



संभाव्यतायुक्त ऋण योजना

Potential Linked Credit Plan

2026-2027



Udupi District
Karnataka Regional Office, Bengaluru



VISION

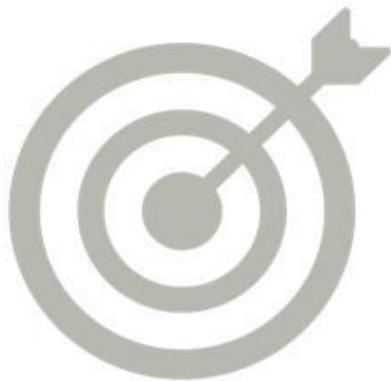
Development Bank of the Nation for Fostering Rural Prosperity.

दृष्टि

ग्रामीण समृद्धि के लिए राष्ट्रीय विकास बैंक



MISSION



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

ध्येय

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

Potential Linked Credit Plan

Year: 2026-27

District: Udupi

State: Karnataka



**National Bank for Agriculture and Rural
Development**

**Karnataka Regional Office,
Bengaluru**

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Udupi

PLP Document finalized by: NABARD, Karnataka Regional Office

'The document has been prepared on the basis of information collected from publicly available sources and discussions with various stakeholders. While preparing the projections, every effort has been taken to estimate credit potential realistically. NABARD shall not be responsible for any material or other losses occurring to any individual/ organization owing to use of data or contents of this document. The terminologies /classifications in the PLP Document are as per RBI-PSL Guidelines.'

Foreword

Karnataka continues to demonstrate sustained progress in rural and agricultural development, driven by enabling policies and institutional support. NABARD has played a pivotal role in this transformation by fostering financial inclusion, strengthening credit delivery systems, and enhancing rural infrastructure through refinance and developmental interventions. Through its focus on sustainable agriculture, farmer collectives, agri-infrastructure, microfinance, and climate-resilient practices, NABARD has contributed significantly to improving productivity and ensuring livelihood security across the State. In this direction, NABARD prepares the Potential Linked Credit Plan (PLP) annually for each district in the country.

The Potential Linked Credit Plan (PLP) 2026-27 presents a comprehensive assessment of credit potential across various priority sectors in the district. It highlights infrastructure gaps and outlines key interventions required from financial institutions and Government Departments to achieve developmental goals. The PLP also emphasizes convergence of Govt. schemes, improved credit absorption, digital outreach, and targeted investments in high impact areas such as agri allied activities, value addition, and rural enterprises.

Prepared through a participatory and consultative process involving banks, Government Departments, and other stakeholders, the PLP serves as a practical roadmap for channelizing credit to priority sectors. It aims to promote inclusive, sustainable, and resilient rural development.

I sincerely acknowledge the contributions of the Deputy Commissioner, CEO ZP, Lead District Officer of RBI, SLBC, Lead District Manager, Line departments, Banks, NGOs, and all stakeholders. Their valuable insights, along with the dedicated efforts of our District Development Manager, have been instrumental in shaping this document.

We are confident that this PLP will serve as a guiding framework for policymakers, financial institutions, and development agencies in advancing Karnataka's holistic agriculture and rural development. Let us work together to transform potential into progress and build a prosperous future for our rural communities.

Dr. Surendra Babu
Chief General Manager
08 December 2025

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Abbreviations

Abbreviation	Expansion
ACABC	Agri-Clinics and Agri-Business Centre
ACP	Annual Credit Plan
AEZ	Agri Export Zone
AHIDF	Animal Husbandry Infrastructure Development Fund
AMIS	Agriculture Marketing Infrastructure Scheme
APEDA	Agriculture and Processed Food Products Export Development Authority
APMC	Agricultural Produce Market Committee
APY	Atal Pension Yojana
ATMA	Agricultural technology Management Agency
BC	Banking Correspondent
BGREI	Bringing Green Revolution to Eastern India
CBS	Core Banking Solution
CDF	Co-operative Development Fund
CISS	Capital Investment Subsidy Scheme
CRRI	Central Rice Research Institute
CSO	Civil Society Organisation
CWC	Central Warehousing Corporation
DAO	District Agricultural Officer
DAP	Development Action Plan
DBT	Direct Benefit Transfer
DCC	District Consultative Committee
DCCB	District Central Cooperative Bank
DCP	District Credit Plan
DIC	District Industries Centre
DLRC	District Level review Committee
DRDA	District Rural Development Agency
ECGC	Export Credit Guarantee Corporation
eNAM	Electronic National Agriculture Market
FC	Farmers Club
FFDA	Fish Farmers Development Agency
FI	Financial Inclusion
FIF	Financial Inclusion Fund
FIP	Financial Inclusion Plan
FLC	Financial Literacy Centre
FLCCC	Financial Literacy and Credit Counselling Centres
FPO	Farmer Producer Organisation
FSS	Farmers Service Society
GLC	Ground Level Credit
GoI	Government of India
GSDP	Gross State Domestic Product



Abbreviation	Expansion
HYV	High Yielding Variety
IAY	Indira Awas Yojana
ICAR	Indian Council for Agriculture Research
ICT	Information and Communication Technology
IoT	Internet of Things
ITDA	Integrated Tribal Development Agency
JLG	Joint Liability Group
JNNSM	Jawaharlal Nehru National Solar Mission
KCC	Kisan Credit Card
KSK	Krishi Sahayak Kendra
KVI	Khadi and Village Industries
KVK	Krishi Vigyan Kendra
LAC	Livestock Aid Centre
LAMPS	Large Area Multipurpose Society
LDM	Lead District Manager
LI	Lift Irrigation
MEDP	Micro Enterprises Development Programme
MF	Marginal Farmer
MI	Micro Irrigation
MIDH	Mission for Integrated Development of Horticulture
MNRE	Ministry of New and Renewable Energy
MNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MoFPI	Ministry of Food Processing Industries
MPCS	Milk Producers Co-operative Society
MPEDA	Marine Products Export Development Authority
MUDRA	Micro Units Development & Refinance Agency Ltd.
NABARD	National Bank for Agriculture and Rural Development
NBFC	Non-Banking Financial Company
NFSM	National Food Security Mission
NGO	Non-Governmental Organization
NHM	National Horticulture Mission
NLM	National Livelihood Mission
NMFP	National Mission on Food Processing
NPBD	National Project on Bio-Gas Development
NRLM	National Rural Livelihood Mission
NWDPRA	National Watershed Development Project for Rainfed Areas
PACS	Primary Agricultural Cooperative Society
PAIS	Personal Accident Insurance Scheme
PHC	Primary Health Centre
PKVY	Paramparagat Krishi Vikas Yojana
PLP	Potential Linked Credit Plan



Abbreviation	Expansion
PMEGP	Prime Minister's Employment Generation Programme
PMFBY	Pradhan Mantri Fasal Bima Yojana
PMJDY	Pradhan Mantri Jan Dhan Yojana
PMJJBY	Pradhan Mantri Jeevan Jyoti Bima Yojana
PMKSY	Pradhan Mantri Krishi Sinchayee Yojana
PMSBY	Pradhan Mantri Suraksha Bima Yojana
PWCS	Primary Weavers Cooperative Society
RBI	Reserve Bank of India
RIDF	Rural Infrastructure Development Fund
RKVK	Rashtriya Krishi Vikash Yojana
RLTAP	Revised Long Term Action Plan
RNFS	Rural Non-Farm Sector
RRB	Regional Rural Bank
RSETI	Rural Self Employment Training Institute
RWHS	Rainwater Harvesting Structure
SAO	Seasonal Agricultural Operations
SAP	Service Area Plan
SBM	Swachha Bharat Mission
SCC	Swarojgar Credit Card
SCS	Service Cooperative Society
SHG	Self Help Group
SHPI	Self Help Promoting Institution
SLBC	State Level Bankers' Committee
SMPB	State Medicinal Plant Board
STCCS	Short Term Co-operative Credit Structure
TBO	Tree Borne Oil-seeds
TFO	Total Financial Outlay
WDF	Watershed Development Fund
WDRA	Warehousing Development and Regulatory Authority
WSHG	Women Self Help Group

Executive Summary

1. Introduction

The Potential Linked Credit Plan (PLP) is prepared by NABARD each year keeping in view the national priorities, policies of the Government of India and State Government, infrastructure and linkage support and physical potential available in various primary, secondary and tertiary sectors.

2. District characteristics

Location	Udupi district in Southern Karnataka was carved out of Dakshina Kannada in 1997. Bounded by the Arabian Sea and Western Ghats, it is known for culture, cuisine, and agriculture. The district has seven taluks: Udupi, Karkala, Kundapura, Hebri, Byndoor, Brahmavara, and Kaup.
Type of soil	The primary soil in Udupi is red lateritic, dominant across the district. Sandy soils occur along the coast, while alluvial and yellow loamy soils are found near rivers. Texture ranges from fine to coarse, and soils are acidic, needing careful nutrient management for crops like arecanut and paddy.
Primary occupation	Major occupations in Udupi are agriculture (paddy, coconut, arecanut, cashew) and fishing. Small-scale industries like cashew processing and tile making add to income. Udupi is also a hub for education, healthcare, and tourism, boosting its economy.
Land holding structure	Udupi district spans 3,56,446 ha, with 28% under forests. NSA is 1.05 lakh ha and GCA 1.17 lakh ha. Over 90% farmers are small/marginal, holding 0.75–1 ha on average, reflecting fragmented landholdings compared to large farmers.



3. Sectoral trends in credit flow

1. Achievement of ACP in the previous year

During 2024-25, ground-level credit flow under Priority Sector was ₹7699.06 crore. In 2024-25, achievement stood at 87.55% of the target, with disbursement showing a 10% rise over 2023-24.

2. Investment credit in agriculture

The investment credit in agriculture during 2024-25 stood at ₹1134.39 crore against the target of ₹864.71 crore, achieving 131% of the target and marking a 52% increase over the achievement of 2023-24.

3. Credit flow to MSMEs

Of the total priority sector credit flow, credit flow to MSMEs was ₹3119.66 crore which was around 40% of the total credit. As compared to the credit flow during the previous year, there was an increase of 22% in the loans disbursed for MSME purposes.

4. Other significant credit flow, if any

Credit flow during 2024-25 stood at ₹132.74 crore in Education, ₹254.98 crore in Housing, ₹2.12 crore in Renewable Energy, and ₹359.33 crore under Priority Sector – Others.



4. Sector/Sub-sector wise PLP projections

1. Projection for the year

The exploitable potential for 2026-27 has been estimated at ₹12,528.00 crore.

2. Projection for agriculture and its components

Agriculture forms 49% of total projections, with crop loan potential at ₹2847.70 crore (23%) and term loans for agriculture, allied, infrastructure, and ancillary activities estimated at ₹3244.79 crore (26%).

3. Projection for MSMEs

MSME is another key sector in the district, with an assessed potential of ₹4208.96 crore (33%).

4. Projection for other purposes

Other important sectors include export credit with an assessed potential of ₹328.80 crore (2.6%), education with ₹150.40 crore (1.2%) and housing with ₹929.25 crore (7.42%). Both are considered significant and hold promise for enhancing credit flow in the district.



5. Developmental Initiatives

- 1 NABARD has promoted 7 FPOs under the Produce Fund in the district and 4 FPOs under CSS are being promoted by the GoK. One FPO has been supported by NABARD for the establishment of a Rural Mart by NABARD.
- 2 Establishment of Farm Gate Infrastructure for Post-Harvest Management: 22 PACS have been sanctioned special refinance facility under PACS as MSC to set up an infrastructure for storage, grading, standardization etc. for bettering farm incomes.
- 3 NABARD has sanctioned many Livelihood Entrepreneurship Development Programmes (LEDPs), Skill Development Programmes (SDPs) for rural youth in both farm and non-farm sector. NABARD is also aiding them in marketing efforts.

6. Thrust Areas

- 1 Digital Agriculture Agtechs integrating innovation, technology and scale are capable of revolutionizing agriculture. Use of IoT, blockchain, artificial intelligence. GIS, drones, robots, etc., have considerable scope in agriculture for improving production, productivity and income.
- 2 Formation and nurturing of crop cluster-wise, produce-wise FPOs and linking them to e-markets like eNAM, etc., with institutional credit support, especially pledge loans against Negotiable Warehouse Receipts (NWRs).
- 3 Promotion of farm-gate post-harvest infrastructure by PACS, FPOs as well as individual entrepreneurs with assistance under Agriculture Infrastructure Fund (AIF).
- 4 Promotion of Micro-Enterprises for Food Processing for reducing post-harvest losses, increased employment generation and betterment of rural incomes.
- 5 Improving technology adoption for banking in rural areas.

7. Major Constraints and Suggested Action Points

- 1 Need for initiating measures to tackle and mitigate the adverse effects of climate change.
- 2 Improving farm incomes through appropriate post harvest management and processing.
- 3 Promotion of low cost equipments such as arecanut peelers, coconut climbing machines, motorized weeders etc.
- 4 Establishment of CSCs for collection, grading and packing for value addition of horticulture crops set up by PACS, FPOs etc., with assistance under AIF will enable value addition in agriculture and employment generation in rural areas.
- 5 Animal Husbandry & Fisheries FPO need to be encouraged for enhanced production and value addition and enabling economies of scale in production and marketing.



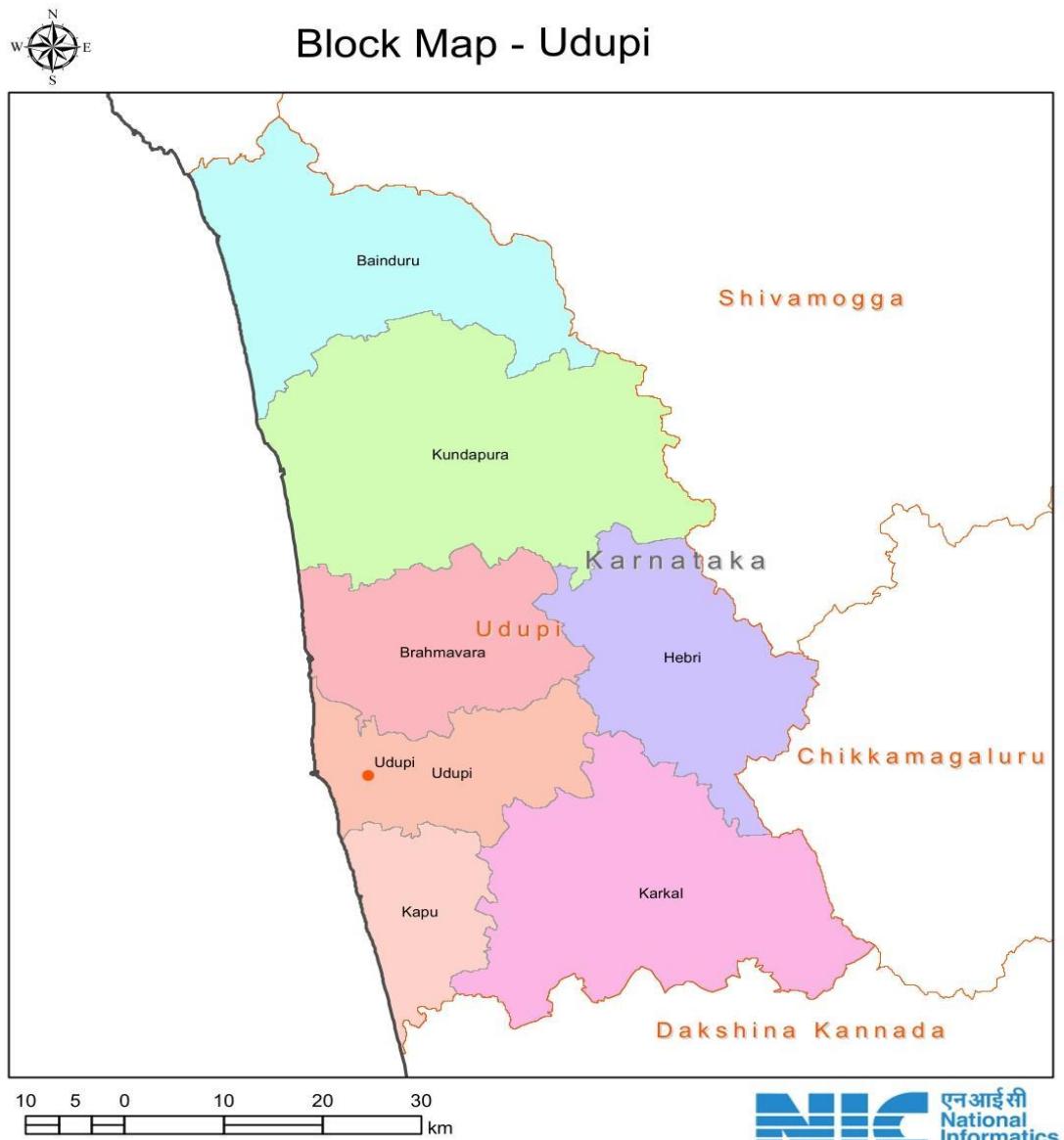
- 6 Development of fisheries sector through providing HACCP compliant conditions, cold chains, etc., coupled with deep sea fishing and optimum utilization of inland water resources to be encouraged.
- 7 Awareness creation amongst farmers on avoiding distress sale of produce by storage in WDRA accredited warehouses and availing credit against pledge of NWRs.
- 8 Soil health issues reduce productivity of land. Also indiscriminate use of fertilisers and pesticides leads to environmental damage and food safety issues.
- 9 Training of MSMEs in the unorganized sector on food safety and quality standards will provide impetus to the sector by providing avenues for domestic sale and exports.
- 10 Marketing of goods produced by SHGs and craftsmen is an area of concern. There is a need to put in place a structured marketing arrangement for retail sales of small producers.

8. Way Forward

- 1 The projections made in the PLP for 2026-27 call for a coordinated approach by all stakeholders viz., banks, Government departments, extension agencies, developmental institutions, etc., which in turn will positively impact capital formation in agriculture.
- 2 Banks are required to ensure timely reporting of credit flow data to the Lead Bank for meaningful review in DCC/DLRC meetings and ensuring timely corrective action.

Part A

District Map



Legend

- District Head Quarter
- State Boundary
- District Boundary
- Block Boundary

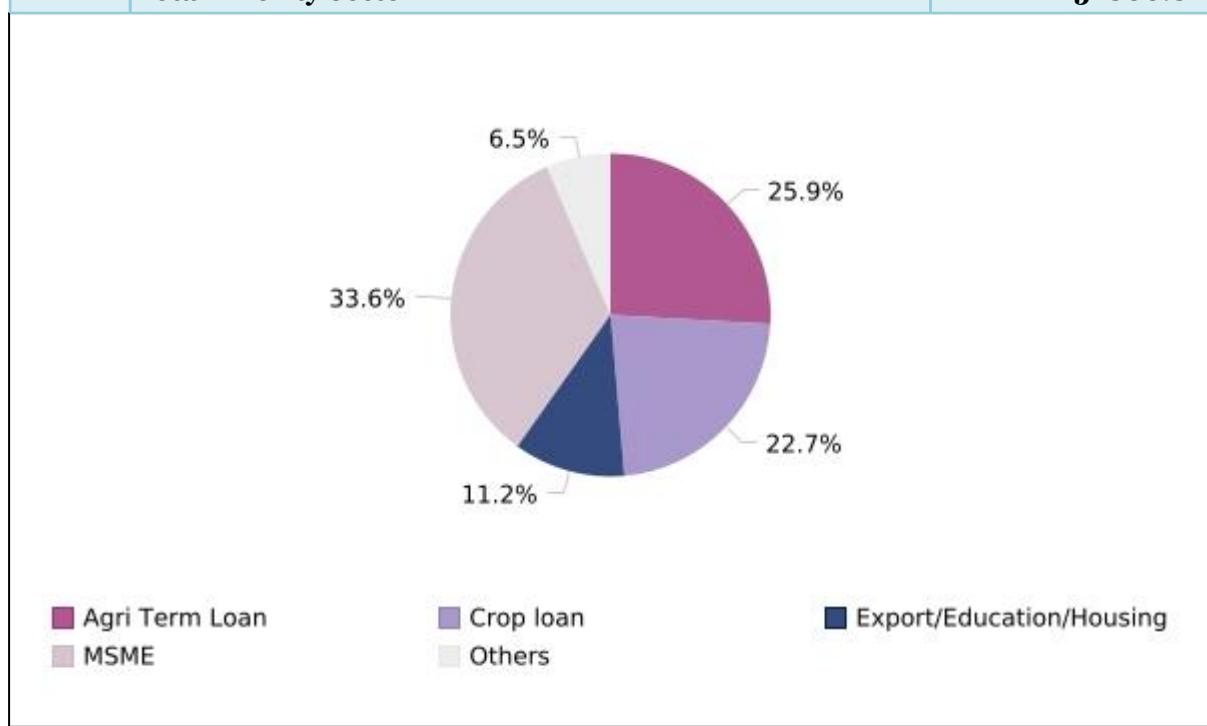
Disclaimer : Administrative boundary data is sourced from SOI and updated using LGD



Broad Sector-wise PLP Projections for the Year 2026-27

(₹ lakh)

