animal Husbandry – Poultry							
a) Commercial Layers (5000 birds per unit)	33.130	5000 birds	Phy	10	10	10	30
			B.L.	298.17	298.17	298.17	894.51
b) Broilers (500 birds per week)	12.350	1000 birds	Phy	120	150	220	490
			B.L.	1333.80	1667.25	2445.30	5446.35
c) Broilers (5000 birds per unit-Under integration)	9.550	5000 birds	Phy	300	300	330	930
			B.L.	2578.50	2578.50	2836.35	7993.35
Sub-Total (Animal Husbandry - Poultry)			B.L.	4210.47	4543.92	5579.82	14334.21
h. Animal Husbandry - Sheep, Goat & Piggery							
Goat (10+1)	0.860	(10+1)	Phy	1800	1500	1600	4900
			B.L.	1393.20	1161.00	1238.40	3792.60
Piggery (3+1)	1.420	(3+1)	Phy	60	100	100	260
			B.L.	76.68	127.80	127.80	332.28

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
Pig Fattener (5 animals)	2.620	(5 animals)	Phy	50	30	100	180
			B.L.	117.90	70.74	235.80	424.44
Rabbit (10+2)	3.300	(10 + 2)	Phy	25	25	25	75
			B.L.	74.25	74.25	74.25	222.75
Sub-Total (Animal Husbandry - Sheep, Goat & Piggery)			B.L.	1662.03	1433.79	1676.25	4772.07
Grand total (Animal Husbandry)			B.L.	10999.80	11340.36	13856.22	36196.38
i. Fisheries							
Mechanised Boats-including replacements	91.540	Nos.	Phy	15	0	30	45
			B.L.	1235.79	0.00	2471.58	3707.37
Non Mechanised Boats & Nets	5.500	Nos.	Phy	250	0	300	550
			B.L.	1237.50	0.00	1485.00	2722.50
Motorisation of Traditional Boats	1.870	Nos.	Phy	150	0	150	300
			B.L.	252.45	0.00	252.45	504.90
Replacement of Engine	5.500	Nos.	Phy	400	0	400	800
			B.L.	1980.00	0.00	1980.00	3960.00
Renovation of Hull	6.050	Nos.	Phy	300	0	250	550
			B.L.	1633.50	0.00	1361.25	2994.75
Repairs/replacement of nets/ accessories	3.630	Nos.	Phy	240	0	300	540
			B.L.	784.08	0.00	980.10	1764.18
Ornamental Fisheries	1.650	Nos.	Phy	2	1	2	5
			B.L.	2.97	1.49	2.97	7.43
Fish Seed Hatcheries	14.520	Nos.	Phy	1	0	3	4
			B.L.	13.07	0.00	39.20	52.27
Pig cum fish culture	3.030	ha.	Phy	8	6	6	20
			B.L.	21.82	16.36	16.36	54.54
Mussel culture	1.210	Nos.	Phy	3	0	2	5
			B.L.	3.27	0.00	2.18	5.45
Brackish Water shrimp culture	38.610	Nos.	Phy	5	0	25	30
			B.L.	154.44	0.00	772.20	926.64
Brackish Water shrimp culture	21.450	Nos.	Phy	5	0	120	125
			B.L.	96.53	0.00	2316.60	2413.13
Working capital for motorised boats	4.750	Nos.	Phy	1300	0	700	2000
			B.L.	6175.00	0.00	3325.00	9500.00
Aqua clinics	9.680	No.	Phy	1	0	1	2
			B.L.	8.71	0.00	8.71	17.42
Ice Plant (40 MT capacity)	110.00	Nos.	Phy	6	0	6	12
			B.L.	594.00	0.00	594.00	1188.00
Fish Retail Outlets-KSFDC model	12.00	Nos.	Phy	15	2	5	22