Sr. No.	Particulars	Amount
A	Farm Credit	359416.97
1	Crop Production, Maintenance, Marketing and Working Capital Loans for Allied Activities	284770.02
2	Term Loan for agriculture and allied activities	74646.95
B	Agriculture Infrastructure	49765.29
C	Ancillary activities	200066.87
I	Credit Potential for Agriculture A+B+C)	609249.13
II	Micro, Small and Medium Enterprises	420896.40
III	Export Credit	32880.00
IV	Education	15040.00
V	Housing	92925.00
VI	Social Infrastructure	9360.00
VII	Renewable energy	3850.29
VIII	Others	68600.00
Total Priority Sector		1252800.82



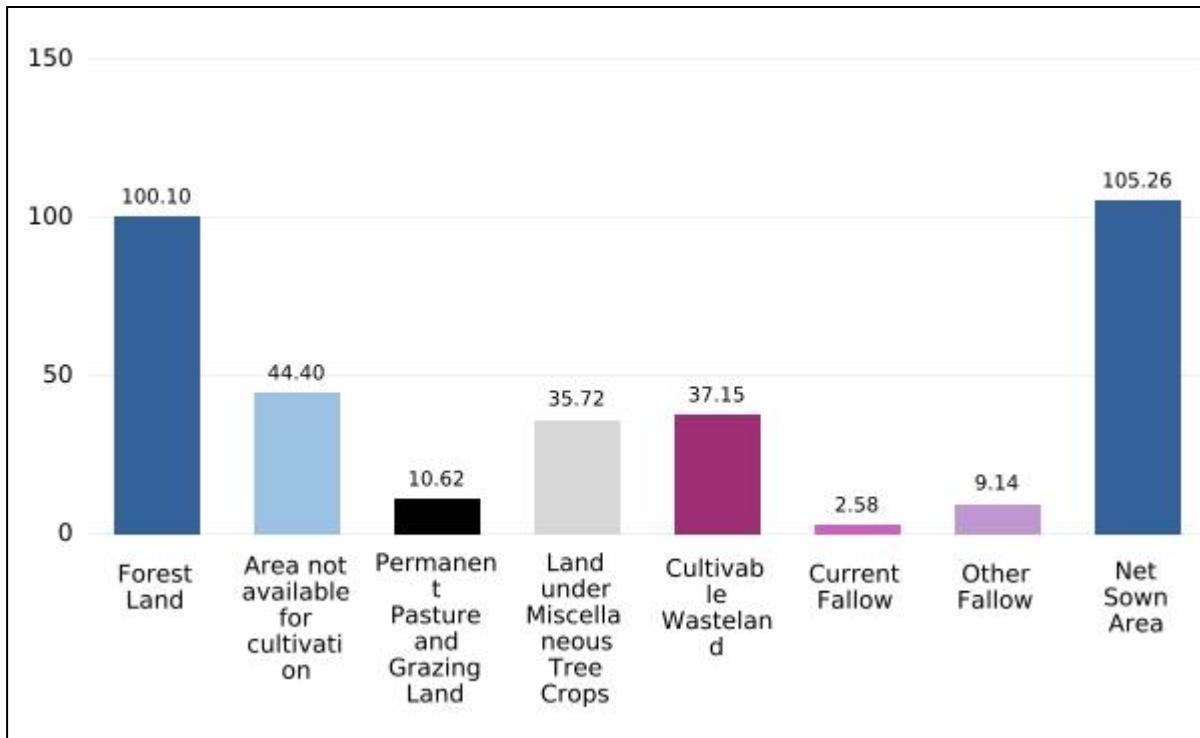
Others include Social Infrastructure and Renewable energy

**Summary of Sector/ Sub-sector wise PLP Projections 2026-27**

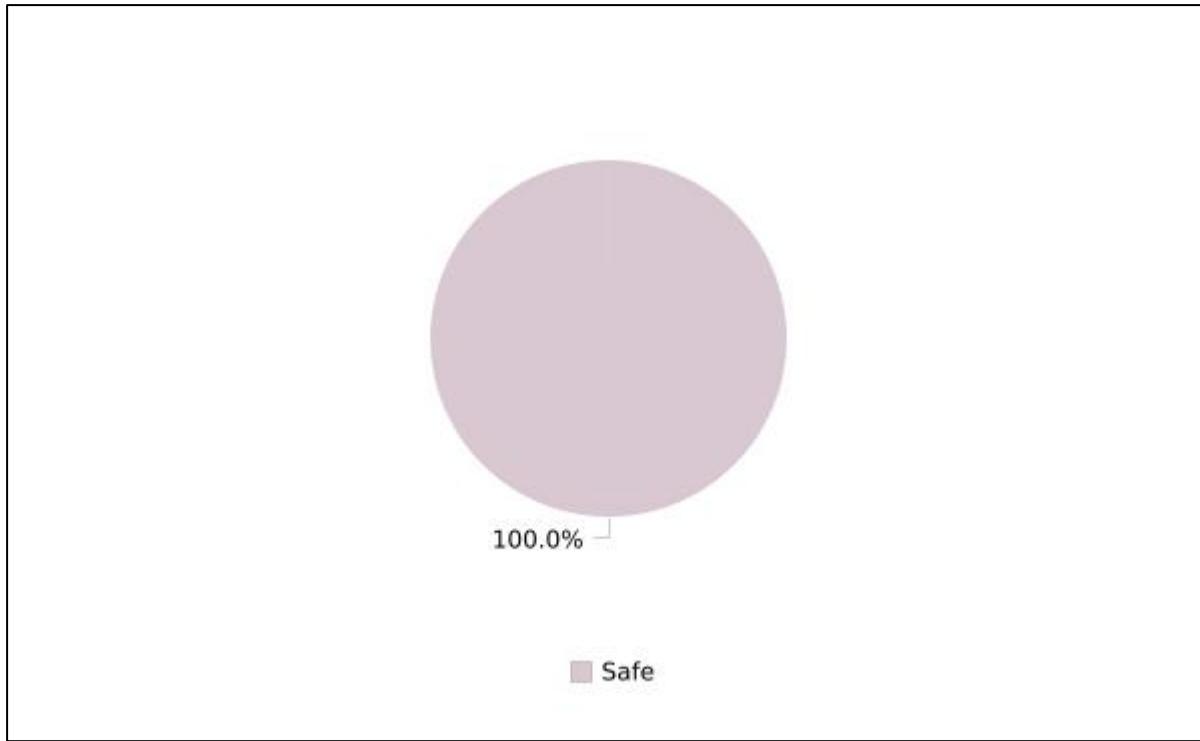
(₹ lakh)

Sr. No.	Particulars	Amount
I	Credit Potential for Agriculture	
A	Farm Credit	
1	Crop Production, Maintenance and Marketing	196054.44
2	Water Resources	11685.63
3	Farm Mechanisation	7337.11
4	Plantation & Horticulture with Sericulture	33932.88
5	Forestry & Waste Land Development	855.50
6	Animal Husbandry - Dairy	40317.49
7	Animal Husbandry - Poultry	10312.56
8	Animal Husbandry - Sheep, Goat, Piggery	2115.10
9	Fisheries	56806.26
10	Farm Credit- Others	
	Sub total	359416.97
B	Agriculture Infrastructure	
1	Construction of storage	8812.52
2	Land development, Soil conservation, Wasteland development	23402.20
3	Agriculture Infrastructure - Others	17550.57
	Sub total	49765.29
C	Ancillary activities	
1	Food & Agro. Processing	184598.95
2	Ancillary activities - Others	15467.92
	Sub Total	200066.87
II	Micro, Small and Medium Enterprises	
II	A Manufacturing Sector - Term Loan	337280.00
II	B Service Sector - Term Loan	0.00
II	C Manufacturing Sector - WC	72390.00
II	D Service Sector - WC	0.00
II	E MSME - Others	11226.40
	Total MSME	420896.40
III	Export Credit	32880.00
IV	Education	15040.00
V	Housing	92925.00
VI	Social Infrastructure	9360.00
VII	Renewable energy	3850.29
VIII	Others	68600.00
	Total Priority Sector	1252800.82

District Profile

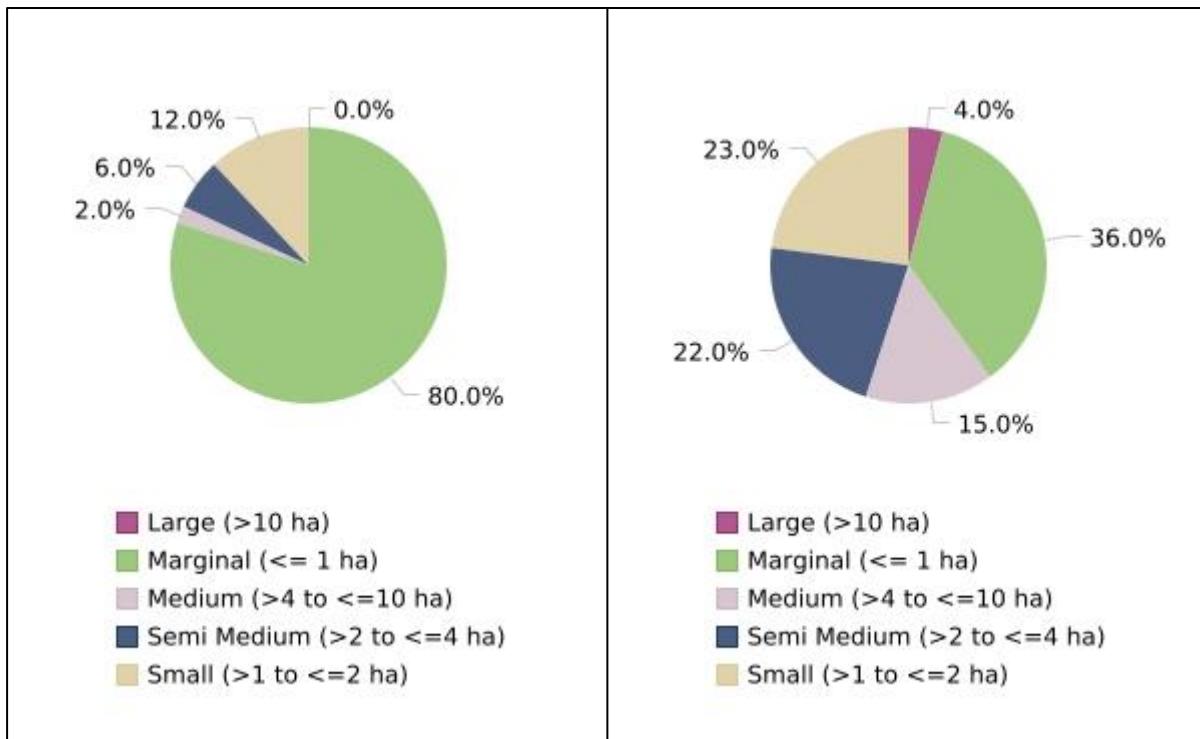
**1. Land Utilisation ('ooo hectares)**

District at a Glance 2023-24

2. Status of Extraction of Ground Water - No. of blocks

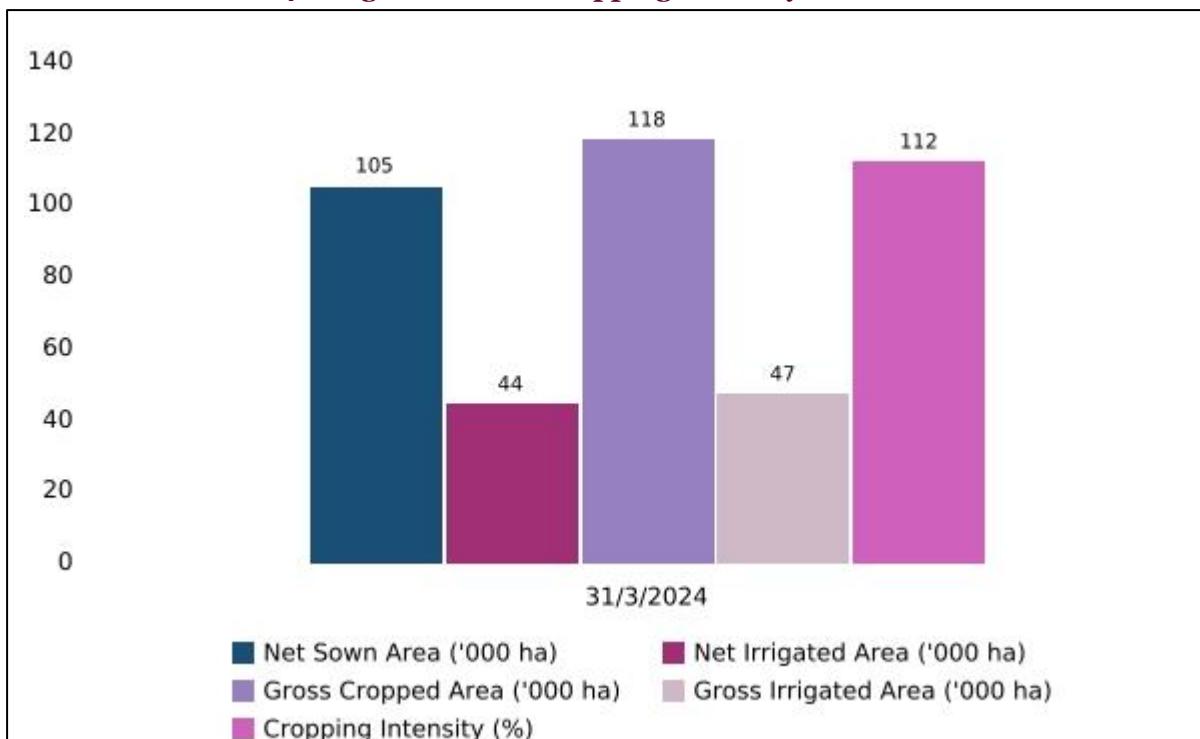
District at a Glance 2023-24

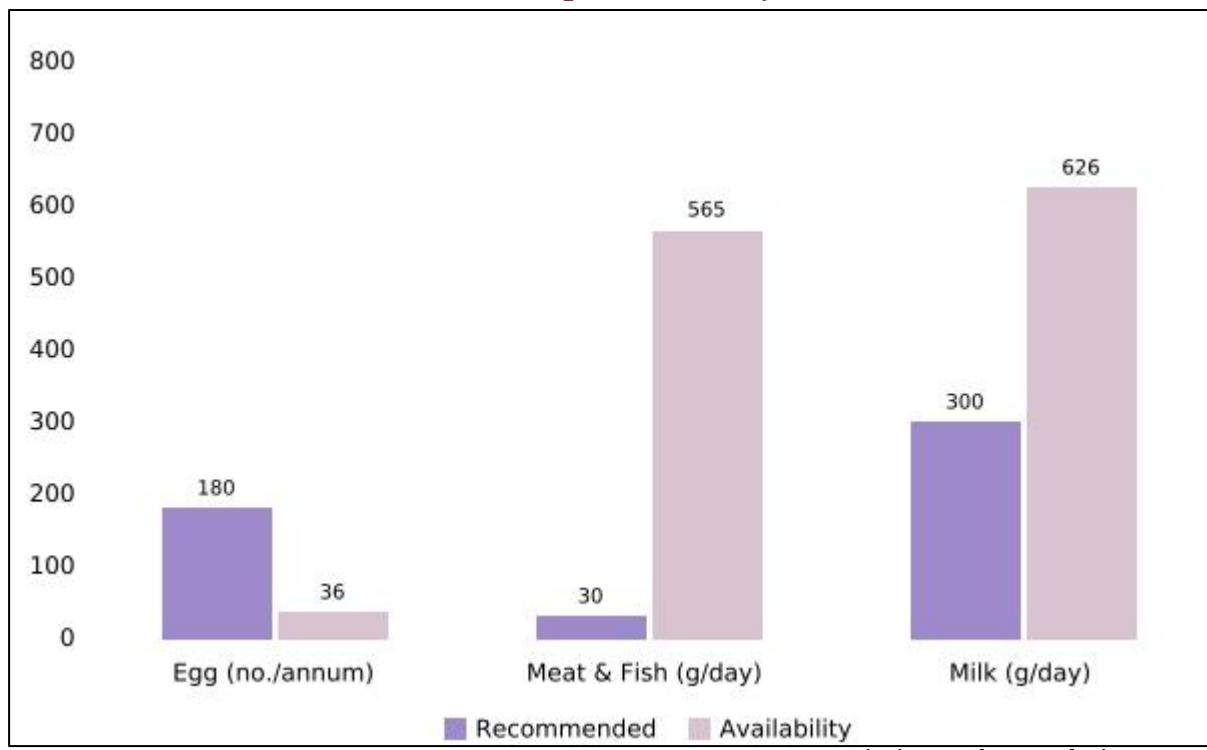
3. Landholding - No. of Farmers (%)



District at a Glance 2023-24

4. Irrigated Area & Cropping Intensity ('ooo ha)



**5. Per-capita availability**

District at a Glance - Udupi - 2023-24



Key Agricultural and Demographic Indicators

Particulars	Details
Lead Bank	Canara Bank

1. Physical & Administrative Features

Sr. No.	Particulars	Nos.
2	No. of Sub Divisions	10
1	Total Geographical Area (sq.km)	3582.00
3	No. of Blocks	7
4	No. of revenue villages	233
5	No. of Gram Panchayats	155

1.a Additional Information

Sr. No.	Particulars	Nos.
1	Is the district classified as Aspirational District?	No
2	Is the district classified as Low PSL Credit Category?	No
3	Is the district having an international border?	No
4	Is the district classified as LWE affected?	No
5	Climate Vulnerability to Agriculture	Low
6	Is the % of Tribal Population above the national average of 8.9%	No

2. Soil & Climate

Sr. No.	Particulars	Nos.
1	State	Karnataka
2	District	Udupi
3	Agro-climatic Zone 1	AZ108 - Coastal
4	Agro-climatic Zone 2	
5	Agro-climatic Zone 3	
6	Agro-climatic Zone 4	
7	Agro-climatic Zone 5	
8	Climate	Dry Sub Humid and Per Humid
9	Soil Type	Laterite red loamy coastal Alluvium

**3. Land Utilisation [1000 Ha]**

Sr. No.	Particulars	Nos.
1	Total Geographical Area	356.45
2	Forest Land	100.10
3	Area not available for cultivation	44.40
4	Barren and Unculturable land	11.46
5	Permanent Pasture and Grazing Land	10.62
6	Land under Miscellaneous Tree Crops	35.72
7	Cultivable Wasteland	37.15
8	Current Fallow	2.58
9	Other Fallow	9.14

4. Ground Water Scenario (No. of blocks)

Sr. No.	Stage	Nos.
1	Safe	7
2	Critical	0
3	Semi Critical	0
4	Over Exploited	0
5	Saline	0
6	Not Assessed	0
7	Total	7

5. Distribution of Land Holding

Sr. No.	Classification of Holding	Holding [In 'ooo]		Area [In 'ooo]	
		Particulars	Nos.	% to Total	Nos.
1	<= 1 ha	151.67	79.87	47.75	35.86
2	>1 to <=2 ha	23.36	12.30	31.25	23.47
3	>2 to <=4 ha	11.00	5.79	28.95	21.74
4	>4 to <=10 ha	3.54	1.86	19.64	14.75
5	>10 ha	0.32	0.17	5.56	4.18
6	Total	189.89	99.99	133.15	100.00

6. Workers Profile [In 'ooo]

Sr. No.	Particulars	Nos.
1	Cultivators	63.14
2	Agricultural Labourers	63.39
3	Workers engaged in Household Industries	10.58
4	Other workers	376.13



7. Demographic Profile [In 'ooo]

Sr. No.	Particulars	Total	Male	Female	Rural	Urban
1	Population	1177.00	562.00	615.00	843.00	334.00
2	Scheduled Caste	75.00	37.00	38.00	56.00	19.00
3	Scheduled Tribe	53.00	26.00	27.00	42.00	11.00
4	Literate	926.00	466.00	460.00	645.00	281.00
5	BPL	114.00	57.00	57.00		

8. Households [In 'ooo]

Sr. No.	Particulars	Nos.
1	Total Households	319.67
2	Rural Households	214.05
3	BPL Households	105.63

9. Household Amenities [Nos. in 'ooo Households]

Sr. No.	Particulars	Nos.
1	Having brick/stone/concrete houses	319.00
2	Having source of drinking water	319.00
3	Having electricity supply	319.00
4	Having independent toilets	319.00

10. Village-Level Infrastructure [Nos.]

Sr. No.	Particulars	Nos.
1	Villages Electrified	233
2	Villages having Agriculture Power Supply	233
3	Villages having Post Offices	233
4	Villages having Banking Facilities	233
5	Villages having Primary Schools	233
6	Villages having Primary Health Centres	233
7	Villages having Potable Water Supply	233
8	Villages connected with Paved Approach Roads	233



Health, Sanitation, Livestock and Agricultural Infrastructure

11. Infrastructure Relating To Health & Sanitation [Nos.]

Sr. No.	Particulars	NOs.
1	Anganwadis	1222
2	Primary Health Centres	64
3	Primary Health Sub-Centres	336
4	Dispensaries	993
5	Hospitals	1405
6	Hospital Beds	6755

12. Infrastructure & Support Services For Agriculture [Nos.]

Sr. No.	Particulars	NOs.
1	Registered FPOs	23
2	Soil Testing Centres	2
3	Agriculture Pumpsets	86333
4	Pumpsets Energised	85297
5	Krishi Vigyan Kendras	1

13. Irrigation Coverage ['ooo Ha]

Sr. No.	Particulars	NOs.
1	Area Available for Irrigation (NIA + Fallow)	116.99
2	Irrigation Potential Created	43.74
3	Net Irrigated Area (Total area irrigated at least once)	43.74
4	Area irrigated by Canals/ Channels	0.00
5	Area irrigated by Wells	43.76
6	Area irrigated by Tanks	1.17
7	Area irrigated by Other Sources	2.36
8	Irrigation Potential Utilized (Gross Irrigated Area)	47.29



14. Infrastructure For Storage, Transport & Marketing

Sr. No.	Particulars	NOs.
1	Pucca Road [km]	4881
2	Railway Line [km]	102
3	Public Transport Vehicle [Nos]	36605
4	Goods Transport Vehicles [Nos.]	26046

15. Processing Units

Sr. No.	Type of Processsing Activity	No. of Units	Capacity [MT]
1	Food (Rice/ Flour/ Dal/ Oil/ Tea/ Coffee etc.)	4631	
2	Sugarcane (Gur/ Khandsari/ Sugar)	0	
3	Fruit (Pulp/ Juice/ Fruit drink)	0	
4	Spices (Masala Powders/ Pastes)		
5	Dry-fruit (Cashew/ Almond/ Raisins, etc.)		
6	Cotton (Ginning/ Spinning/ Weaving)		
7	Milk (Chilling/ Cooling/ Processing, etc.)		
8	Meat (Chicken/ Mutton/ Pork/ Dry fish, etc.)		
9	Animal Feed (Cattle/ Poultry/ Fishmeal, etc.)		
10	Others	7489	

16. Animal Population as per Census [Nos.]

Sr. No.	Category of animal	Total	Male	Female
1	Cattle - Cross bred	138019		
2	Cattle - Indigenous	116757		
3	Buffaloes	2408		
4	Sheep - Cross bred	80		
5	Sheep - Indigenous	351		
6	Goat	2676		
7	Pig - Cross bred	1874		
8	Pig - Indigenous	1415		
9	Horse/Donkey/Camel	0		
10	Rabbit	208		
11	Poultry - Improved	1143010		
12	Poultry - Indigenous			

**17. Infrastructure for Development of Allied Activities [Nos.]**

Sr. No.	Particulars	NOs.
1	Veterinary Hospitals	12
2	Veterinary Dispensaries	38
3	Disease Diagnostic Centres	36
4	Artificial Insemination Centers	0
5	Animal Breeding Farms	0
6	Animal feed manufacturing units	0
7	Fodder Farms	2
8	Dairy Cooperative Societies	343
9	Milk Collection Centres	343
10	Fishermen Societies	54
11	Animal Husbandry Training Centres	0
12	Animal Markets	0
13	Fish Markets	116
14	Livestock Aid Centers (No.)	6
15	Licensed Slaughter houses [Nos.]	1

18. Milk, Fish, Egg Production & Per Capita Availability

Sr. No.	Particulars	Production		Per cap avail.	
		Quantity	Unit	Availability	Unit
1	Fish	240242.00	MT	559	gm/day
2	Egg	423.00	Lakh Nos.	36	nos/p.a.
3	Milk	269000.00	MT	626	gm/day
4	Meat	2474.00	MT	6	gm/day
5	Wool	0.00	MT		



District Profile

Key Insights into Agriculture and Allied Sectors

Crop Production, Maintenance and Marketing ' Agriculture

Particulars	31/03/2024	31/03/2025
Rainfall -Normal (mm)		4535
Rainfall - Actual (mm)		3524

Irrigated Area, Cropping Intensity

Particulars	31/03/2023	31/03/2024
Gross Cropped Area ('ooo ha)	0.00	117.50
Net sown area ('ooo ha)	10526.00	105.26
Cropping intensity (%)	0.00	111.63

KCC Coverage

Particulars	31/03/2023	31/03/2024	31/03/2025
KCC coverage (No.)	32021	62716	56031
GLC through KCC (Rs. lakh)	45800.00	93147.96	91817.05

Soil testing facilities

Particulars	31/03/2024	31/03/2025
Soil Testing Laboratories (No.)		2
Soil Health Cards Issued (No.)		12395

Major Crops, Area, Production, Productivity

Crop	31/03/2023			31/03/2024		
	Area ('ooo ha)	Prod. ('ooo MT)	Productivity (kg/ha)	Area ('ooo ha)	Prod. ('ooo MT)	Productivity (kg/ha)
Rice			0.00	41.21	116.90	2836.69

Irrigated Area & Potential

Particulars	31/03/2023	31/03/2024
Net Irrigation Potential (ooo ha)		44
Net Irrigated Area (ooo ha)		44
Gross Irrigated Area (ooo ha)		47

Farm Mechanisation

**Mechanisation in District**

Particulars	31/03/2023	31/03/2024
No. of tractors		634
Power Tillers		195

Crop Identified for One District-One Product

Particulars	31/03/2023	31/03/2024
Crop Name		Fisheries
Processing Units (No.)		14

Sericulture

Particulars	31/03/2023	31/03/2024
Area under sericulture (ha)		18
Production - kg		1

Weavers Clusters

Particulars	31/03/2023	31/03/2024
Popular variety (ies)		Udupi Sarees
Weavers population (No.)		32
Reeling Units (No.)		10

Production and Productivity

Crop	31/03/2023		31/03/2024	
	Area ('ooo ha)	Prod. ('ooo MT)	Area ('ooo ha)	Prod. ('ooo MT)
Areca nut			23.52	39188.00
Coconut			20.60	2423.00
Banana			0.89	24.69
Pineapple			0.34	13.43
Cashew			15.88	26.83

Forestry & Waste Land Development**Area under Forest Cover & Waste Land**

Particulars	31/03/2023	31/03/2024
Forest Cover (ooo ha)		100
Waste Land (ooo ha)		37
Degraded Land (ooo ha)		11





District Profile

Key Insights into Livestock, Fisheries and Land Development

Animal Husbandry ' Dairy

Processing Infrastructure

Particulars	31/03/2023	31/03/2024
Chilling Centers (No.)	1.00	1.00

Animal Husbandry - Poultry

Poultry

Particulars	31/03/2023	31/03/2024
Broiler Farms (No.)		
Hatcheries (No.)		

Fisheries

Inland Fisheries Facilities

Particulars	Status
Tanks/ Ponds (No.)	
Reservoirs (No.)	
Cage Culture/ Bio-floc technology (No.)	
Fish Seed Hatchery (No.)	

Marine Fisheries (No.)

Particulars	Status
Fishing harbors/ jetties	3.00
Mechanised/ non-mechanised boats	2266.00

Brackish Water Fisheries

Particulars	Status
Brackish Water Area (ha)	1.00

Agri. Infrastructure

Agri Storage Infrastructure

Particulars	Status
Cold Storages (No.)	17.00



Cold Storages (Capacity - 000 MT)	9.00
Storage Godowns (No.)	
Storage Godowns (Capacity - 000 MT)	
Rural/Urban Mandi/Haat/ Rythu Bazaar (No.)	7.00
Market Yards [Nos] / Wholesale Market (No.)	22.00
Storage capacity available with PACS/ LAMPS/ RMCS (000 MT)	2200.00

Land Development, Soil Conservation & Watershed Development

NABARD's interventions

Particulars	Status
Watershed Projects (No.)	0.00
Watershed Projects - Area treated (000 ha)	0.00
Wadi Projects (No.)	0.00
Wadi Projects - Area of plantation (000 ha)	0.00



District Profile

Key Insights into MSME, Cooperatives, Infrastructure and others

Agri Infrastructure ' Others

Fertilizer Consumption

Particulars	31/03/2023	31/03/2024
Fertilizer Consumption (ooo kg)	5800.00	6848.00

Facilities Available

Particulars	Status
Agri-Economic Zones (No.)	7

MSME

Particulars	Status
MSME Clusters (No.)	3
Micro Units (No.)	3803
Small Units (No.)	872
Medium Units (No.)	41
Udyog Aadhar Registrations (No.)	4716

Traditional activities

Particulars	Status
Handloom Clusters (No.)	1
Handicrafts Clusters (No.)	1
Weavers Coop. Societies (No.)	3

Informal Credit Delivery

Promotional Interventions

Particulars	31/03/2023	31/03/2024
State specific initiative (Rs. lakh)	0.00	

Status of SHGs

Particulars	31/03/2023	31/03/2024
No. of SHGs credit linked (including repeat finance)	5972	5662
Bank loan disbursed (Rs. lakh)		21141.77
Average loan per SHG (Rs. lakh)		3.73



Status and Prospects of Cooperatives

Details of non-credit cooperative societies

Particulars	31/03/2023	31/03/2024
AH Sector - Milk/ Fisheries/ Poultry (No.)		343
Housing Societies (No.)		8
Weavers (No.)		3
Marketing Societies (No.)		3
Others (No.)		209
Total (No)%	0	566

Details of credit cooperative societies

Particulars	31/03/2023	31/03/2024
Primary Agriculture Credit Societies (No.)		54
Multi state cooperative societies (No.)%		1

Block wise, sector wise distribution of cooperative societies in the district

Sr. No.	State	District	Block	31/03/2024			31/03/2025		
				Sector	No. of Societies	Spred	Sector	No. of Societies	Spred
1	Karnataka	Udupi	Brahmavara				Milk Societies	82	Rich
2	Karnataka	Udupi	Bainduru				Milk Societies	32	Rich
3	Karnataka	Udupi	Hebri				Milk Societies	25	Rich
4	Karnataka	Udupi	Kapu				Milk Societies	30	Rich
5	Karnataka	Udupi	Karkal				Milk Societies	62	Rich
6	Karnataka	Udupi	Kundapura				Milk Societies	83	Rich
7	Karnataka	Udupi	Udupi				Milk Societies	29	Rich



8	Karnataka	Udupi	Karkal				Marketing Societies	1	Average
8	Karnataka	Udupi	Brahmavara						
9	Karnataka	Udupi	Bainduru						
9	Karnataka	Udupi	Kundapura				Marketing Societies	1	Average
10	Karnataka	Udupi	Udupi				Marketing Societies	1	Average
10	Karnataka	Udupi	Hebri						
11	Karnataka	Udupi	Kapu						
11	Karnataka	Udupi					Housing Societies	1	Average
12	Karnataka	Udupi	Karkal				Housing Societies	1	Average
13	Karnataka	Udupi	Udupi				Housing Societies	6	Average
13	Karnataka	Udupi	Kundapura						
14	Karnataka	Udupi	Udupi						
15	Karnataka	Udupi	Brahmavara						
16	Karnataka	Udupi	Bainduru						
17	Karnataka	Udupi	Hebri						
18	Karnataka	Udupi	Kapu						
19	Karnataka	Udupi	Karkal						
20	Karnataka	Udupi	Kundapura						
21	Karnataka	Udupi	Udupi						

Status/ progress under various schemes of MoC in the district

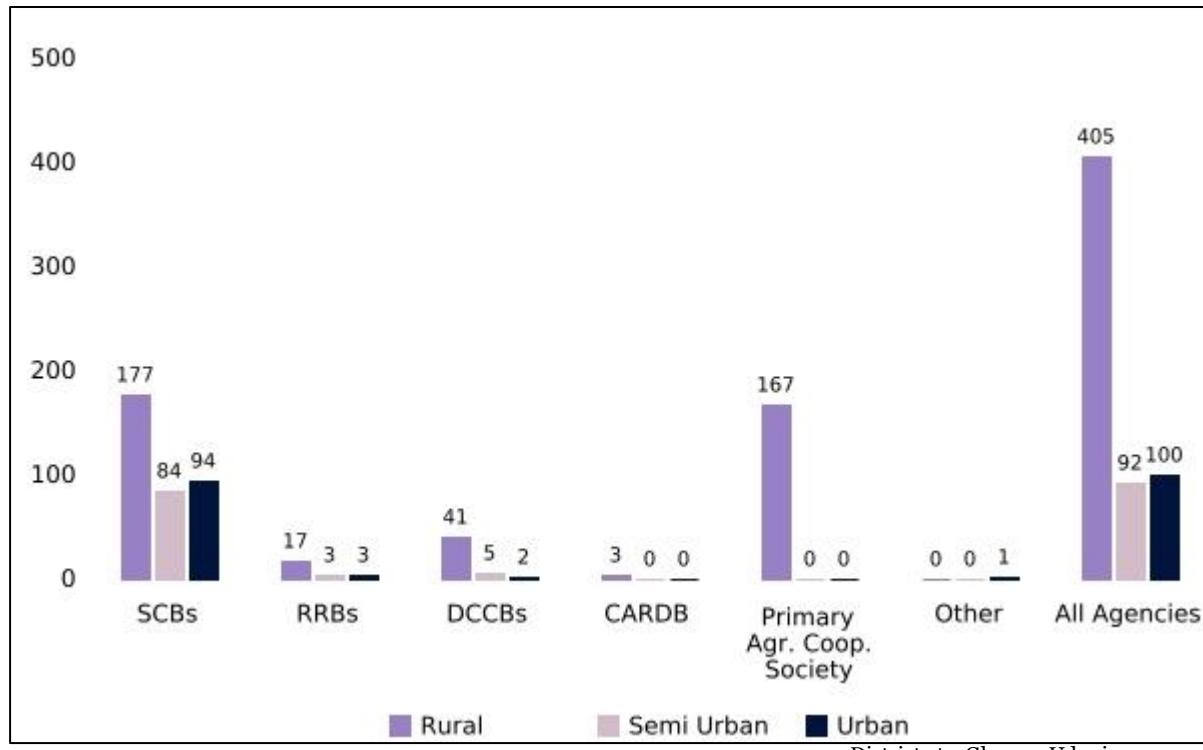
Status/ Progress in the district	
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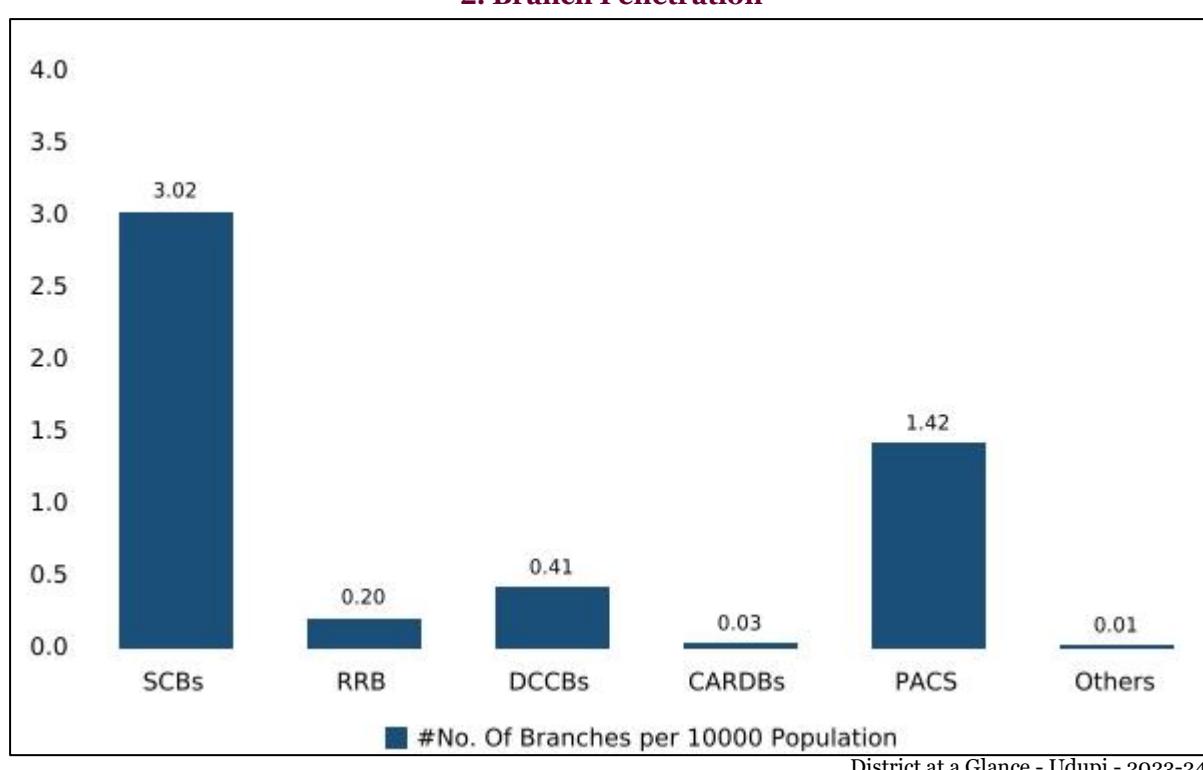
Sr.No.	MoC Scheme/ Initiative	No. of PACS/ No. of Units	Investment/ Working Capital requirement (as the case may be)
1	Adoption of Model Bye-laws by the societies in the district	54	
5	New MPACS/ Primary Dairy Societies/ Fisheries Societies established	1	
7	PACS as Common Service Centres (CSCs)	6	
9	PACS as Jan Aushadi Kendras (JAK)	1	
10	Petrol/ Diesel distributorship/ dealership	1	