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
			B.L.	162.00	21.60	54.00	237.60
Freezer vans	24.200	No	Phy	10	0	15	25
			B.L.	217.80	0.00	326.70	544.50
Sub-Total (Fisheries)			B.L.	14572.93	39.45	15988.30	30600.68
j. Farm Credit-Others							
Bullock (Pairs)	0.990	Nos	Phy	5	5	5	15
			B.L.	4.46	4.46	4.46	13.38
Bullock Carts	0.310	Nos	Phy	5	5	5	15
			B.L.	1.40	1.40	1.40	4.20
Two wheelers	0.60	Nos	Phy	100.00	50.00	70.00	220
			B.L.	48.00	24.00	33.60	105.60
Sub-Total (Others)			B.L.	53.86	29.86	39.46	123.18
Total Term Loan			B.L.	36448.05	21797.04	42240.27	100485.35
Total Farm Credit			B.L.	68756.24	54905.24	75106.27	198767.74
(B) Agriculture Infrastructure							
a. Storage facilities							
Market yards	66.060	Nos	Phy	2	2	2	6
			B.L.	99.09	99.09	99.09	297.27
Cold Storage for horticulture produce (4000 MT)	0.110	MT	Phy	4000	4000	4000	12000
			B.L.	330.00	330.00	330.00	990.00
Cold storage for milk and milk products (500 MT)	0.110	MT	Phy	2500	500	1000	4000
			B.L.	206.25	41.25	82.50	330.00
Cold storage for fish products (4000 MT)	0.110	MT	Phy	20000	0	12000	32000
			B.L.	1650.00	0.00	990.00	2640.00
Storage godowns (500 MT)	19.250	Nos.	Phy	25	25	25	75
			B.L.	360.94	360.94	360.93	1082.81
Bulk Milk Coolers	24.200	Nos.	Phy	15	9	20	44
			B.L.	272.25	163.35	363.00	798.60
Sub-Total (Storage facilities)			B.L.	2918.53	994.63	2225.52	6138.68
b. Land Development, Soil Conservation, Watershed Development							
Soil Conservation	0.310	ha	Phy	900	2400	1500	4800
			B.L.	237.15	632.40	395.25	1264.80
LD in Areca Gardens	0.480	ha	Phy	800	2600	3000	6400
			B.L.	326.40	1060.80	1224.00	2611.20
LD in Coconut Gardens	0.430	ha	Phy	1400	1000	200	2600
			B.L.	511.70	365.50	73.10	950.30
Land Reclamation	0.330	ha	Phy	800	1250	800	2850

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
			B.L.	224.40	350.63	224.40	799.43
OFD in well command areas	0.880	ha	Phy	200	300	300	800
			B.L.	149.60	224.40	224.40	598.40
Fencing	1.210	ha	Phy	2000	3000	3000	8000
			B.L.	2057.00	3085.50	3085.50	8228.00
Water Mgt/ Chanelling	0.310	ha	Phy	250	250	250	750
			B.L.	65.88	65.88	65.87	197.63
Water Harvesting Structures	0.330	ha	Phy	300	500	500	1300
			B.L.	84.15	140.25	140.25	364.65
Land Dev. Activities under Watershed dev.	0.340	ha	Phy	500	500	1000	2000
			B.L.	144.50	144.50	289.00	578.00
Sub-surface drainage for areca garden	1.760	ha	Phy	500	500	500	1500
			B.L.	748.00	748.00	748.00	2244.00
Compost making using agro waste	1.210	Nos	Phy	200	200	200	600
			B.L.	205.70	205.70	205.70	617.10
Misc.	0.610	Nos.	Phy	500	300	450	1250
			B.L.	259.25	155.55	233.32	648.12
Sub-Total (Land Development, Soil Conservation, Watershed Development)			B.L.	5013.73	7179.11	6908.79	19101.63
c. Agriculture Infrastructure- Others							
Drying yards for arecanut, etc. (RCC)	0.460	No.	Phy	200	300	200	700
			B.L.	69.00	103.50	69.00	241.50
Drying Yards for arecanut, etc. (Interlock tiles)	0.770	No.	Phy	800	1200	1300	3300
			B.L.	462.00	693.00	750.75	1905.75
Vermi Composting	0.130	Nos.	Phy	1800	2100	2000	5900
			B.L.	210.60	245.70	234.00	690.30
Sub-Total (Others)			B.L.	741.60	1042.20	1053.75	2837.55
Total (Agriculture Infrastructure-Others)			B.L.	8673.86	9215.94	10188.06	28077.86
Ancillary Activities - (i) Food & Agro Processing							
Agro Processing Units	80.000	Nos.	Phy	20	15	25	60
			B.L.	1280.00	960.00	1600.00	3840.00
Dairy processing Units	25.000	Nos.	Phy	2	2	2	6
			B.L.	40.00	40.00	40.00	120.00
Working capital for food processing industries	50.000	Nos.	Phy	1150	800	800	2750
			B.L.	43125.00	30000.00	30000.00	103125
Working capital for fish & fish processing units	70.000	Nos.	Phy	40	0	35	75
			B.L.	2100.00	0.00	1837.50	3937.50
Working capital for ice plants	22.000	Nos	Phy	71	0	15	86
			B.L.	1171.50	0.00	247.50	1419.00