Banking Profile

1. Agency wise - Number of branches in the district

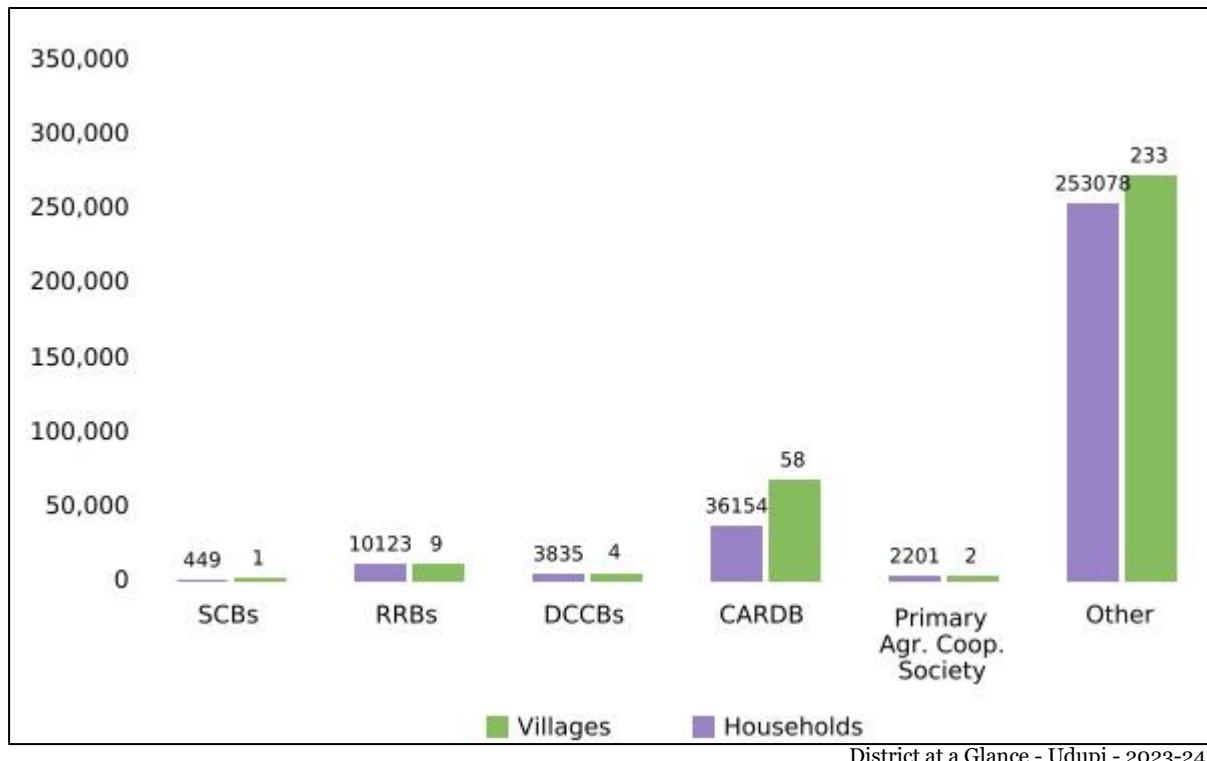


2. Branch Penetration

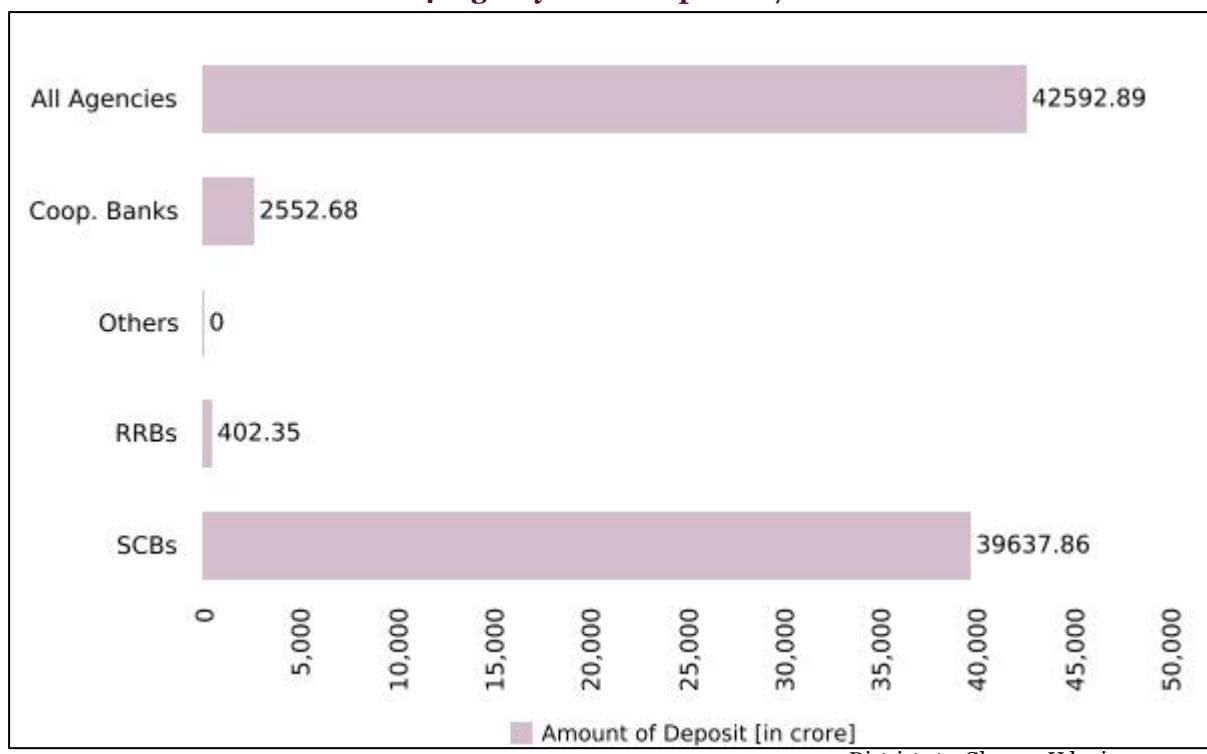




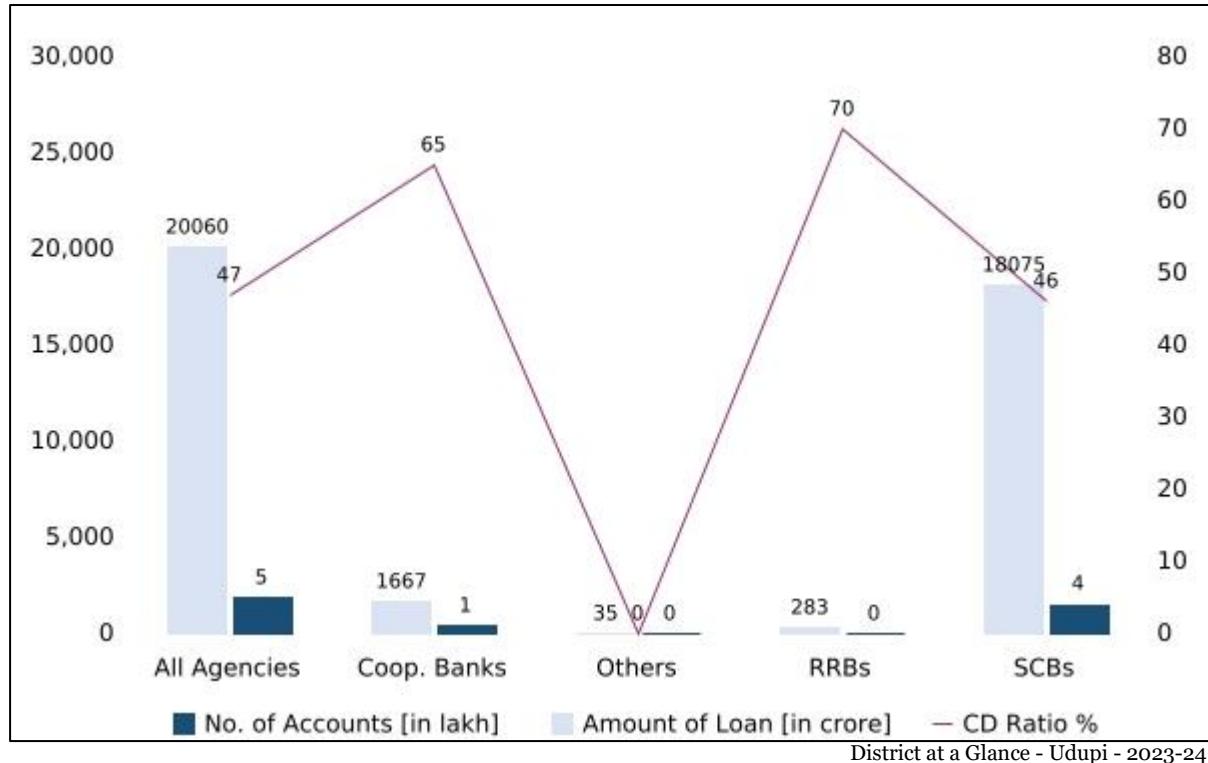
3. Agency wise - Per branch Outreach



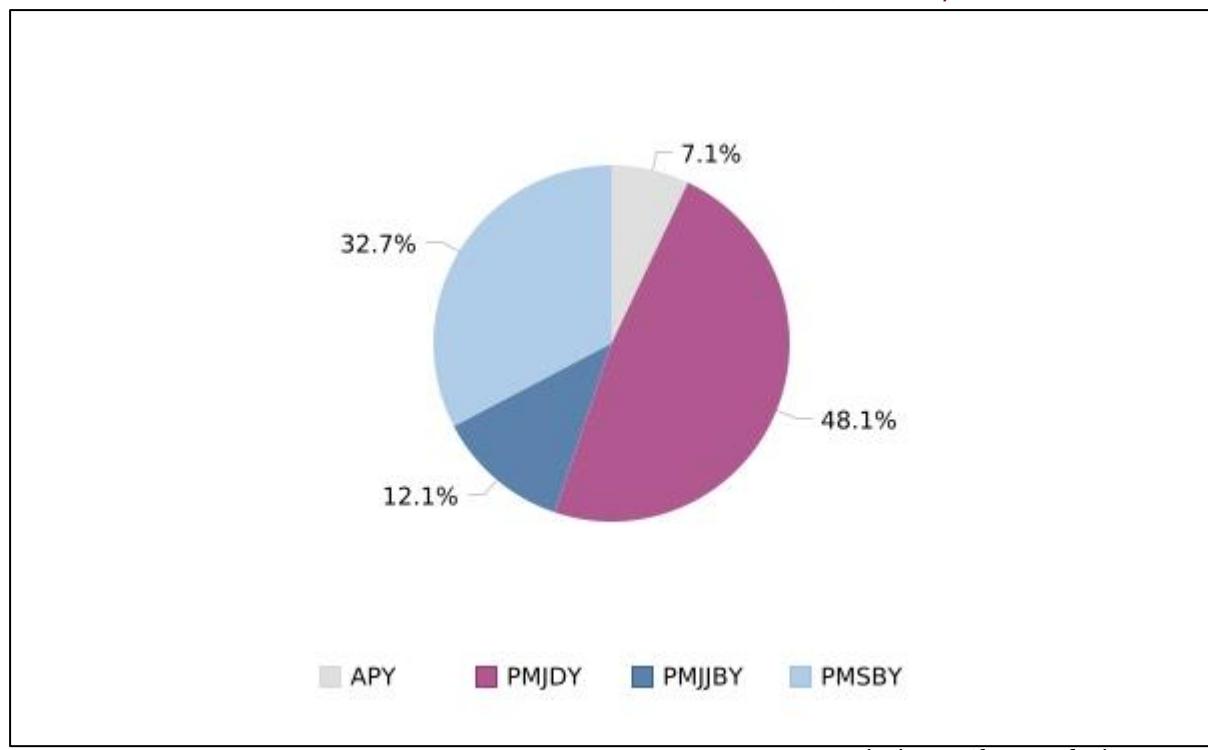
4. Agency wise - Deposit O/s

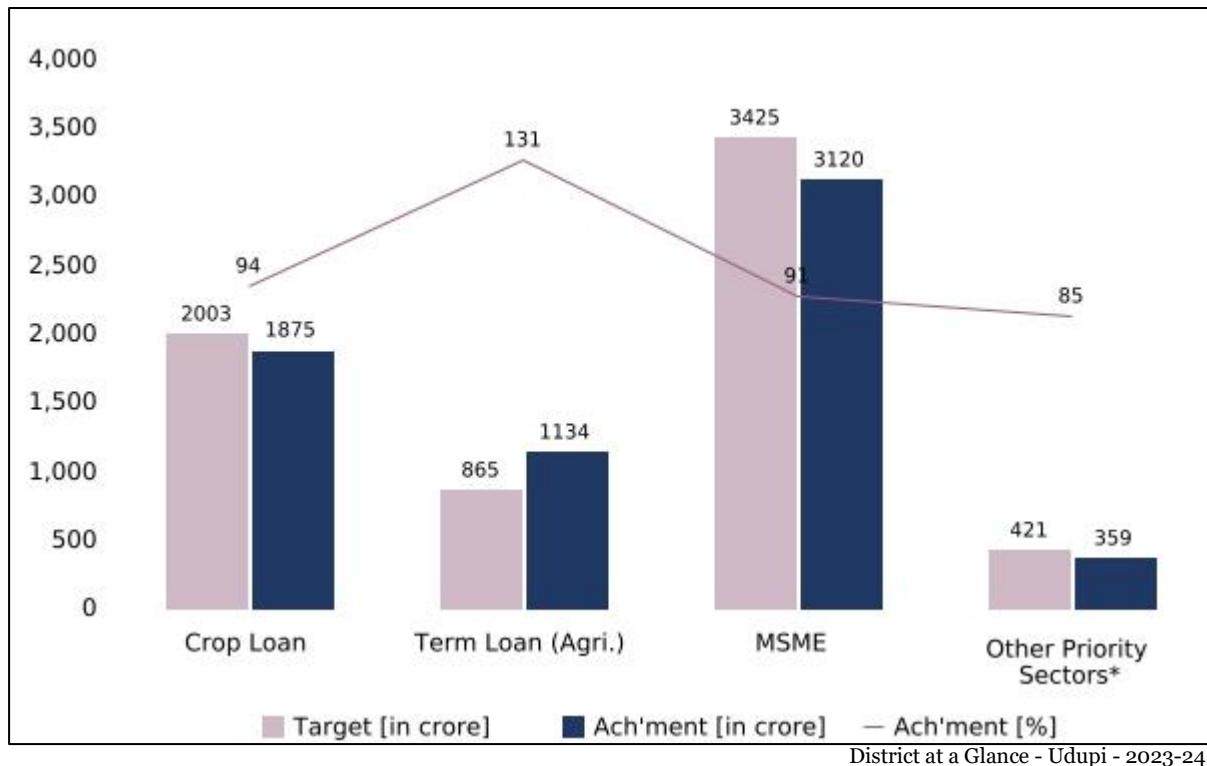
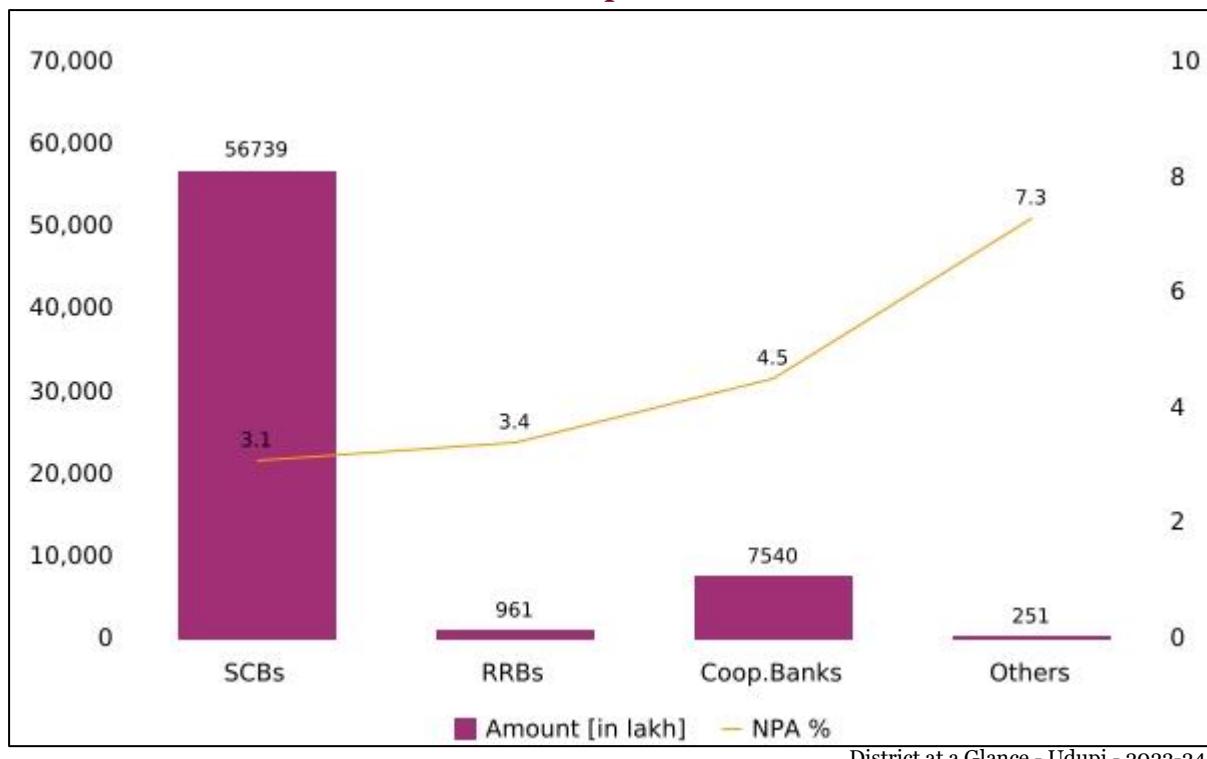


5. Agency wise - Loan O/s and CD ratio



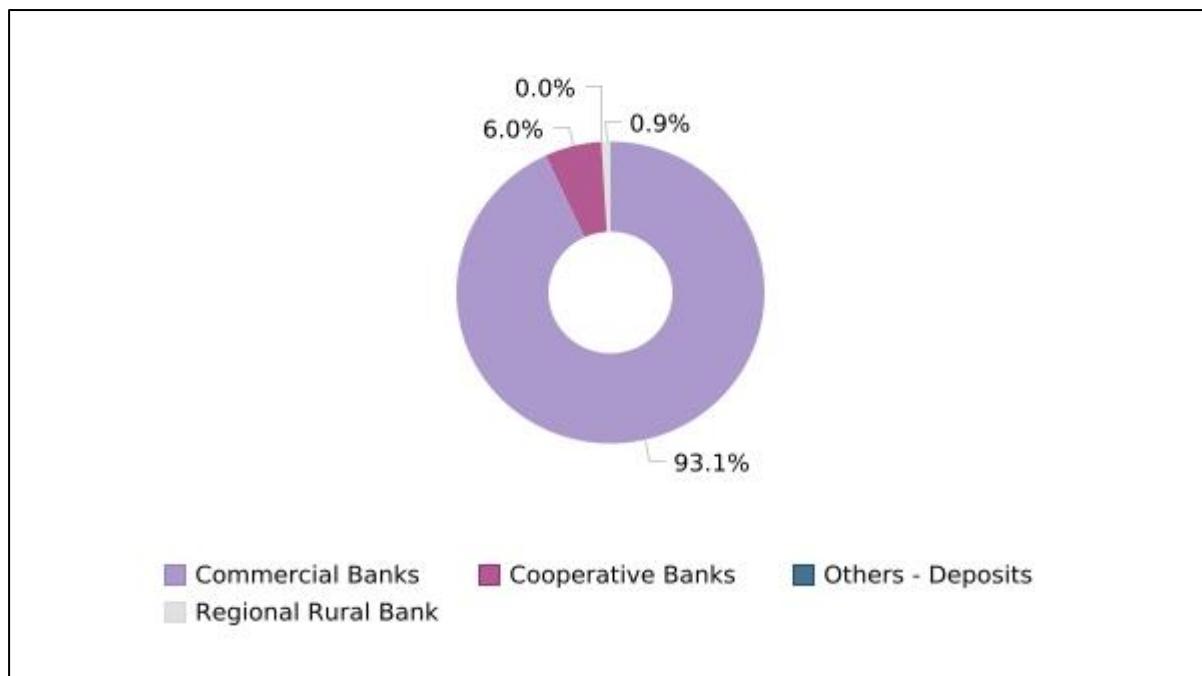
6. Performance under Financial Inclusion (No. of A/c)



**7. Sector-wise Performance under ACP****8. NPA position**

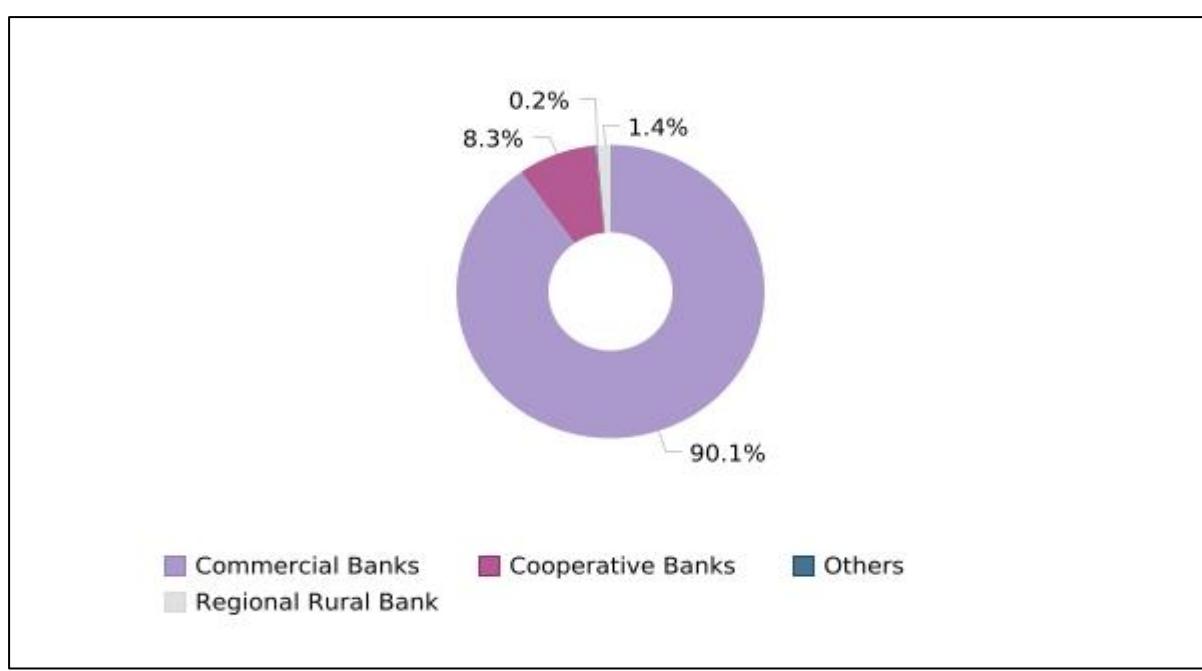


9. Agency wise - Share of Deposit O/s
Year 2024-25

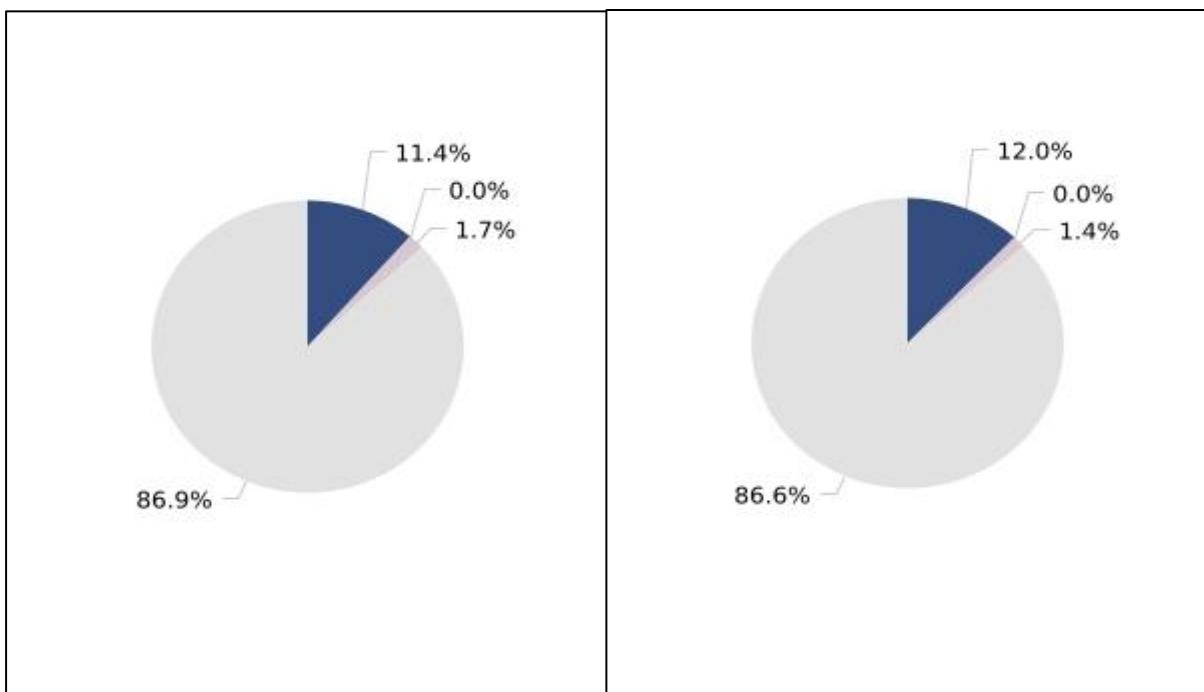
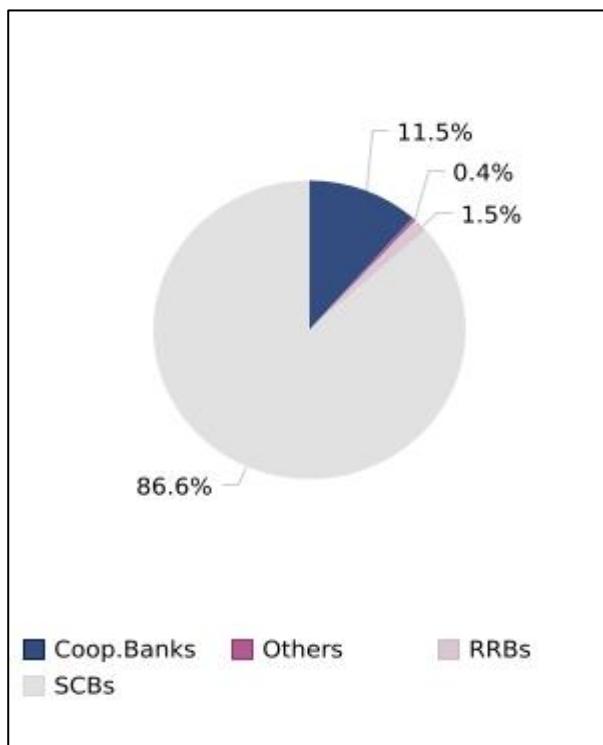