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
Sub-Total (Food and Agro Processing)			B.L.	47716.50	31000.00	33725.00	112441.50
(ii) Agriculture ancillary activities-Others							
Loans to Coop. Societies (Produce loans)	200.000	Nos	Phy	7	4	8	19
			B.L.	1260.00	720.00	1440.00	3420.00
AC / ABCs	10.000	Nos	Phy	5	4	4	13
			B.L.	40.00	32.00	32.00	104.00
SHGs	6.000	Nos	Phy	5100	3100	6000	14200
			B.L.	30600.00	18600.00	36000.00	85200.00
JLGs	2.500	Nos	Phy	2500	1250	2450	6200
			B.L.	6250.00	3125.00	6125.00	15500.00
Consumption Loan	0.500	Nos	Phy	3000	1500	1500	6000
			B.L.	1350.00	675.00	675.00	2700.00
Miscellaneous	3.000	Nos	Phy	300	200	200	700
			B.L.	900.00	600.00	600.00	2100.00
Sub-total Agriculture ancillary activities-Others			B.L.	40400.00	23752.00	44872.00	109024.00
Total Ancillary Activities			B.L.	88116.50	54752.00	78597.00	221465.50
Total Agriculture			B.L.	165546.60	118873.18	163891.33	448311.10
Micro, Small and Medium Enterprises (MSME) - Manufacturing Sector - Term Loans							
(i) Micro Enterprises	15.000	Nos	Phy	100	30	50	180
			B.L.	1200.00	360.00	600.00	2160.00
(ii) Small Enterprises	80.000	Nos	Phy	15	8	8	31
			B.L.	960.00	512.00	512.00	1984.00
(iii) Medium enterprises	1000.000	Nos	Phy	1	0	1	2
			B.L.	750.00	0.00	750.00	1500.00
Sub-Total - Manufacturing sector-term loans			B.L.	2910.00	872.00	1862.00	5644.00
Service Sector - Term Loan							
(i) Micro Enterprises	10.000	Nos	Phy	200	60	100	360
			B.L.	1600.00	480.00	800.00	2880.00
(ii) Small Enterprises	50.000	Nos	Phy	30	10	10	50
			B.L.	1200.00	400.00	400.00	2000.00
(iii) Medium enterprises	500.000	Nos	Phy	1	0	0	1
			B.L.	375.00	0.00	0.00	375.00
Sub-Total -Service Sector - Term Loan			B.L.	3175.00	880.00	1200.00	5255.00
Manufacturing Sector - Working Capital							
(i) Micro Enterprises	15.000	Nos	Phy	2000	1000	1000	4000
			B.L.	22500.00	11250.00	11250.00	45000.00
(ii) Small Enterprises	50.000	Nos	Phy	70	30	30	130

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
			B.L.	2625.00	1125.00	1125.00	4875.00
(iii) Medium enterprises	500.000	Nos	Phy	8	2	2	12
			B.L.	3000.00	750.00	750.00	4500.00
Sub-Total - Manufacturing sector-working capital			B.L.	28125.00	13125.00	13125.00	54375.00
Service Sector - Working Capital							
(i) Micro Enterprises	10.000	Nos	Phy	8000	7000	11000	26000
			B.L.	60000.00	52500.00	82500.00	195000.00
(ii) Small Enterprises	40.000	Nos	Phy	25	10	10	45
			B.L.	750.00	300.00	300.00	1350.00
(iii) Medium enterprises	100.000	Nos	Phy	1	0	0	1
			B.L.	75.00	0.00	0.00	75.00
Sub-Total - Service Sector - Working Capital			B.L.	60825.00	52800.00	82800.00	196425.00
Khadi and Village Ind. Units	1.380	Nos	Phy	50	30	20	100
			B.L.	62.10	37.26	24.84	124.20
Sub-Total (MSME)			B.L.	95097.10	67714.26	99011.84	261823.20
Export Credit							
Pre-shipment Export Credit (Working capital)	100.000	Nos	Phy	90	20	60	170
			B.L.	6750.00	1500.00	4500.00	12750.00
Post-shipment Export Credit (Working capital)	100.000	Nos	Phy	90	20	60	170
			B.L.	6750.00	1500.00	4500.00	12750.00
Sub-Total (Export Credit)			B.L.	13500.00	3000.00	9000.00	25500.00
Education							
Education Loans to Students	5.000	Nos	Phy	2900	400	300	3600
Sub-Total (Education)			B.L.	13050.00	1800.00	1350.00	16200.00
Housing							
Housing Loans	20.000	Nos	Phy	3400	550	700	4650
Sub-Total (Housing)			B.L.	54400.00	8800.00	11200.00	74400.00
Renewable Energy							
Bio Gas (Units)	0.280	Nos	Phy	200	300	400	900
			B.L.	50.40	75.60	100.80	226.80
Solar IP Sets (4 HP)	7.920	Nos	Phy	20	10	20	50
			B.L.	134.64	67.32	134.64	336.60
Solar Water Heating Units	0.310	Nos	Phy	5000	2500	2500	10000
			B.L.	1395.00	697.50	697.50	2790.00
Solar Home Lighting Units	0.330	Nos	Phy	300	200	250	750
			B.L.	89.10	59.40	74.25	222.75
Solid waste management units	0.440	Nos	Phy	10	7	8	25

Activity	Unit Cost	Unit Size		Udupi	Karkala	Kundapura	Total
			B.L.	3.96	2.77	3.17	9.90
Solar Roof top panels (10KW)	11.000	Nos	Phy	20	10	10	40
			B.L.	198.00	99.00	99.00	396.00
Sub-Total (Renewable Sources of Energy and Waste Management)			B.L.	1871.10	1001.59	1109.36	3982.05
Social Infrastructure							
Education Institutions (Schools/Colleges)	500.000	Nos	Phy	2	1	1	4
			B.L.	750.00	375.00	375.00	1500.00
Health Care	500.000	Nos	Phy	5	2	2	9
			B.L.	1875.00	750.00	750.00	3375.00
Sub-Total (Social Infrastructure)			B.L.	2625.00	1125.00	1125.00	4875.00
GRAND TOTAL			B.L.	346089.80	202314.02	286687.53	835091.35
<i>Credit potential for Small & Marginal Farmers @ 8% of the potential assessed under Agriculture credit. Though four new Blocks have been formed, the same has not been included as they are yet to be operationalized</i>							

ANNEXURE-II**An overview of ground level credit flow-Agency-wise and sector-wise -
2016-17, 2017-18, 2018-19 and target for 2019-20**

(₹ lakh)

S.No.	Agency	2016-17		2017-18		2018-19		2019-20
		Target	Ach.	Target	Ach.	Target	Ach.	Target
A	Crop Loan							
	CBs	66121	2763	53029	6482	47933	1285.23	48514.07
	Cooperative Banks	27154	19057	51624	24825	42890	25547.93	43405.14
	RRB	4483	5381	3825	3845	3595	3759.84	3638.14
	Sub-Total (A) Crop Loan	97758	27201	108478	35152	94418	30593	95557.35
B	CBs	157547	152070	170707	180712	185693	200533.77	302142.44
	Cooperative Banks	22198	2071	12324	897	14823	1142.07	12249.83
	RRB	10496	220	10900	939	12400	244.16	15111.83
	Sub-Total (B) – Agri Term Loan	190241	154361	193931	182548	212916	201920	329504.10
C	Agri Credit							
	CBs	223668	154833	223736	187194	233626	201819	350656.51
	Cooperative Banks	49352	21128	63948	25722	57713	26690	55654.97
	RRB	14979	5601	14725	4784	15995	4004	18749.97
	Total Agri Cr.(C)=(A + B)	287999	181562	302409	217700	307334	232513	425061.45
D	MSME Inv. & Working Capital							
	CBs	42376	210003	125980	155584	242636	184563	243340.85
	Cooperative Banks	2300	16	232	4	232	3	232.67
	RRB	2198	3285	5635	3293	5635	5395	5651.34
	Others-KSFC	3500	698.19	3400	324	3400	59	3428.34
	Sub-Total (D)	50374	214002.19	135247.00	159205	251903	190020	252653.20
E	Other Priority Sector							
	CBs	208198	101302	202453	87960	179425	113459	117544.68
	Cooperative Banks	6771	9879	2917	11327	2918	12333	1805.50
	RRB	10432	3620	8984	3244	8984	3177	6475.80
	Others-KSFC	0	0	0	0	0	0	0.00
	Sub-Total (E)	225401	114801	214354	102531	191327	128969	125825.98
6	Total							
	CBs	474242	466138	552169	430738	655687	499841	711542.04
	Cooperative Banks	58423	31023	67097	37053	60863	39026	57693.14
	RRB	27609	12506	29344	11321	30614	12576	30877.11
	Others-KSFC	3500	698.19	3400	324	3400	59	3428.34
	Total (C+D+E)	563774	510365.19	652010	479436	750564	551502	803540.63