District at a Glance - Udupi - 2023-24

10. Agency wise - Share of Loan O/s
Year 2024-25



District at a Glance - Udupi - 2023-24

**11. Agency wise - Share of NPA****Year 2022-23****Year 2023-24****Year 2024-25**

District at a Glance - Udupi - 2023-24

Udupi, PLP 2026-27



Banking Profile

1. Network & Outreach

Agency	No. of Banks/ Societies	No. of Banks/ Societies				No. of non-formal agencies associated			Per Branch Outreach	
		Total	Rural	Semi-urban	Urban	mFIs/mF Os	SHGs/JLG s	BCs/BFs	Villages	Households
Commercial Banks	34	355	177	84	94	9	1543	1025	1	449
Regional Rural Bank	1	23	17	3	3	0	264	1	9	10123
District Central Coop. Bank	1	48	41	5	2	0	3855	0	4	3835
Coop. Agr. & Rural Dev. Bank	1	3	3	0	0	0	0	0	58	36154
Primary Agr. Coop. Society	57	167	167	0	0	0	0	0	2	2201
Others	1	1	0	0	1	0	0	0	233	253078
All Agencies	95	597	405	92	100	9	5662	1026		

2. Deposits Outstanding

Agency	No. of accounts					Amount of Deposit [Rs. lakh]				
	31/03/2023	31/03/2024	31/03/2025	Growth (%)	Share (%)	31/03/2023	31/03/2024	31/03/2025	Growth (%)	Share (%)
Commercial Banks				0	0	3279110.32	3633724.63	3963786.43	9.1	93.06



Regional Rural Bank	0	0	0	35826.06	37194.28	40234.74	8.2	0.94
Cooperative Banks	0	0	0	210318.26	239918.00	255267.67	6.4	5.99
Others	0	0	0	0.00	0.00	0.00	0.0	0.00
All Agencies	0	0	0	3525254.64	3910836.91	4259288.84	8.9	100.00

3. Loans & Advances Outstanding

Agency	No. of accounts					Amount of Deposit [Rs. lakh]				
	31/03/2023	31/03/2024	31/03/2025	Growth (%)	Share (%)	31/03/2023	31/03/2024	31/03/2025	Growth (%)	Share (%)
Commercial Banks	317991	353716	356821	0.9	74.9	1437135.81	1622441.77	1807483.88	11.4	90.1
Regional Rural Bank	17970	17724	17945	1.2	3.8	23572.15	25823.53	28345.47	9.8	1.4
Cooperative Banks	91032	150528	101897	-32.3	21.4	140550.04	161557.32	166677.57	3.2	8.3
Others	44	45	40	-11.1	0.0	2327.78	2566.71	3452.77	34.5	0.2
All Agencies	427037	522013	476703	-8.7	100.0	1603585.78	1812389.33	2005959.69	10.7	100.0

4. CD Ratio

Agency	CD Ratio %		
	31/03/2023	31/03/2024	31/03/2025
Commercial Banks	43.8	44.6	45.6
Regional Rural Bank	65.8	69.4	70.5



Cooperative Banks	66.8	67.3	65.3
Others	0.0	0.0	0.0
All Agencies	45.5	46.3	47.1

5. Performance under Financial Inclusion (No. of A/cs)

Agency	Cumulative up to			
	31/03/2025			
	PMJDY	PMSBY	PMJJBY	APY
Commercial Banks	508247	499342	185886	103592
Regional Rural Bank	339101	64247	23987	15433
Cooperative Banks	0	12583	3928	5530
Others	0	0	0	0
All Agencies	847348	576172	213801	124555

6. Performance on National Goals

Agency	31/03/2025									
	Priority Sector Loans		Loans to Agr. Sector		Loans to Weaker Sections		Loans under DRI Scheme		Loans to Women	
	Amount [Rs. lakh]	% of Total Loans	Amount [Rs. lakh]	% of Total Loans	Amount [Rs. lakh]	% of Total Loans	Amount [Rs. lakh]	% of Total Loans	Amount [Rs. lakh]	% of Total Loans
Commercial Banks	676022.42	37.4	319900.81	17.7	228041.34	12.6		0.0	24032.13	1.3
Regional Rural Bank	10056.30	35.5	4547.85	16.0	10085.45	35.6		0.0	2093.99	7.4



Cooperative Banks	81936.81	49.2	58572.10	35.1	0.00	0.0		0.0	0.00	0.0
Others	1890.48	54.8	0.00	0.0	0.00	0.0		0.0	0.00	0.0
All Agencies	769906.01	38.4	383020.76	19.1	238126.79	11.9	0.00	0.0	26126.12	1.3

7. Agency-wise Performance under Annual Credit Plans

Agency	31/03/2023			31/03/2024			31/03/2025			Avg. Ach [%] in last 3 years
	Target [Rs. lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	Target [Rs. lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	Target [Rs. lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	
Commercial Banks	856201.91	486470.27	56.8	945755.94	604902.02	64.0	771924.99	676022.42	87.6	69.5
Regional Rural Bank	37529.71	8734.84	23.3	40498.10	9933.92	24.5	11428.81	10056.3	88.0	45.3
Cooperative Banks	67832.63	76096.41	112.2	73318.09	82997.63	113.2	95128.13	81936.81	86.1	103.8
Others	3905.48	407.76	10.4	4900.27	922.57	18.8	932.82	1890.48	202.7	77.3
All Agencies	965469.73	571709.28	59.2	1064472.40	698756.14	65.6	879414.75	769906.01	87.5	70.8

8. Sector-wise Performance under Annual Credit Plans

Broad Sector	31/03/2023			31/03/2024			31/03/2025			Avg. Ach [%] in last 3 years
	Target [Rs. lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	Target [Rs. lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	Target [Rs. lakh]	Ach'ment [Rs. lakh]	Ach'ment [%]	
Crop Loan	110194.85	92830.54	84.2	118941.43	176197.50	148.1	200313.65	187456.64	93.6	108.6
Term Loan (Agri.)	122794.95	112581.33	91.7	125698.07	74379.30	59.2	86471.23	113439.47	131.2	94.0



Total Agri. Credit	232989.80	205411.87	88.2	244639.50	250576.80	102.4	286784.88	300896.11	104.9	98.5
MSME	287809.04	224450.72	78.0	344472.38	273434.79	79.4	342535.77	311966.14	91.1	82.8
Other Priority Sectors*	1095.47	28187.49	2573.1	1181.27	33831.10	2864.0	42092.30	35933.08	85.4	1840.8
Total Priority Sector	521894.31	458050.08	87.8	590293.15	557842.69	94.5	671412.95	648795.33	96.6	93.0

9.NPA Position (Outstanding)

Agency	31/03/2023			31/03/2024			31/03/2025			Avg. NPA [%] in last 3 years
	Total o/s [Rs. lakh]	NPA amt. [Rs. lakh]	NPA %	Total o/s [Rs. lakh]	NPA amt. [Rs. lakh]	NPA %	Total o/s [Rs. lakh]	NPA amt. [Rs. lakh]	NPA %	
Commercial Banks	1437135.81	56453.54	3.9	1622441.77	56582.1	3.5	1807483.88	56738.92	3.1	3.5
Regional Rural Bank	23572.15	1106.97	4.7	25823.53	886.5	3.4	28345.47	961.26	3.4	3.8
Cooperative Banks	140550.04	7411.96	5.3	161557.32	7844.09	4.9	166677.57	7539.99	4.5	4.9
Others	2327.78	2.84	0.1	2566.71	0	0.0	3452.77	251.21	7.3	2.5
All Agencies	1603585.78	64975.30	4.0	1812389.33	65312.70	3.6	2005959.69	65491.37	3.3	3.6

Part B



Chapter 1

Important Policies and Developments

1. Policy Initiatives - GoI (including Cooperatives)

Recent Initiatives for Development of Cooperatives:

- Formation and strengthening of 2 lakh new Multipurpose Primary Cooperatives
- National Campaign on Cooperation among Cooperatives
- Cooperative Governance Index for RCBs
- Amalgamation of RRBs
- Recapitalisation of RRBs: Raising of Capital from sources other than from the existing stakeholder
- Promoting MSME lending by RRBs
- RRBs in Focus mechanism
- Centralised Digital Credit Infrastructure (CDCI)ix. Revised HR Policy for implementation in RRBs

2. Union Budget

2.1. Important Announcements

- Key Highlights of Union Budget 2025/26 (<https://www.indiabudget.gov.in/>) : The Budget proposes development measures focusing on Garib (Poor), Youth, Annadata (Farmer), and Nari (Women). The four main Engines of development are Agriculture, MSME, Investment and Exports.
- Prime Minister Dhan Dhaanya Krishi Yojana Developing Agri Districts Programme: The programme to be launched in partnership with the states, covering 100 districts with low productivity, moderate crop intensity and below average credit parameters.
- Makhana Board in Bihar: A Makhana Board to be established to improve production, processing, value addition, and marketing of makhana.
- Fisheries: Government to bring a framework for sustainable harnessing of fisheries from Indian Exclusive Economic Zone and High Seas, with a special focus on the Andaman & Nicobar and Lakshadweep Islands.
- Enhanced Credit through KCC: The loan limit under the Modified Interest Subvention Scheme to be enhanced from ₹ 3 lakh to ₹ 5 lakh for loans taken
- Revision in classification criteria for MSMEs: The investment and turnover limits for classification of all MSMEs to be enhanced to 2.5 and 2 times respectively.
- Credit Cards for Micro Enterprises: Customized Credit Cards with ₹ 5 lakh limit for micro enterprises registered on Udyam portal.
- Fund of Funds for Startups: A new Fund of Funds, with expanded scope and a fresh contribution of ₹ 10,000 crore to be set up.
- Scheme for First time Entrepreneurs: A new scheme for 5 lakh women, Scheduled 2 crore in the next 5 years announced.



Castes and Scheduled Tribes first time entrepreneurs to provide term loans up to ₹2 crore in the next 5 years announced.

- Support for Food Processing: A National Institute of Food Technology, Entrepreneurship and Management to be set up in Bihar.
- PM SVANidhi: Scheme to be revamped with enhanced loans from banks, UPI linked credit cards with ₹ 30,000 limit, and capacity building support.
- Support to States for Infrastructure: An outlay of ₹ 1.5 lakh crore proposed for the 50-year interest free loans to states for capital expenditure and incentives for
- Jal Jeevan Mission: Mission to be extended until 2028 with an enhanced total
- Maritime Development Fund: A Maritime Development Fund with a corpus of ₹ 25,000 crore to be set up, with up to 49 per cent contribution by the Government, and the balance from ports and private sector.
- Grameen Credit Score: Public Sector Banks to develop Grameen Credit Score framework to serve the credit needs of SHG members and people in rural areas.

3. Policy Initiatives - RBI

RBI guidelines 2025 (<https://rbi.org.in/Scripts/NotificationUser.aspx>)

Credit Flow to Agriculture Collateral free agricultural loans

- i. Collateral free loan limit raised from ₹ 1.6 lakh to ₹ 2 lakh per borrower.
- ii. Applies to agricultural and allied activities.
- iii. No collateral or margin required for loans up to ₹ 2 lakh.

Master Directions RBI (PSL Targets and Classification) Directions, 2025

- i. PSL Categories: Agri, MSMEs, Export Credit, Education, Housing, Social Infra, Renewable Energy, Others
- ii. Targets: Overall PSL target reduced to 60% of ANBC or CEOBE, whichever is higher. 40% to prescribed PSL subsectors, 20% to any PSL subsector(s) where bank has competitive advantage
- iii. Commercial Banks: 40% of ANBC, RRBs & SFBs: 75%, UCBs: 60%
- iv. Subtargets: Agri (18%), Micro Enterprises (7.5%), Weaker Sections (12 to 15%)
- iv. Higher credit weight (125%) for low credit districts; lower (90%) for high credit districts

The other major master directions issued by RBI:

- i. Lead Bank Scheme
- ii. Deendayal Antyodaya Yojana National Rural Livelihoods Mission (DAYNRLM)
- iii. SHG Bank Linkage Programme
- iv. Basel III Capital Regulations
- v. Prudential norms on Income Recognition, Asset Classification and provisioning pertaining to Advances
- vi. Bank Finance to Non Banking Financial Companies (NBFCs)



4. Policy Initiatives - NABARD

Policy & Initiatives NABARD (<https://www.nabard.org/EngDefault.aspx>)

INFRASTRUCTURE:

- Rural Infrastructure Development Fund (RIDF): Covers 39 activities across Agriculture, Social Sector, and Rural Connectivity. Priority is being given to PM DhanDhaanya Krishi Yojana (PMDDKY), in addition to Credit Deficient, LWE, Aspirational, and North Eastern/Hilly districts.
- Long Term Irrigation Fund (LTIF): Launched in 201617 to fasttrack 99 irrigation projects across 18 states. Includes additional projects like Polavaram (AP), North Koel (Bihar/Jharkhand), and others in Punjab. Funding continues till FY 202526 for State share. Ministry of Jal Shakti is the nodal agency.
- Micro Irrigation Fund (MIF): Started in 201920 with ₹5,000 crore to promote micro irrigation beyond PMKSY. In 2024, an additional ₹5,000 crore was approved. Ministry of Agriculture & Farmers Welfare is the nodal ministry.
- Food Processing Fund (FPF): Instituted in 201415 with ₹2,000 crore to support food parks and processing units. As of June 2025, 40 projects sanctioned with ₹1,179.71 crore committed and ₹ 830.22 crore disbursed.
- Warehouse Infrastructure Fund (WIF): Created in 201314 with ₹10,000 crore corpus to support scientific storage infrastructure.
- eKisan Upaj Nidhi (eKUN) (<https://wdra.gov.in/digital/eng.html>) : WDRA in collaboration with NABARD has developed and launched a digital gateway in March 2024 to connect stakeholders in the warehouse receipt based pledge financing system, enabling farmers and traders to access online finance against eNWRs.

CLIMATE CHANGE:

- Framework for Voluntary Carbon Market (VCM) in Agriculture Sector: The Ministry of Agriculture and Farmers Welfare has introduced a VCM Framework to help small and marginal farmers earn carbon credits by adopting sustainable agricultural practices. These credits can be traded, with FPOs, SHGs, and cooperatives playing a key role in managing and facilitating carbon projects.
- NABARD Carbon Fund (NCF): With a ₹ 300 crore corpus, the NABARD Carbon Fund supports carbon mitigation projects that generate tradable carbon credits. It focuses on financing, aggregating small scale projects, and building capacity to strengthen Indias voluntary carbon market and contribute to net zero goals.
- NABARD Green Impact Fund (NGIF): The NABARD Green Impact Fund, with an initial ₹ 1,000 crore corpus, provides interest subvention to private sector entities, especially MSMEs and hardtoabate sectors. It aims to make green projects financially viable and encourage broader private sector participation.



INSTITUTIONAL DEVELOPMENT:

- Recent efforts include the formation of 2 lakh new multipurpose PACS, supported by NABARD, NDDB, and NFDB, with over 6,000 already established. A national campaign promotes cooperation among cooperatives, enhancing digital transactions and financial inclusion.
- NABARD is also facilitating the establishment of new StCBs/DCCBs, with RBI approving new licenses such as Namakkal DCCB. A centralized grievance redressal portal and a Cooperative Governance Index (CGI) are being developed to improve transparency and accountability.
- For RRBs, the fourth phase of amalgamation reduced their number to 28, with IT integration and audits scheduled. Recapitalization efforts have infused ₹ 10,890 crore, and RRBs are now permitted to raise capital from markets.

NABARD's DIGITAL INITIATIVES

- NABARD is building a Centralized Digital Credit Infrastructure (CDCI) to automate credit processes across RRBs.
- Shared Services Entity Sahakar Sarathi Pvt. Ltd. (SSPL): In collaboration with the Ministry of Cooperation, NABARD is setting up SSPL to provide centralized tech and operational support to RCBs.
- Automation of JanSuraksha Schemes: NABARD is onboarding RRBs to the JanSuraksha portal for digital enrolment and claim settlement under PMJJBY and PMSBY. The portal integrates with CBS via APIs.
- Digitalisation of Agri Value Chain Finance (AVCF): A pilot AVCF initiative was implemented in Bihar, Karnataka, and Maharashtra, covering input provision, crop production, and postharvest procurement.
- Centralized Account Aggregator (AA) Platform: NABARD is developing a centralized AA platform for RCBs and RRBs to enable secure financial data sharing and promote financial inclusion.
- Shared Aadhaar Data Vault (ADV): NABARD is exploring a shared ADV model to enhance Aadhaar data security and compliance for rural financial institutions.
- Digital Technology for Credit Delivery & Interest Subvention:
 - i. eKCC Portal: Enables farmers to apply for KCC loans online with quick approvals, integrating land records, satellite data, and UIDAI.
 - ii. AIF Interest Subvention Portal: Automates claim processing under AIF

PROMOTIONAL DEVELOPMENT & FINANCIAL INCLUSION

- Graduated Rural Income Generation Programme (GRIP): A pilot project launched in FY 2023-24 to integrate ultra poor rural households into institutional finance using a returnable grant model. Implemented in five states with Bandhan Konnagar, it includes credit assessment via a Rating Scale and training in confidence building and enterprise development.



- Money Purse App: Piloted in Odisha Gramya Bank and Kerala Bank, this app enables SHG members to perform financial activities digitally account opening, savings, loan collections, and bookkeeping via Business Correspondents, ensuring
- mSuwidha: Launched in 2023-24 to support microenterprises for women through skill development, credit linkage, and marketing.
- LMS for RSETIs REAP Platform: In partnership with MoRD, NAR, and IIT Madras, NABARD is developing a digital Learning Management System for RSETIs. It will host 400 hours of content in 12 languages across 64 courses, benefiting around 6 lakh rural trainees annually.
- Incentive Scheme for BCs/CSPs in NER & Hilly States: Launched in FY 2023/24 and extended to hilly regions, the scheme offers ₹ 1,500/month to BCs in Tier 5/6 centers, promoting sustainable operations in remote areas. Valid till March 2026.

5. Policy Initiatives – State Govt. (including Cooperatives)

- The State has allocated 12.5% of its total expenditure towards agriculture for FY 2025-26, the overall budget outlay for 2025-26 is ₹4,09,549 crore and the allocation for agriculture and allied activities stands at ₹51,339 crore, which is 17% higher from the previous years allocation.
- The State is formulating and Implementing Comprehensive Rain-fed Agricultural policy to improve resilience and livelihoods in drought-prone areas considering 64% cultivated area of Karnataka is rain fed area.
- A New Fishery Policy to be formulated to promote sustainable fishing and ensure economic growth of fishermen.
- Strengthen Large Area Multi-Purpose Societies (LAMPS) to procure and process minor forest produce, working capital subsidy of Rs.5 lakh each to LAMPS.
- To strengthen cooperative societies, the following reforms to be implemented by Co-operation Department for efficient, transparent and people-friendly delivery of services:
 - i. The details of all registered housing cooperative societies of the state will be made online through the Karnataka State Co-operative Housing Federation.
 - ii. A helpline will be started to protect the depositors' interest and prevent malpractices.
 - iii. Digitalization of audit reports of co-operative societies.
- The Agricultural Produce Marketing Committee to establish an International Standard Hi-Tech flower market in Chikkaballapur and Modern market in KGF for farmers through public private partnership.
- Skill at School' programme to provide skill training to 7500 selected students at High school/ Pre-university college stage in 150 Upgraded Government Industrial Training Institutes



6. State Budget

6.1. Important Announcements

- Agriculture sector has registered a positive growth of 4% in 2024-25, outpacing all India agricultural growth rate of 3.8%. The positive growth rate in 2024-25 is due to the government's proactive interventions to encourage Kharif sowing aided by a normal monsoon and adequate reservoir.
- Industrial sector has achieved positive 5.8% growth in 2024-25 with launch a new Industrial Policy 2025-30, aiming to achieve 12 percent industrial growth and creation of 20 lakh jobs by 2030.
- The Service sector has achieved an impressive growth rate of 8.9 percent in the year 2024-25, exceeding the national average growth rate of 7.2 percent
- The Chief Minister's Infrastructure Development Program with an allocation of ₹ 8,000 crore to focus on minor irrigation, roads and urban infrastructure .
- Minor irrigation projects including the modernization of lakes, dams, vented dam and lift irrigation to be undertaken at a total cost of ₹2,000 crore.
- Under Kalyana Path Scheme, ₹1,000 crore has been allocated for construction and maintenance of 1,150+ km of rural roads in Kalyana Karnataka region to improve connectivity and economic access. The scheme is complemented by the Pragati Patha Scheme with ₹5,190 crore for 7,110 km of rural roads statewide, together covering 8,260 km to enhance connectivity and economic access.
- Rural Warehouses to be constructed in collaboration with Kalyan Karnataka Development Board at a cost of ₹60 crore
- Allocation of ₹95 crore for the implementation of Comprehensive Horticulture Development - 2.0 scheme.
- Allocation ₹55 crores for Silk Development Program focusing on modernizing existing cocoon markets to improve grading, storage, and auction facilities for better price realization for farmers.
- Allocation of ₹ 47 crore for completion of the under-construction warehouses of Karnataka State Warehousing Corporation and their infrastructure
- The Vijayapura Airport to be constructed at a cost of ₹348 crore will be operationalised in the year 2025-26.
- An amount of ₹53 crore to be released for the construction works of Raichur Airport being undertaken at a total project cost of ₹219 crore.
- 70 km of railway lines are intended to be doubled on the Baiyappanahalli-Hosur and Yeshwantapura-Channasandra routes with a total estimated cost of ₹812 crore.
- An allocation of ₹50 crore has been provided for the construction of already approved railway over-bridges and underbridges which are intended to replace level crossing gates with vehicular congestion.



6.2. Highlights related Agriculture & Farm Sector

- Establishment of Model Intergrated Farming System under Raita Samruddi Yojana for demonstration to farmers in all 10 Agro Climatic Zones.
- Assistance of ₹440 crore to 1.81 lakh farmers for adopting micro-irrigation facility in rain-fed areas to enhance agricultural productivity
- Assistance of ₹428 crore to 50,000 farmers under the Farm Mechanization Scheme.
- Support of ₹88 crore to enhance production and productivity of Tur crop.
- 12,000 Farm Ponds to be constructed under 'Krishi Bhagya' scheme for improving irrigation, crop yields in climate-affected and rainfed areas.
- 6000 micro-food processing units to be established for value addition and income enhancement of farmers.
- Digital Agriculture Centre to be established to assist the farmers to take accurate decision on crops.
- Establishment of Organic and Millets Hub with budget of ₹20 crore.
- Joida taluka in Uttara Kannada district to be developed as the State's first 'Organic Taluka' to promote sustainable farming
- Agriculture Research Station to be established in Muddebihal of Vijayapur district.
- Infrastructure Development for Mandya Agriculture University with support of ₹25 crore.
- Intelligence Cell to be established for providing Real time information on horticulture crops.
- Conservation of GI tagged & local species of horticulture crops by establishing Seed Bank
- Assistance of ₹426 crore to 52,000 farmers under micro irrigation.
- Promotion of Horticulture Tourism in Farms & Nurseries.
- Allocation of ₹250 crores for setting up hi-tech silk markets in Ramanagar & Shidlaghata which are major silk hubs.
- Establishment of Silk Cocoon Market in Mysuru
- Establishment of 50 Veterinary Clinics
- Construction of 100 new veterinary institution buildings under NABARD assistance in 2025-26.
- NABARD assistance of ₹30 crore for development of fishing link roads in costal districts
- Subsidy of upto ₹1 lakh for engines replacement of registered motorized fishing boats.
- Establishment of Satellite Market in Bengaluru and Sheep and Goat market in Budugumpa village (Koppal) at a cost of ₹25 crore.



- A new Mega Dairy will be established in Kalaburgi to encourage dairy farming in Kalyan Karnataka Region with an allocation of ₹50 crore from KKRDB.

6.3. Highlights related to Rural Development & Non-Farm Sector

- CMKKY 2.0 to be launched with revised guidelines aimed at enhancing employability and entrepreneurial opportunities for the youth
- New labs aligned with Industry 4.0 technology, to be established in Bengaluru, Kalaburagi, Mangaluru and Belagavi KGTTI Centres at a cost of ₹10 crore
- 2.3 lakh students from government schools and colleges will be provided with job oriented guidance under the 'My Career, My Choice' initiative.
- To preserve traditional and regional skills short-term training with toolkits to be provided to 2000 candidates.
- A State-level Akka Cooperative Society to be set up for encouragement to saving and entrepreneurship for SHG under NLM.
- ITI College, Sedam to be upgraded to global standards at a cost of ₹25 crore
- 8% interest subsidy for loans upto ₹1 lakh for street vendors, who are saturated under PM Swanidhi Scheme
- New Govt. Tool Room and Training Centre (GTTC) to be established in Madhugiri, Indi, Kampli, Raichur & Sindanur
- Pragati Patha Scheme with a budget of ₹5,200 crore to be implemented for rural road connectivity.
- Strengthening of Jal-Jeevan Mission Scheme with allocation for ₹6050 crore
- 286 rural works across 38 assembly constituencies of Kalyana Karnataka region will be completed at a cost of ₹1000 crore under the Kalyana Patha Scheme
- Action plans to be executed under the Mahatma Gandhi National Rural Employment Guarantee Programme are as under-
 - a) Spice crops and fruit crops will be grown in a total of 5,000 acres as a mixed crops in partnership with selfhelp organizations in rural areas.
 - b) Krishi Kavacha Scheme has been initiated to boost groundwater recharge, enhance soil conservation through construction of bunds across 50,000 hectares of
 - c) Grey water management unit will be established in 500 villages for the management of waste water.
- To ease electricity related financial burdens on Gram Panchayats, solar micro-grids to be established under the Public- Private Partnership (PPP) model.



7. Govt Sponsored Programmes linked with Bank Credit

Udyogini

Objective - To create self employment opportunities for women in Trade & Service Sector

Implementing Department - Women & Child Development Department

Target Group - Women with income ceiling ₹ 200000/-pa for SC/ST & ₹150000/-pa for General

Quantum of Subsidy: 20%-30% depending on category.

~~Loan amount up to ₹ 20,000. Higher subsidy (up to 80%) for SC/ST women~~

Government of India Schemes

- Animal Husbandry Infrastructure Development Fund (AHIDF) (<https://dahd.gov.in/schemes/programmes/ahidf>) DIDF was merged into AHIDF under the Infrastructure Development Fund (IDF), extended till 31 March 2026 with a revised outlay. NABARD was added as a lender for dairy cooperatives.
- The Fisheries and Aquaculture Infrastructure Development Fund (FIDF) (<https://www.fidf.in/>) The scheme has been extended till 31 March 2026. It provides concessional loans through Nodal Loaning Entities to states, UTs, cooperatives, and private entrepreneurs. A credit guarantee facility is available through NABSanrakshan, offering 25% coverage up to ₹ 12.5 crore.
- Anugraha' scheme: Objective: To provide relief to farmers undergoing distress in the event of accidental death of cattle. Benefits: Compensation for accidental death of cattle has been increased to ₹15000.00 for cows/ buffaloes/ bullocks, ₹7500 for sheep/ goats, and ₹ 5000 for lamb/ kid.
- Dairy Farming: Objective: To encourage dairy farming Target Group : Scheduled Caste/ Scheduled Tribes communities Quantum of Subsidy: 50% subsidy or up to ₹1.25 lakh for purchase of two cows or buffaloes provided as financial assistance through the Corporations.

Krishi Bhagya

- Objective- To have sustainable growth in agriculture
- Implementing Department - Department of Agriculture
- Target group - Eligible farmers in all districts excluding command area
- Quantum of Subsidy - Subsidy ranging from 80-90% for undertaking activities viz. pump sets, horticultural crops with and without polyhouse, etc.

Organic Farming adoption and certification

- Objective - To promote organic farming
- Implementing Department - Department of Horticulture
- Target group - Farmers & Entrepreneurs
- Quantum of Subsidy - 75% subsidy for construction of Vermi Compost units, Biogas etc.

Pashu Bhagya Scheme

- Objective: Establish livestock units (cattle, sheep, goat, poultry, pigs).
- Implementing Department: Animal Husbandry Department, Govt. of Karnataka.



- Target Group: Farmers & entrepreneurs.
- Quantum of Subsidy:
- 50% for SC/ST farmers; 25% for others.
- Loan up to ₹1.20 lakh from banks.
- Short-term loans up to ₹50,000 at 0% interest for cattle feed.

CMEGP (Chief Minister's Employment Generation Program)

- Objective: Support first-generation entrepreneurs in rural areas.
- Implementing Department: DIC & KVIB.
- Target Group: Rural youth, micro-enterprises.
- Quantum of Subsidy: 25% (General), 35% (Special category). Project cost up to ₹10 lakh.

8% interest subsidy for loans up to ₹1 lakh for the registered street vendors who have reached the maximum loan limit under PM Swanidhi Scheme, to help them expand their business.



Chapter 2

Credit Potential for Agriculture

2.1 Farm Credit

2.1.1 Crop Production, Maintenance & Marketing

2.1.1.1 Status of the Sector in the District

Udupi, an agriculturally prominent district, has a total Geographical area of 3,56,446 ha of which 1,00,102 ha (28%) is covered by forest. While the Gross Cropped Area (GCA) is 1.17 lakh ha, the Net Sown Area stood at 1.05 lakh ha with a cropping intensity of 114%. The district has one of the lowest percentages of areas under cultivation (29% of geographical area) in the State. The soil in general is acidic due to heavy run-off; rich in nitrogen and deficient in potassium and phosphorous, which leads to lower productivity. Mainly paddy in cereals, black gram in pulses and groundnut in oilseeds are major field crops. The area under commercial crops, mainly coconut and arecanut account for major portion of NSA. Other major crops grown in the district include banana, pineapple, pepper, cashew, mango, vegetables, etc. The agriculture scenario in the district is dominated by small landholders who are 12.3% of the total landholders and marginal landholders are 79.87% of the total landholders who comprise about 92% of total landowners and own about 59% in terms of area.

2.1.1.2 Infrastructure and linkage support available, planned and gaps

- Agricultural extension activities of the district are being carried out by Krishi Vigyan Kendra (KVK), Brahmavar.
- There are 9 Raitha Sampark Kendras (RSK), 3 regulated markets (APMCs) and 4 sub-marks in the district.
- The district also has two seed farms, one each at Koteshwara and Sanoor, adequate number of input suppliers in the district, 2 Soil Testing Labs (STL) in the district.
- Arecanut and cocoa is being purchased through CAMPCO outlets.
- CHCs may be established by PACS with support under Agriculture Infrastructure Fund to take care of high seasonal demand in agricultural equipments.
- Seed and fertilizer distribution are undertaken by the Agriculture Department TAPCMS and PACS. 2645.5 quintals of paddy seeds and 6848 tonnes of chemical fertilizers (Nitrogen Phosphorus and potash) were distributed.
- Promotion of Agri-startup is being done with focus on incubation, acceleration and expansion of scale to foster commercialization of new technologies and innovations in agriculture.
- FRUITS (Farmers Registration and Unified Beneficiary Information System): Under this scheme, digital data on agriculture land records is captured and integrated with banking system, enabling banks to have hassle free unified IT system for sanction/disbursement of bank loans.

2.1.1.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)



Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
A.01a Crop Production, Maintenance, Marketing							
1	Annual Vegetables - Ash Gourd/ Petha/ Raakh Lauki	Hecta re	1.32	100	289	381.90	381.90
2	Cereals - Rice/ Chaval/ Dhan_Irrigated	Hecta re	0.91	100	36100	32820.68	32820.68
3	Fruits - Banana/ Kela_Irrigated	Hecta re	4.23	100	830	3509.76	3509.76
4	Fruits - Cashew/ Kaju_Unirrigated/ Rainfed	Hecta re	1.05	100	11336	11864.15	11864.15
5	Fruits - Coconut/ Nariyal	Hecta re	1.32	100	19490	25755.08	25755.08
6	Oil Seeds - Groundnut/ Moongfali_Rainfed	Hecta re	0.69	100	1370	948.64	948.64
7	Others - Fodder_Irrigated	Hecta re	0.48	100	1015	482.87	482.87
8	Plantation Crops other than fruits and vegetables - Areca Nut/ Supari_Plantation	Hecta re	3.30	100	22500	74331.69	74331.69
9	Pulses - Urdbean/ Udid/ Biri/ Black Gram/ Mash/ Mash Kalai_Rainfed	Hecta re	0.30	100	2420	716.32	716.32
Sub Total					95350	150811.09	150811.09
Post Harvest							
Maintenance							
Total							
Grand Total					95350	150811.09	196054.42

2.1.2 Water Resources

2.1.2.1 Status of the Sector in the District

The district receives good rainfall with normal rainfall of 4,535 mm and actual rainfall during 2023 was 3524 mm. The net irrigated area during 2022-23 was 43741 ha (41.55% of NSA). Open wells (37818 ha of NIA) and tubewells (2676 ha of NIA) are the main sources of irrigation accounting for 93% of the overall net irrigated area. Out of 47293 ha of gross irrigated area, 93% are irrigated by wells. Drip and sprinkler systems are generally preferred by farmers for irrigating their plantation crops like arecanut, cashewnut, coconut and banana. As per NGWRR 2023, the stage of groundwater extraction of the district as of 31 March 2023 is 33.75%. All the seven blocks in the district are under the safe category. Whereas the total annual recharge was 52375.49 ham, natural discharge was 5237.57 ham, leaving extractable groundwater resources of 47137.92 ham. The total extraction was to the



tune of 15910.35 ham, including 13778.54 ham for irrigation, 35.92 ham for industries and 2095.90 ham for domestic use. Therefore the net ground water for future use was 31178.85 ham.

2.1.2.2 Infrastructure and linkage support available, planned and gaps

- The overall state of ground water development in the district is conducive for further development of irrigation potential with all the blocks in the district under "Safe" category.
- A good network of pump-set dealers and after-sales service is available at all taluks.
- PM KUSUM schemes provide incentives for farmers to install solar pumpsets. This will enable farmers to address the issue of erratic power supply and also enable decarbonisation of agriculture sector
- Measures like drip irrigation, sprinkler irrigation, water harvesting, comprehensive crop planning based on water resource availability, scientific moisture conservation and runoff control measures are to be promoted for efficient use of water for irrigation and to improve groundwater recharge.
- In order to promote judicious use of water ensuring 'More crop per drop' of water in agriculture for drought proofing the Government has recently launched the PMKSY aiming at providing water to every field of agriculture namely 'Har Khet Ko Paani'.
- A dedicated Micro Irrigation Funs (MIF) created with NABARD has been approved with initial corpus of Rs. 5000 crore for expanding coverage of micro irrigation under PMKSY
- Steps for controlling entry of salt water, augment underground water recharge of wells and tube wells and enhance ground water table in their command areas and

2.1.2.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
A.02 Water Resources							
1	Artificial Recharge Structure--rainwater harvest tanks	No.	0.43	80	3731	1596.87	1277.48
2	Conveyance/ Distribution structures-Surface type-Pipelines	ha	0.26	80	2035	522.58	418.08
3	Drip Irrigation--6 m x 6m	ha	0.45	80	10000	4494.00	3595.20
5	Dug-cum-Bore Well--Renovation	No.	0.43	80	298	127.54	102.04
4	Dug Well--Dia 5m Depth 9 m (Steining)	No.	1.66	80	137	227.24	181.78



6	Electric Pump Sets--As per prevailing market rates	No.	0.64	80	2784	1787.32	1429.87
7	Lift Irrigation Schemes- Individual/ River Lift Points- Command area:10 -40 ha	No.	0.71	80	141	99.55	79.66
8	Pump House-Pump House with Roof-2.7m x 2.7m x 2.4 m 10HP	No.	0.46	80	762	349.78	279.81
9	Solar PV Pump Sets (AC)-- AC/DC surface	No.	0.99	80	4476	4425.35	3540.29
10	Water Harvesting/ Recharge structure--Borewell Recharge	No.	0.55	80	1790	976.82	781.42
Total				26154	14607.05	11685.63	

2.1.3 Farm Mechanization

2.1.3.1 Status of the Sector in the District

Agriculture in the district of Udupi is dominated by horticulture crops like arecanut, coconut, cashew, and field crop, mainly paddy. As per the Census 2015-16, the marginal agricultural land holders (below 1 ha) in the district are 151657 which is 79.87% of the total 189882 land holders covering an area of 47750 ha which is 35.86% of the total area covered. Therefore almost 80% of the landholding are marginal with an average area of 0.31 ha. Further the average landholding of the district is 0.70 ha. Hence individual investments in the sector are constrained. However, due to the acute shortage of farm labourers there exists a good scope for Custom Hiring Facilities. Currently about 39% of the Net Sown Area in the district is under paddy cultivation. Power tillers are preferred and have great potential, especially due to small sized land holdings in the district. Other farm equipment like paddy transplanters, motorized power weeder, threshers, sprayers, cono-weeders, peeling machines for arecanut, etc., also have considerable demand. Use of improved implements has potential to increase productivity by 30% and reduce the cost of cultivation by 20%, significantly improving earnings for farmers.

2.1.3.2 Infrastructure and linkage support available, planned and gaps

- There were 834 registered tractors and 195 tillers in the district as of 31.3.2024.
- Adequate repair and services facilities for farm machinery/equipment are available at all the Taluk headquarters. The network of farm equipment dealers is also well established and there are adequate diesel outlets in the district.
- The availability of labour for agricultural purposes is scarce, indicating a need for an increase in farm mechanization.
- CHCs may be established by PACS, FPOs, SHGs, etc., with support under Agriculture Infrastructure Fund (AIF).
- NABARD has sanctioned a project to KVKBhramavara for developing a Standard Operating Procedure for drone application of herbicides, pescides and nutrients in transplanted paddy. The same will be finalised during the current year for adoption.
- Banks need to provide loans to SHG/JLGs for Setting up of enterprises on 'sale of spare parts, etc. pertaining to farm implements.



2.1.3.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
A.03 Farm Mechanisation							
1	Other machinery-Other Machinery & Equipments-Trolley-Two wheel Hydraulic	No.	1.61	80	5250	8426.25	6741.00
2	Power Tiller--8 to 12 HP	No.	2.46	80	203	499.59	399.66
3	Tractor-With Implements & Trailer-15 to25 HP	No.	4.82	80	51	245.57	196.45
Total				5504		9171.41	7337.11

2.1.4 Plantation & Horticulture, including Sericulture

2.1.4.1 Status of the Sector in the District

As per District At A Glance 2023-24, Udupi Out of the total Net sown area of 1.14 lakh ha, crops like arecanut (23522 ha), coconut (20598 ha), banana (890 ha), etc. occupy more than 43% of the Net Sown Area of the district. Other P&H crops grown in the district include pineapple, sapota, mango, oil palm, cocoa etc., The horticulture sector provides considerable scope for value addition and is labour intensive. Hence, apart from nutritional securities, it provides alternate rural employment opportunities, diversification in farm activities, and enhanced income to farmers. The area under vegetables in the district was around 403 ha and that under fruits was 1766 ha. There are farmer groups as well as individual progressive farmers involved in promoting circular agricultural systems through measures like zero budget natural farming, organic farming through use of farm based inputs, regenerative farming, etc., without relying on inorganic fertilisers or pesticides thereby reducing the carbon footprint.

2.1.4.2 Infrastructure and linkage support available, planned and gaps

- Neighboring Dakshina Kannada district has research institutes like Agricultural and Horticultural Research Station Ullal, Directorate of Cashew Research, Puttur, Central Plantation Crop Research Institute (CPCRI), Regional Station Vittal and Coconut Gene Bank for South Asia, Kidu which run nurseries and supply of quality saplings to farmers.
- 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 neighboring district of Dakshina Kannada, which provide latest technical inputs/demonstrations to the farmers.
- CAMPCO (for arecanut, rubber and pepper) and Rubber Society, Ujire (for rubber) are the major cooperative societies specializing in procuring and marketing of agri



and non agri produce in the district, assuring farmers of a fair price for their produce

- There are also a good number of cashew processing factories in the district which utilize locally grown cashews.
- The district is well connected by air, road and sea due to its proximity to Mangalore Airport.
- There is a need to strengthen extension storage processing and marketing facilities for fruits/other perishable horticulture crops.
- Sericulture offers very little scope for development due to the climatic conditions that prevail in the district.