ANNEXURE-III
SUB-SECTOR-WISE AND AGENCY-WISE CREDIT FLOW UNDER AGRICULTURE AND ALLIED ACTIVITIES -
2016-17, 2017-18, 2018-19 AND TARGET FOR 2019-20

(₹ Lakh)

Sector	2016-17 #				2017-18 #				2018-19 #				2019-20 (Target) #			
	CBs	Coops	RRBs	Total	CBs	Coops	RRBs	Total	CBs	Coops	RRBs	Total	CBs	Coops	RRBs	Total
I. Crop Loan	2763	19057	5381	27201	6482	24825	3845	35152	1285	25548	3760	30593	48514.07	43405.14	3638.14	95557.35
II. Term Loan																
MI	462	373	1	837	1336	142	112	1590	1205	597	0	1802	7444.39	301.82	372.34	8118.55
LD	0	882	0	882	6709	279	176	7164	6053	118	7	6177	15365.04	622.95	768.49	16756.48
FM	331	156	4	490	485	0	26	511	438	0	3	440	3272.39	132.67	163.67	3568.73
P&H	707	206	0	913	3178	119	183	3480	2867	53	0	2920	19063.14	772.88	953.45	20789.47
DD	2813	60	0	2873	2970	83	94	3147	2680	73	25	2778	15266.16	618.94	763.55	16648.65
PD	495	270	0	765	737	0	23	760	665	0	6	671	12532.39	508.10	626.81	13667.31
SGP	696	0	25	720	712	0	16	728	642	0	9	651	4353.27	176.50	217.73	4747.50
Fisheries	4789	124	23	4936	28245	0	87	28332	25482	0	44	25527	26767.39	1085.24	1338.79	29191.41
F/WLD	0	0	0	0	0	0	0	0	0	0	0	0	232.89	9.44	11.65	253.98
SMY	4382	0	168	4550	1158	0	0	1158	1045	0	77	1122	8159.23	330.80	408.09	8898.12
Others #	137395	0	0	137395	135182	274	222	135678	159457	302	73	159832	189686.15	7690.49	9487.26	206863.90
Subtotal - II	152070	2071	220	154361	180712	897	939	182548	200534	1142	244	201920	302142.44	12249.83	15111.83	329504.10
Grand Total	154833	21128	5601	181562	187194	25722	4784	217700	201819	26690	4004	232513	350656.51	55654.97	18749.97	425061.45
<i>Subsector-wise credit flow details are not generated through LBR statements. Hence credit flow details mentioned above are estimations based on previous trends.</i>																
<i># For the years 2016-17, 2017-18, 2018-19 & 2019-20 (target) the disbursements/targets under different activities under 'Others' category have been regrouped/reclassified based on revised priority sector norms wherever possible. Agriculture ancillary activities (Food & Agro Processing and Others) are included under this head</i>																