2.1.4.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
A.04 Plantation & Horticulture							
1	Bee Keeping-Boxes-10 boxes	No.	0.67	80	4400	2956.63	2365.27
2	Floriculture-Jasmine - Jasminum sambac-Bhatkala jasmine	ha	2.41	90	129	310.58	279.52
3	Medicinal & Aromatic Crops	ha	0.80	80	199	159.72	127.75
4	Nursery -Vegetables and Flowers-shade net-0.5 acre model	Acre	8.61	80	60	516.82	413.44
5	Other Plantation Crops-Arecanut	ha	3.75	80	3482	13040.11	10432.06
6	Other Plantation Crops-Cocoa	Acre	1.74	80	22	38.27	30.59
7	Other Plantation Crops-Coconut-8mx8m 60/Acre	Acre	1.08	80	8891	9608.52	7686.82
8	Perennial Vegetables - Vegetables and Flowers-Pineapple	Acre	1.71	80	2412	4129.34	3303.48
9	Rubber Cultivation-New Plantation	Acre	1.34	80	3598	4812.34	3849.86
10	Sericulture-Chawki Rearing-Mulberry garden establishment -2 Acre	Acre	25.59	80	1	25.59	20.48
11	Spices-Black Pepper-(intercrop with Arecanut) 3mx3m -444/Acre	Acre	1.54	80	4400	6779.52	5423.61
Sub Total					27594	42377.44	33932.88
Total					27594	42377.44	33932.88



2.1.5 Forestry & Waste Land Development

2.1.5.1 Status of the Sector in the District

Forests contribute to biodiversity and play a key role in maintaining environmental and economic sustainability. The forest cover of Udupi district is 1 lakh ha forming 28% of the total geographical area, which is higher than the state average of 19%. Hebri taluk has the maximum forest cover at 50% followed by Bynduru at 49%. The Western Ghats, part of which also falls in Udupi district is one of the 36 Biodiversity hotspots for conservation. The district has wastelands and fallow which could be developed for raising forest tree crops for commercial purposes like sandalwood, teak, etc. under the purview of farm forestry.

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. Further under GoK's bio-fuel development programme, saplings of plants like Jatropha, neem, Pongamia, etc., are distributed at subsidized rates to farmers.
- There is good potential for raising bamboo, Acacia hybrids, Melia plantations in the district.
- Farmers need to be encouraged to takeup Agrisilvicultural system.
- Agroforestry could be strengthened by promoting high value forest species like Raktachandana Sandal wood Teak Rosewood etc. along with agricultural crops on farmlands.
- More awareness needs to be created about the socio-economic benefits of forestry/wasteland development among farmers/ bankers.
- Farmers need to be encouraged to take up plantation of fruit species such as mango, drumstick, custard apple, amla, chikoo and guava under agro-forestry.
- There is potential for raising forest plantations for industrial use on the barren and uncultivable land of 11464 ha and cultivable wasteland of 37152 ha.

2.1.5.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
A.06 Forestry							
1	Plantation-Bamboo-5m x5m 444/ha	ha	0.82	80	50	41.20	32.97
2	Plantation-Mahagony-4.57 m x 4.57m 478/ha	ha	1.20	80	285	341.55	273.25



3	Plantation-Sandal Wood-4.47 m x4.47 m 500 plants/ha	ha	2.44	80	150	365.94	292.74
4	Plantation-Teak-2m x 2m 2500/ha	ha	2.38	80	135	320.69	256.54
Total				620	1069.38	855.50	

2.1.6 Animal Husbandry - Dairy

2.1.6.1 Status of the Sector in the District

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. As per the 2019 census, total cattle population in the Udupi district was at 2,54,776. Buffaloes population was 2408. The total breedable cattle population was 2,39,372. The district turned surplus in milk production from 2015-16. The change has been on account of the sustained efforts of DKMUL, and all the other stakeholders involved in this activity. The total production of milk in the jurisdiction of DKMUL is sufficient to cater to the demand in the two districts.

2.1.6.2 Infrastructure and linkage support available, planned and gaps

- DKMUL has established a milk processing unit with a capacity of 2.5 LLPD in Uppoor, Udupi with assistance of Dairy Infrastructure Processing and Development Fund (DIDF) of NABARD.
- The district has one polyclinic and 12 veterinary hospitals, 38 veterinary dispensaries, 36 Primary Veterinary Centres and 3 mobile veterinary clinic. During 2023-24, 230031 animals were provided treatment, 340022 animals vaccinated, and artificial inseminations done for 56634 animals.
- Udupi has conducive climatic conditions for green fodder availability.
- Udupi district has 343 registered Dairy Societies with a membership of 77,650, with milk production of 2.69 lakh MT during the year 2023-24. There is good scope for improvement in milk production.
- As Dairy is predominantly practiced by small and marginal farmers, a Dairy FPO will encourage enhanced production and value addition.
- Dairy financing through Joint Liability Group (JLG) will benefit marginal farmers and landless
- Under National Adaptation Fund for Climate Change (NAFCC), a project on Conservation and Management of Indigenous varieties of Livestock (Cattle and Sheep) was sanctioned with an outlay of Rs.24.22 crore to the Department of AH&VS Government of Karnataka. Under the same conservation and revitalization of local Malnad Gidda cattle breeds through propagation of pure semen is being implemented at the Livestock Breeding and Training Centre Koila in neighbouring Dakshina Kannada district.

2.1.6.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)



Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
A.07 Animal Husbandry - Dairy							
1	Buffalo Farming--Graded Murrah 10 animal unit	5+5	15.86	80	78	1236.85	989.51
2	Crossbred Cattle Farming-- CBC - 2 Cow Unit - HF	1+1	2.13	80	2734	5821.51	4657.20
3	Heifer Rearing--5 heifer calves cross bred	5	3.96	80	38	150.42	120.33
4	Indigenous Graded Cattle Farming--Indigeneous Cows - 2 Cow Unit (Gir/Sahiwal/Thaparkar)	1+1	1.99	80	235	467.68	374.16
Sub Total					3085	7676.46	6141.20
A.08 Working Capital - AH - Dairy/Drought animal							
1	Cross bred Farming_Others_per animal per two month cycle	1+1	0.47	1	73480	34176.29	34176.29
Sub Total					73480	34176.29	34176.29
Total					76565	41852.75	40317.49

2.1.7 Animal Husbandry - Poultry

2.1.7.1 Status of the Sector in the District

Poultry is a 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 2019 Livestock Census, the district had a poultry population of 11,43,010 birds. During 2023- 24, 423 lakh eggs were produced. The scope for layer farming is very limited, as climatic conditions in the district are not favourable for this venture.

2.1.7.2 Infrastructure and linkage support available, planned and gaps

- The government of Karnataka has established a Poultry rearing and training centre in the district.
- Regional Disease Diagnostic Laboratory has been established in Mangalore which serves as Regional Referral Laboratory for livestock diseases
- Giriraja bird hatchery has been established at the Livestock Breeding & Training Centre, Koila, Puttur taluk of Dakshina Kannada, to cater to demand for birds in Udupi also.
- There is a need for increased financing for poultry activity under JLG mode especially amongst marginal farmers and landless. Also promotion of poultry FPOs for improved value addition is required.



- To support the transition from live-bird-market to frozen-product-market infrastructure like cold chain and modern abattoirs need to be strengthened.
- Also, FPOs of poultry growers may be encouraged to enable value addition and better price realization.

2.1.7.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
A.09 Animal Husbandry - Poultry							
1	Commercial Broiler Farming-- 1000 birds per batch	1000	3.35	80	528	1768.33	1414.67
2	Commercial Layer Farming-- 5000 layers(1+1+4 cage)-Civil Structures	5000	36.36	80	234	8507.90	6806.33
Sub Total					762	10276.23	8221.00
A.10 Working Capital - AH - Poultry							
1	Broiler Farming_Others_Rs 150 per Bird per batch 60 day cycle	Per Bird	0.00	1	530434	854.00	854.00
2	Layer Farming_Others_Rs 250 per Bird 20 weeks one cycle	Per Bird	0.00	1	461775	1237.56	1237.56
Sub Total					992209	2091.56	2091.56
Total					992971	12367.79	10312.56

2.1.8 Animal Husbandry - Sheep, Goat, Piggery

2.1.8.1 Status of the Sector in the District

The district has good potential for developing goat farming and piggery in view of the good local demand. As per the 2019 livestock census data, there were 431 sheep, 2676 goats and 3289 pigs in the district. Sheep rearing is not a preferred activity for the district due to the existing climatic conditions. Meat production during the year 2023-24 was 2474 MT.

2.1.8.2 Infrastructure and linkage support available, planned and gaps

- Pig Breeding Station is located in Koila in the neighboring 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. There is a Sheep breeding centre in Kundapura which breeds Deccani breed of sheep.



- Non availability of adequate grazing lands is one of the major constraints for farmers taking up goat rearing.
- There is also a need to set up clean and hygienic slaughterhouses/abattoirs in the district for selling meat.
- There is a need for increased financing for goat rearing and piggery activities including
- value addition, under JLG mode especially amongst marginal farmers and landless.
- Establishment of hygienic/modern slaughterhouse is required.

2.1.8.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost (in Rs.)	Bank Loan Factor	Phy	TFO	Bank Loan
A.11 Animal Husbandry - SGP							
1	Goat - Rearing Unit-New Shed-Cost of Bucks-Local breed	10+1	1.02	80	419	425.92	340.75
2	Pig Breeding Unit-New Shed-Sow @20sq ft/sow @₹ 160/sq ft for 20 sows	20+2	15.71	80	49	769.69	615.75
3	Pig Rearing Unit-New Shed-Cost-3 sows @ 5000/sow & 1 boar @ 6000/- (4/5 months old)	3+1	1.75	80	434	761.56	609.28
4	Rabbit Rearing-Existing Shed-Rabbit rearing	10+3	3.21	80	34	109.14	87.31
Sub Total					936	2066.31	1653.09
A.12 Working Capital - AH - Others/SR							
1	Goat Farming_Rearing Unit - Semi-intensive_Stall feeding for 8 month cycle	10+1	0.37	1	352	129.76	129.76
2	Pig Farming_Fattening Unit_Fattening for 10 animals for 6month	10	0.74	1	450	332.25	332.25
Sub Total					802	462.01	462.01
Total					1738	2528.32	2115.10

2.1.9 Fisheries

2.1.9.1 Status of the Sector in the District

Udupi is one of the three coastal districts of Karnataka and has 98 km of coastline. The district is home to Malpe Fishing Harbour, a mechanized fishing ports in Karnataka. Fishing villages: 53, Active fishers: ~15,000, Landing centers: 12, Dominant species landed



include: During 2023-24, the total fish catch in the district was 2.40 lakh MT. The important varieties of fish caught from the sea are Mackerel, Sardine, Shark, Cat fishes and Prawns. There are a number of registered export units and the major marine products exported are frozen fish (frozen Mackerel, Cuttle fish, Ribbon fish etc.) and fish products, ornamental fishes, fish meal, fish oil etc. As on 31.03.2024, the number of families involved in fishing on full time basis was 34,425 and part time basis was 8394. There were 116 fish markets. The South Kanara and Udupi District Co-operative Fish Marketing Federation was established in the year 1954 covers both Dakshina Kannada. and Udupi districts. The federation has the Government of Karnataka as 'A Class Member, 82 Primary Fishermen Co-op Societies covering about 1,20,000 fishermen as 'B Class Members, 13,357 individual fishermen as 'C members and about 7,675 and 2052 individual fishermen as "D" and "E" members.

2.1.9.2 Infrastructure and linkage support available, planned and gaps

- There are 97 Ice Plants with a capacity of 3596 MT per day and 17 cold storage centres with a capacity of 8505 MT per day in the district.
- Udupi district consists of two fishing harbours (at Malpe and Gangoli - combined berthing capacity of about 500 boats). Pre-processing Plant with a blast freezer, chiller room and frozen storage is available at Malpe harbor.
- There are adequate number of freezing units, frozen storage structures, fish meal plants, boat building yards and fishing link roads.
- The district also has a network of fishermen cooperative societies which provide credit to their members.
- Under the Prime Minister Formalisation of Micro Food Processing Enterprises (PMFME) scheme of the GoI, fishermen are encouraged to set up new micro food processing enterprises either individually or group mode. Support is also available under the Agriculture Infrastructure Fund for creating related infrastructure.
- The College of Fisheries in Mangalore undertakes education, research and extension in fisheries science.
- JLGs and FPOs of fishermen have potential for better enabling better bargaining capacity for small fishermen, promoting value addition, etc., and need to be supported.

2.1.9.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
A.13 Fisheries							



1	Brackishwater/ Coastal Aquaculture-Shrimp Farming-Shrimp farming-white leg shrimp-Litopeneus vannamei	ha	37.56	80	10	375.55	300.45
2	Fish Culture --Fresh water-Composite fish culture of indian major carps	ha	8.87	80	80	709.62	567.69
4	Fishing craft-Mechanised-Off Shore Fishing Boat with Steel Hull-Mechanized craft-Offshore fishing boat + steel hull 20m OAL	No.	89.05	80	15	1335.70	1068.55
3	Fish processing-Ice Plant-Ice Plant /Cold Storages- 30 MT (with subsidy under PMMSY)	No.	128.40	80	22	2824.80	2259.84
5	Replacement-Fishing boat-Motorized fishing craft-Traditional wooden/FRP boat with OBM	No.	5.35	80	105	561.75	449.40
6	Replacement-Outboard engine-Motorisation of fishing craft-fitting traditional boat+motor	No.	1.82	80	120	218.28	174.61
Sub Total				352		6025.70	4820.54
A.14 Working Capital - Fisheries							
1	Cage Culture_6 m * 4 m * 4 m	Per Crop	1.12	1	65	73.05	73.05
2	Marine Fisheries - Others_Others_Marine fisheries 10*15 mts per 5 to 6 days 1 trip	Per trip	2.25	1	19400	43591.80	43591.80
3	Marine Fisheries - Others_Others_Marine fisheries 15*20 mts per 15days 1 trip	Per trip	3.71	1	2190	8119.53	8119.53
4	Shrimp Farming_water shrimp culture 5 months 1 cycle	Acre	3.15	1	64	201.34	201.34
Sub Total				21719		51985.72	51985.72
Total				22071		58011.42	56806.26

2.1.10 Farm Credit - Others

2.1.10.1 Status of the Sector in the District

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 offers good scope in the district.



2.1.10.2 Infrastructure and linkage support available, planned and gaps

- Two wheelers are increasingly used for marketing of farm produce trips to market, inputs purchase, etc. Also there is a demand for replacement of existing two wheelers as well as additional two wheelers for meeting requirements of hitherto uncovered farmers, persons engaged in self enterprises, etc.
- Adequate number of two-wheeler show rooms and service centres are available in all the taluk headquarters.

2.1.11 Sustainable Agricultural Practices

2.1.11.1 Status of the Sector in the District

At the national level, the India Agricultural Policy 2025 envisions a 30% increase in sustainable farming practices by 2030. It emphasizes climate resilience, digital agriculture, and financial inclusion to empower small and marginal farmers. The National Mission for Sustainable Agriculture (NMSA) under which Rainfed Area Development Sub-Mission on Agroforestry (SMAF), Paramparagat Krishi Vikas Yojana (PKVY), Integrated Farming System, etc., aim at promoting sustainable farming practices. In Udupi, the major field crop is paddy and plantation crops like arecanut, coconut, etc., dominate the net sown area. There exists good scope for cultivation of vegetables, milk, meat, fishes, etc. for urban consumption / markets. Hence there is a scope for integrated farming systems with emphasis on circular agricultural practices that lead to reduction in expenditure promote organic cultivation improve farm incomes and ensure sustainability of agriculture. The Government of Karnataka has launched the Raitha Samruddhi Yojana (2024) to consolidate agricultural schemes and promote sustainable, integrated farming. Key features include soil testing and crop selection based on land characteristics, dissemination of modern agricultural technologies, support for value addition and storage infrastructure, creation of market linkages for better price realization, promotion of dairy, poultry, and sheep farming with ₹100 crore allocated for allied sectors.

2.1.11.2 Infrastructure and linkage support available, planned and gaps

Available infrastructure and linkage support in respect of crop husbandry water resources animal husbandry land development etc. are indicated in the respective chapters.

2.2 Agriculture Infrastructure

2.2.1 Construction of Storage and Marketing Infrastructure

2.2.1.1 Status of the Sector in the District

The district produces food grains, oil seeds, fruits, vegetables, spices and plantation crops like arecanut (39188 MT), cashew nut (26830 MT), coconut (24.23 crore nuts), banana (24689 MT), etc. Being a coastal district, fishing is a major activity with a large number of people directly involved in fishing. The total production of foodgrains in the district was 1.18 lakh MT, fish catch 2.40 lakh MT and production of milk was 2.69 lakh MT (DAG 2023-24). The incremental foodgrains, fish and milk production is expected to give rise to value addition and therefore, there is a need for creating additional cold storage facilities.



The district has become self-sufficient in milk production and there is a need for creating facilities for storage of milk and milk products. Hence, there exists good scope for creation of storage infrastructure like warehouses, cold storages, bulk milk coolers etc.

2.2.1.2 Infrastructure and linkage support available, planned and gaps

- There are 3 regulated and 4 submarkets in the district. These markets are equipped with adequate storage capacity.
- Many PACS in the district with godowns act as procurement centres for CAMPCO. Scope exists for value chain financing with storage / processing / financing against NWRs in agricultural produce like paddy, coconut, arecanut, cocoa, etc.
- There are 17 cold storage centres with a capacity of 8505 MT per day in the district mostly for storing fish. Also, there are 97 ice plants with a capacity of 3596 MT/day.
- 22 PACS in the district were sanctioned godowns under NABARDs Special Refinance Facility and coverage under Agriculture Infrastructure Fund.
- NABARD has undertaken the exercise of geo-tagging of warehouses godowns etc. throughout India. This would enable farmers/FPOs to identify warehouses in their vicinity store produce and avail pledge finance.
- More godowns need to be covered under WDRA accreditation with coverage under pledge finance against Negotiable Warehouse Receipts (NWRs).
- More grading and standardization facilities need to be created at PACS level for enabling value addition at farm gate and better prices for farmers' produce.
- Farmers/ FPOs/SHGs may create storage infrastructure with assistance under Agriculture Infrastructure Fund`.

2.2.1.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost (in Rs.)	Bank Loan Factor	Phy	TFO	Bank Loan
B.01 Storage Facilities							
1	Godown-Medium - 500 MT (Rs 3500 per MT)	No.	18.73	80	208	3894.82	3115.84
2	Market Yard-Market Yard	No.	64.74	80	110	7120.86	5696.68
Total					318	11015.68	8812.52

2.2.2 Land Development, Soil Conservation and Watershed Development

2.2.2.1 Status of the Sector in the District

Soil and water are important resources for agricultural production. When coupled with



good quality seeds and appropriate dosage of nutrient rich fertilisers, they can boost crop production. Udupi receives a normal annual rainfall of 4535 mm rainfall mostly from the south-west monsoon and most of it drains into the Arabian Sea. The total net sown area in the district is 105264 ha. The district has 37152 ha under cultivable wastelands and 11721 ha in the nature of fallow land. The district is a plantation district and continuous land development works in areca, rubber and other plantations are 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 of the district fall on the Western Ghats which are home to a lot of wild animals. Some of these wild animals like pigs, boars, peacocks etc., have been a menace in recent years destroying the crops and hence fencing is a priority, especially to prevent crop losses, at least from small wild animals. The presence of lateritic soil results in poor infiltration. Organic farming is also gaining momentum in the district with a good number of farmers practicing crop cultivation through organic farming methods.

2.2.2.2 Infrastructure and linkage support available, planned and gaps

- There are 4 soil-testing laboratories in the district and these labs are able to meet the soil testing requirements of the district.
- The number of Soil Health Cards issued in the district is 12395.
- Area-based measures like terracing, bunding, growing vegetative cover, etc., could be taken up by farmers, preferably on a community basis.
- Under central sector schemes like Prime Minister Krishi Sinchai Yojana (PMKSY) focusing on better soil and water management, National Mission on Natural Farming promoting sustainable agricultural practices, etc., aid in improving productivity and sustainability of agriculture.
- The Government of Karnataka is also implementing schemes for promotion of watershed development, organic agriculture, rainwater harvesting practices, etc., for resilient agriculture and sustainable farm incomes.

2.2.2.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
B.02 Land Development							
1	Compost Pit--Composting	No.	0.24	80	4932	1160.99	928.80



2	Farm Ponds/ Water Harvesting Structures--Red Soil-21 m x21 m x3 m - without stone pitching	No.	1.22	80	4900	5987.51	4790.02
3	Fencing-Rock Poles with Barbed Wire-cement pillars/steel poles-5 rows	m.	0.00	80	5280000	15840.00	12672.00
4	On Farm development (OFD) Works -Field Channels- Bunding levelling deep ploughing FYM application	m.	0.95	80	6578	6264.22	5011.38
Total					5296410	29252.72	23402.20

2.2.3 Agri. Infrastructure - Others

2.2.3.1 Status of the Sector in the District

Biotechnology has been globally recognized as transformative tool in agriculture, enabling development of improved crop varieties, enhancing productivity and ensuring food security. Agricultural biotechnology includes plant tissue culture (PTC), applied microbiology, and applied molecular biology contributing to the production of crops with improved food, feed, fiber and fuel. Arecanut is the major crop grown in 23522 ha with a total production of nearly 39188 MT (processed). There is a huge potential for financing drying yards for arecanut. Harvested nuts are usually sun-dried by farmers before either storing them in the warehouses or disposing off the produce. Organic farming is gaining increased importance amongst farmers due to increased awareness thrust provided by government etc.②

2.2.3.2 Infrastructure and linkage support available, planned and gaps

- There are two Tissue Culture laboratories in the district producing Banana TC plantlets and neither are accredited with DBT.
- The district has sufficient and well distributed farm input supply outlets in all the taluks, which cater to the demands of chemical fertilizers/pesticides. However, organic/bio fertilizer availability needs to be improved.
- Seed Production needs to be encouraged through seed village concept in the district to reduce dependence on outside agencies for seeds and for propagation of local / traditional varieties.
- Drying yards are important considering the crops like areca, coconut, etc., grown in the district. Common infrastructure for drying purposes needs to be promoted.
- Post-harvest farm gate infrastructure may be developed by farmers, FPOs, SHGs, etc., with support under Agriculture Infrastructure Fund (AIF), availing benefit of convergence under AMI and other state / central government schemes.
- Dairy farmers through the milk producers' cooperative societies need to be encouraged for establishing vermi compost units which will provide a boost to organic farming and reduce cost of cultivation.