ANNEXURE-IV

**INDICATIVE UNIT COSTS (FOR MAJOR ACTIVITIES IN THE DIST.) AS
ARRIVED AT BY NABARD FOR ITS INTERNAL USE ***

Type of Investment	Unit	Cost (₹ lakh)	Type of Investment	Unit	Cost (₹ lakh)
1. Water Resources			6. Animal Husbandry-Dairy		
Dug well 14 m	No.	0.91	CBC (10-12 LPD) Jersey/HF – 2 animal unit	No.	1.53
Bore well 300 m	No.	2.50	Gr. Buffalo (9-10 LPD) 2 animal units	No.	1.39
SIP Sets (Replacement)	No.	0.51	CBC (10-12 LPD) Jersey/HF – 10 animal unit	No.	8.35
IP Sets (Replacement)	No.	0.44	Gr. Buffalo (9-10 LPD) 10 animal units	No.	8.12
Solar IP Sets with accessories	No.	7.92	Female Calf Rearing 5 heifer calves	No.	2.98
Drip Irrigation (coconut)	ha.	0.33	7. AH-Poultry Development		
Drip Irrigation (banana)	ha	0.74	Commercial Broilers (5000 birds under Integration)	No.	9.55
Drip Irrigation (areca)	ha.	0.78	Commercial Broilers (500 birds per week)	No.	12.35
Sprinklers (coffee) fixed	ha.	0.73	Commercial Layers (5000 birds)	No.	33.13
Sprinklers (others) mobile	ha.	0.35	Giriraja 50 female + 10 male	No.	0.12
Pipelines (well command)	ha.	0.26	Duck rearing 200 ducks	No.	0.46
DoW/RoW	No.	0.33	8. AH-Sheep/Goat/Piggery		
Rain water harvesting tanks / recharge	No.	0.56	Sheep Bannur (20+1)	No.	1.5
Artificial Recharge of BW / DW	No.	0.43	Sheep Bannur (10+1)	No.	0.82
2. Farm Mechanisation			Sheep Deccani (10+1)	No.	0.98
Tractors 23 hp	No.	4.95	Sheep Decanni (20+1)	No.	1.8
Power Tillers	No.	2.2	Goat Rearing Local(10+1)	No.	0.86
Equipment	No.	1.10	Goat Rearing Local (20+1)	No.	1.44
3. Plantation and Horticulture			Goat Rearing Jamunapari (10+1)	No.	0.99
Coconut (New/Repltn.)	ha.	2.33	Goat Rearing Jamunapari (20+1)	No.	1.76
Areca	ha.	3.82	Piggery rearing cum fattening (3+1)	No.	1.42
Cashew	ha.	2.31	Pig breeding (20+2)	No.	12
Grapes Bangalore Blue	ha	8.69	Sheep breeding Bannur (500 +25)	No.	43
Mango	ha.	1.63	Sheep breeding Deccani(500 +25)	No.	48.2
Pomogranate	ha	2.98	Goat breeding local breed (500+25)	No.	45
Cardamom	ha.	2.12	Goat breeding Jamunapuri (500 +25)	No.	53
Pepper (with Coffee)	ha.	0.68	9. Fisheries		
Pepper (with Arecanut)	ha.	1.16	Brackish water shrimp farming- White leg shrimp, L. vannamei-Working Capital	No.	21.45
Sapota	ha.	2.04	Fresh water prawn culture – M.rosenbergi	ha	5.89
Guava	ha.	1.21	Breeding & Ornamental Fish Culture (No.)	No.	1.65
4. Sericulture			Fresh water fish culture new ponds	ha	3.64
Mulberry Garden 1 acre estd.	acre	0.66	Non mechanized fishing boats & Nets	No.	5.5
Equipment (300 DFLs/batch)	No.	0.90	Motorization – traditional boat with outboard motor	No.	1.87
Rearing House	No.	8.90	10. Bullocks/Bullock Carts, etc.		
5. Forestry & Wasteland development			Bullocks pair Halliker / Khillar /descript)	No.	0.99
Farm Forestry	ha.	0.50	Bullock pairs – non descript	No.	0.5
Agro Forestry	ha.	0.34	Bullock Carts (Pneumatic tyre cart of 2.5 tonne capacity)	No.	0.31

* Unit costs, as fixed by Unit Cost committee of the State and published by NABARD, for the year 2019-20 has been taken as the base. However, for the purpose of estimation of credit potential for the year 2020-21, 10% increment in the Unit Cost over 2019-20 level, factored in and the same are mentioned above.

ANNEXURE-V**SCALE OF FINANCE PER ACRE FOR MAJOR CROPS FIXED BY STATE LEVEL
TECHNICAL COMMITTEE (SLTC) FOR 2019-20**

(Amount in ₹ / acre)

S. No	Name of the crop	SoF*
1	Paddy-Rain fed	18000
2	High Yielding Paddy-Rain fed/Irrigated	25000
3	Areca nut	75000
4	Sugarcane (ratoon)	20000
5	Sugarcane (new crop)	22000
6	Coconut	30000
7	Coconut (per tree)	500
8	Chilly	20000
9	Ginger	25000
10	Ground nut	15000
11	Banana - Nendra & Cavendish	60000
12	Sweet potato	3500
13	Tapioca	2500
14	Vegetable	50000
15	Cocoa	20000
16	Pepper	16500
17	Pulses	3000
18	Sesame – yellu	8000
19	Pineapple	60000
20	Lemon grass	5000
21	Rubber	40000
22	Cashew	20000
23	Jasmine (per plant)	1000
24	Sapota	6000
25	Mango	6000
26	Nelli	7000
27	Papaya	50000
28	Drumstick	20000
29	Palm Tree	30000
30	Fodder	10000

*** SoF fixed by District Level Technical Committee (DLTC), has subsequently been revised by State Level Technical Committee (SLTC) and the revised SoF is furnished above.**

For the purpose of estimation of credit potential for the year 2020-21, 10% increment in the SoF over the aforementioned level, factored in.