2.2.3.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)



Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
B.03 Agriculture Infrastructure - Others							
1	Compost/ Vermi Compost-Agro. Waste Compost-Bio pesticide	No.	107.00	80	33	3531.00	2824.80
2	Compost/ Vermi Compost-Compost - NADEP Compost-Composting	No.	0.24	80	35	8.26	6.58
3	Compost/ Vermi Compost--Compressed bio gas	No.	3210.00	80	5	16050.00	12840.00
4	Compost/ Vermi Compost-Vermi Compost-Vermi Compost-3m x1.2mx 1m (3.60 Cu.m)	No.	0.13	80	6836	877.74	702.19
5	Seed Processing-All Seed Types	No.	26.75	80	35	936.25	749.00
6	Tissue Culture-Tissue Culture Lab for Plant Propagule Multiplication-Crop bio tech	No.	107.00	80	5	535.00	428.00
Total					6949	21938.25	17550.57

2.3 Agriculture - Ancillary Activities

2.3.1 Food & Agro Processing

2.3.1.1 Status of the Sector in the District

Udupi district, with its geographical and agricultural diversity and locational advantages, is ideal for agro-based processing activities, including fisheries. Excellent rail, road, sea, and air connectivity supports 4,631 food and beverage industries employing 58,634 people. Additionally, 1,486 wood-based industries employ 6,511 persons. Cashew processing is extensive, using both local and imported raw materials. Dairy products like curd, butter, ghee, and pedas are processed by DKMUL under the 'Nandini' brand. Private players are active in poultry meat processing. As a coastal district, Udupi has strong potential for fish meal and oil extraction units and other fish-based products. Under the One District One Product (ODOP) scheme, marine products have been identified for Udupi, enabling scale benefits in procurement, shared services, and marketing. The scheme supports value chain development and infrastructure alignment, boosting the marine sector. There is also scope for fruit and vegetable processing, including juice, jam, and jelly production.

2.3.1.2 Infrastructure and linkage support available, planned and gaps



- The district is endowed with a 100 kms long coastline with rich marine resources like shrimps, crabs, lobsters, etc., and has good potential for fisheries-based industries
- Under PM Kisan Sampada Yojana it is proposed to create modern infrastructure coupled with efficient supply chain management to improve farmer incomes. The scheme envisages infrastructure for agro-processing clusters creation/expansion of food processing / preservation capacities etc.
- Under the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) support upto Rs.5.0 crore is provided for infrastructure creation technology upgradation design interventions improving marketability etc.
- Under the Scheme of PMFME (Prime Ministers' Formalisation of Micro Food Enterprises) entrepreneurs are eligible to avail credit-linked capital subsidy at 35% of the project cost with maximum ceiling of Rs.10 lakh per unit.
- The presence of an international airport and major seaport (New Mangalore Port Trust) in Mangalore, Dakshina Kannada provides the required transportation infrastructure backbone for the food processing sector.
- There exists good scope for setting up food and agro processing units for coconut arecanut, paddy, pineapple, cashew and fish products 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 on standards such as FSSAI, HACCP, etc.

2.3.1.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
C.01 Food & Agro Processing							
1	Agro Processing Unit-- Animal feed (1MT)	No.	94.16	80	29	2730.64	2184.50
2	Agro Processing Unit- Araeanut Processing	No.	26.75	80	80	2140.00	1712.00
3	Agro Processing Unit--Bakery product units	No.	13.91	80	550	7650.50	6120.40
4	Agro Processing Unit-Cashew Processing	No.	42.37	80	35	1483.02	1186.43
5	Agro Processing Unit-- Dairy/Milk Processing	No.	21.40	80	880	18832.00	15065.60
6	Agro Processing Unit-- Dehydration of coconut (12 MT)	No.	19.26	80	55	1059.30	847.44



7	Agro Processing Unit--Dessicated coconut powder (5 MT)	No.	27.82	80	55	1530.10	1224.08
8	Agro Processing Unit--Meat Proressing	No.	21.40	80	880	18832.00	15065.60
9	Agro Processing Unit--Mini Cold pressed oil unit (50 LPD)	No.	8.56	80	140	1198.40	958.72
10	Agro Processing Unit--Mini Rice Mills (4 MT)	No.	44.94	80	11	494.34	395.45
11	Agro Processing Unit--Ready mixes (500 KG)	No.	27.19	80	11	299.09	239.25
12	Agro Processing Unit--Sugarcane beverage (3000 bottles per day)	No.	27.29	80	15	409.28	327.42
13	Coconut Processing-Fibre & Coir	No.	47.08	80	12	564.96	451.97
14	Fruit Processing -Pickle-Pickle unit	No.	4.28	80	590	2525.20	2020.16
15	Honey & Honey Products-Honey Products	No.	26.75	80	7	187.25	149.80
16	Oil Extraction-Oil Refining-Edible Oil Extraction	No.	561.75	80	220	123585.00	98868.00
17	Rice Processing -Flour Mill	No.	4.28	80	157	671.96	537.57
18	Spice Processing-Chilly processing-Pepper processing	No.	12.84	80	700	8988.00	7190.40
19	Spice Processing-Powder & Packaging	No.	6.42	80	700	4494.00	3595.20
20	Vegetable Processing-Dehydration of Fruits-Solar dryer 1000 kgP	No.	6.96	80	3140	21838.70	17470.96
21	Vegetable Processing-Grading and Packing	No.	16.05	80	700	11235.00	8988.00
Total				8967	230748.74	184598.95	

2.3.2 Agri Ancillary Activities - Others

2.3.2.1 Status of the Sector in the District

The commercial crops provide an opportunity for farmers for storage in accredited warehouses and avail pledge finance against Negotiable Warehouse Receipts (NWRs) for immediate liquidity. Also, good scope exists for setting up agri-clinics and agri-business centres for providing consultancy and other support services to the agriculture sector. The district also has good coverage under Pradhan Mantri Jan Dhan Yojana (PMJDY) and other social security schemes. Hence scope exists for covering these accounts under overdraft limits.

2.3.2.2 Infrastructure and linkage support available, planned and gaps

- The PACS in the district are dynamic, providing good service to the farmers. 22 projects have been sanctioned under PACS as MSC special refinance facility of NABARD, especially for creation of godowns.
- The district has large NGOs like SKDRDP who are involved in microfinance under different models. SKDRDP has facilitated groups to avail interest subvention from Government.



- SCDCCB in association with Navodaya Grama Vikas Charitable Trust has undertaken a programme for promotion of 3500 JLGs with support from NABARD.
- A good network of bank branches and cooperative societies is a positive sign and provides increased access to credit at the last mile.
- PACS may create adequate storage and other infrastructure with support under
- Agriculture Infrastructure Fund (AIF) and concessional Special Refinance Facility of NABARD to provide pledge finance and value addition infrastructure to enhance farmers income.

2.3.2.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
C.02 Ancillary Activities - Others							
1	Agri Clinic & Agri Business Centers	No.	21.40	80	13	278.20	222.56
8	Loans to Agri. Start-ups	No.	10.70	80	1	10.70	8.56
2	Loan to MFIs for Onlending to for Agri. Purposes	No.	214.00	80	3	642.00	513.60
3	Loan to PACS/ FSS/ LAMPS for Onlending	No.	321.00	80	7	2247.00	1797.60
4	Loan to PACS/ FSS/ LAMPS for Onlending--Loans to distressed for repayments	No.	1.28	80	1750	2247.00	1797.60
5	Loan to PACS/ FSS/ LAMPS for Onlending--Purchase of land by SF/MF	No.	10.70	80	440	4708.00	3766.40
6	Loan to PACS/ FSS/ LAMPS for Onlending--State SC/ST organisations	No.	321.00	80	1	321.00	256.80
7	Loan to PACS/ FSS/ LAMPS--Loans to Coops for disposing of produce	No.	5.35	80	1660	8881.00	7104.80
Total					3875	19334.90	15467.92



Chapter 3

Credit Potential for MSMEs

3. Credit Potential for MSMEs

3.1 Status of the Sector in the District

Micro, Small, and Medium Enterprises (MSMEs) are vital drivers of economic growth, contributing significantly to employment generation and fostering entrepreneurship. To adapt to the evolving economic landscape and enhance efficiency, scalability, and technology adoption, the Ministry of MSME, Government of India, has revised the investment and turnover limits for classification. The new limits provide enterprises with better access to capital, improved growth opportunities, and the ability to create more jobs. The classification applies uniformly across sectors without distinction between manufacturing and services. To encourage exports, revenue from goods or services exports is excluded from turnover. As per the revised norms, Micro enterprises have investment up to ₹2.5 crore and turnover up to ₹10 crore; Small enterprises up to ₹25 crore and ₹100 crore respectively; and Medium enterprises up to ₹125 crore and ₹500 crore. In Udupi, MSMEs are concentrated in food processing, wood based industries, service activities, textiles, paper and printing, etc. With strong port connectivity, skilled workforce, and entrepreneurial culture, the district offers a supportive ecosystem for MSME growth, though high land costs and limited credit access remain challenges. Udupi had a total of 17904 MSME units employing 129994 persons. A total of 704 MSME units were started during 2023-24, employing 2561 persons.

3.2 Infrastructure and linkage support available, planned and gaps

- Padubidri SEZ houses industrial units which sources components from MSME units in the district for production of wind energy components.
- There are 3 industrial estates, 78 sheds and 90 plots in the district.
- The district has close proximity to Mangalore seaport, airport and good road infrastructure providing connectivity to places, both within and outside the country.
- The district has a high literacy level with a very high level of enterprise.
- The GoI provides support through subsidy linked, skill development, institution building for skill and entrepreneurship development, regeneration of traditional industries, promotion of rural innovation and rural industries, etc.
- Other initiatives include enhancing coverage of MUDRA loans at Rs.20.0 lakh, credit guarantee scheme for MSMEs, new assessment model relying on digital footprint by PSUs, establishment of e-commerce hubs under PPP models enabling traditional MSMEs to sell their products in international markets, etc.
- Ministry of MSME has undertaken initiatives like no global tenders for procurement upto Rs.200 crore, launch of Udyam Assist platform for bringing informal micro enterprises under formal ambit, etc.
- Other efforts towards easier access to credit for MSMEs include launch of Public Tech Platform for Frictionless Credit (PTPFC) by RBI Innovation Hub, digitization of SME Sambandh, Samadhan and Sampark portals, etc.



3.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
II. Manufacturing Sector - Term Loan							
1	Manufacturing Sector - Term Loan-Medium	No.	5000.00	80	59	172500.00	138000.00
2	Manufacturing Sector - Term Loan-Micro	No.	100.00	80	1211	121100.00	96880.00
3	Manufacturing Sector - Term Loan-Small	No.	1000.00	80	128	128000.00	102400.00
Sub Total					1398	421600.00	337280.00
II. Manufacturing Sector - WC							
1	Manufacturing Sector - Working Capital-Medium	No.	625.00	100	58	36250.00	36250.00
2	Manufacturing Sector - Working Capital-Micro	No.	2.50	100	1450	3827.50	3827.50
3	Manufacturing Sector - Working Capital-Small	No.	62.50	100	139	32312.50	32312.50
Sub Total					1647	72390.00	72390.00
II. MSME - Others							
1	KVIC Units	No.	1.00	80	33	33.00	26.40
2	Loans to MSME Start-ups	No.	500.00	80	10	14000.00	11200.00
Sub Total					43	14033.00	11226.40
Total					3088	508023.00	420896.40



Chapter 4

Credit Potential for Export Credit, Education & Housing

4.1 Credit Potential for Export Credit

4.1.1 Status of the Sector in the District

Udupi district is a prominent hub for exports, with major products including agricultural and horticultural commodities such as cashews and spices, marine products, processed foods, chemicals, and plastics. These goods are exported to a wide range of countries, including South Africa, the United States, the United Arab Emirates, and other nations in the Middle East. Cashew exports from the district are particularly significant, with key destination markets including the US, UAE, and the Netherlands. The district hosts a large number of processing units, especially in the fishing sector and agro-based industries. These include cashew and pepper processing units, which contribute substantially to the local economy. Financial institutions actively support these industries by providing both pre-shipment and post-shipment export credit facilities. Additionally, the Visvesvaraya Trade Promotion Centre (VTPC) has conducted diagnostic studies on seven Geographical Indication (GI) clusters across Karnataka. Notably, three of these—Udupi sarees, Udupi Mattu Gulla brinjal, and Udupi jasmine—originate from Udupi district, highlighting the region's rich cultural and agricultural heritage.

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 States exports, VTPC conducts various capacity-building programmes and provides services for market intelligence, export documentation, finance etc.
- 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, mechanisation of general cargo berths etc.
- The products/services identified with export potential are Cashew nuts (Ullal 1,2,3) and Spices, Marine products, Jack Fruit, Plastic components, Light Engineering (Auto components, Electrical, Plastic machinery, etc.), Tourism, Value added plastic items (Woven Sacks/FIBC), optical items, Moulded & extracted items, packaging items, plastic components.
- Assistance under AIF can be availed for Strengthening of post-harvest infrastructure facilities like collection & grading centers washing and packing facilities, reefer vans, pre-cooling and cold storages, intermediate cold storages, processing units and export houses, needs to be promoted. Also processing activities with support under PMFME can be promoted.



4.1.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

								(₹ lakh)
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan	
III. Export Credit								
1	Export Credit -Pre Shipment Export Credit	No.	300.00	80	137	41100.00	32880.00	
Total					137	41100.00	32880.00	

4.2 Credit Potential for Education

4.2.1 Status of the Sector in the District

Udupi district holds the highest literacy rate in the State. Whereas the overall literacy rate was 86.2%, the literacy rate amongst men and women was 91.41% and 81.58% respectively. Similarly, the literacy rates amongst rural and urban folk were 83.91% and 92.13% respectively. The district has some of the finest educational institutions including reputed engineering and medical colleges. As of 31.03.2024, the district had 3 engineering colleges, 1 medical colleges, 3 AYUSH colleges, 1 dental colleges, 6 polytechnic colleges, 33 general degree colleges, etc. The presence of such a large number of quality institutions offers a good scope for banks to provide educational loans to students.

4.2.2 Infrastructure and linkage support available, planned and gaps

- The National Education Policy 2020 (NEP 2020) outlines the vision of new education system that will contribute directly to transform India sustainably into an equitable and vibrant knowledge society by providing high quality education to all.
- As per Reserve Bank of India guidelines loans to individuals for educational purposes including vocational courses not exceeding Rs.25.0 lakh will be considered as eligible for priority sector classification.
- The district has an excellent network of educational institutions as well as bank branches capable of providing access to education loans for students.

4.2.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)



Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
IV. Education							
1	Education Loans	No.	4.00	100	3760	15040.00	15040.00
Total					3760	15040.00	15040.00

4.3 Credit Potential for Housing

4.3.1 Status of the Sector in the District

Housing is a critical sector for socio-economic development in India, providing not only shelter but also employment, income generation, and improvement in quality of life. With rapid urbanization, growing population, and rising aspirations, there is an increasing demand for affordable and quality housing. RBI guidelines on individual housing loans eligible for priority sector classification are :

1. Centres with population of 50 lakh and above, Loan Limit ₹50 lakh against maximum cost of dwelling unit at ₹ 63 lakh
2. Centres with population of 10 lakh to below 50 lakh, Loan Limit ₹45 lakh against maximum cost of dwelling unit at ₹ 57 lakh
3. Centres with population below 10 lakh, Loan Limit ₹35 lakh against maximum cost of dwelling unit at ₹ 44 lakh

Loans for repairs to damaged houses:

1. Centres with population of 50 lakh and above, Loan Limit ₹15 lakh against maximum cost of dwelling unit at ₹ 63 lakh
2. Centres with population of 10 lakh to below 50 lakh, Loan Limit ₹12 lakh against maximum cost of dwelling unit at ₹ 57 lakh
3. Centres with population below 10 lakh, Loan Limit ₹10 lakh against maximum cost of dwelling unit at ₹ 44 lakh.

4.3.2 Infrastructure and linkage support available, planned and gaps

- Under PMAY-G scheme construction of 2 crore more houses with assistance of Rs.1.20 lakh in plain areas and Rs.1.30 lakh in NE and hilly regions upto 2028-29 approved.
- 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.



- The rapid pace of urbanization and industrialization offers scope for investment in the housing sector both for residential and commercial /industrial purposes.
- A Special Refinance Scheme, SRS for Rural Home Loans bundled with Solar Roof Top (SRT), has been introduced by NABARD for Regional Rural Banks and State Cooperative Banks.

4.3.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)

Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
V. Housing							
1	Purchase/ Construction of a Dwelling Unit (Individual)	No.	25.00	90	4130	103250.00	92925.00
Total					4130	103250.00	92925.00



Chapter 5

Credit Potential for Infrastructure

5.1 Infrastructure - Public investments

5.1.1 Status of the Infrastructure in the District

Good infrastructure is essential for increasing productivity of land capital and labour which would in return improve the quality of life and reduce vulnerability of the rural economy. Rural infrastructure means both economic assets like roads, irrigation, etc., and social infrastructure like health, education, sanitation, energy systems, etc. NABARD has been financing the state Government since 1995-96 under the Rural Infrastructure Development Fund (RIDF) for various rural infrastructure projects like rural roads, rural bridges, irrigation projects, fishing jetties, schools, colleges, anganwadis, primary health care centers, etc. RIDF now covers 39 activities in the agriculture and rural development space. Udupi district with a geographical area of 4861 sqkm, has a road density of 168.4 km per 100 sq.km. Around 84.2% of the villages are covered by all-weather roads. Also 99.1% of the households have electricity connection and 82.7% of the households have potable water access. 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. A total of 1026 projects have been sanctioned under RIDF in the district with total financial outlay of ₹794.52 crore and RIDF loan of ₹551.89 crore. The projects cover all sectors including agriculture, rural connectivity and social sector. Currently 16 projects with financial outlay of ₹409.94 crore are under implementation with RIDF support of ₹220.23 crore.

5.1.2 Infrastructure and linkage support available, planned and gaps

Udupi district has good network of roads, highways, bridges, educational institutions, health institutions, etc. It is also close to Mangaluru international airport and seaport at Mangaluru. Some of the gaps identified include construction of vented check dams, upgradation of rural roads and bridges, setting up of seed processing units, lift irrigation schemes, establishment of post-harvest infrastructure, infrastructure support through setting up of Common Facility / Service Centres, etc., which will further enable value creation and thereby income and employment generation in the rural sector, improving quality of life.

5.1.3 Benefits of RIDF Projects (except irrigation, rural roads and bridges)

A total of 398 in activities other than irrigation and rural connectivity (roads and bridges) have been sanctioned. These include Anganwadis (98), Veterinary Care (36), Drinking Water Project (1), First Grade College (5), Fish Jetty (10), Fisheries Project (3), Godown (1), GTTC (1), Ground Water Recharge (30), ITTs (3), Residential school (1), Polytechnics (3), Pre-university colleges (71), Primary health centres (15), Primary schools (15), Raitha Sampark Kendras (5), Rural Markets (11), Rural Service Centres (6), Secondary schools (80). These projects have enabled improved health, education, production, productivity, income, support system for farmers, etc.



5.2 Social Infrastructure Involving Bank Credit

5.2.1 Status of the Sector in the District

Udupi district has a high literacy rate and also the district is home to a good number of reputed educational institutions, however bottlenecks exist in some areas, which calls for improving the number of educational institutions with adequate capacity for digital learning. Also COVID19 pandemic has highlighted the issue of improved healthcare facilities with adequate facilities to deal with stress of pandemic. The institutions include 1405 institutions relating to health sector with 6755 beds, access to clean drinking water in all habitations, 2108 anganwadis, 224 lower primary schools, 555 higher primary schools, 315 high schools, 107 pre-university colleges, 33 general degree colleges, 3 AYUSH colleges, 1 allopathy medical colleges, 1 dental colleges, 6 polytechnics, 3 engineering colleges, etc. The same compares well with the average available at the state level. As of 31.03.2024, the district had 3 engineering colleges, 1 medical colleges, 3 AYUSH colleges, 1 dental colleges, 6 polytechnic colleges, 33 general degree colleges, etc.

5.2.2 Infrastructure and linkage support available, planned and gaps

- There is a growing need to promote the establishment of new schools and healthcare institutions in the district.
- The presence of premium medical colleges ensures a steady supply of qualified doctors who aspire to set up their own clinics, dispensaries, and hospitals.
- Banks should actively support and encourage financing for such ventures, enabling expansion of education and healthcare infrastructure.

5.2.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
VI. Social Infrastructure							
1	Education-Colleges	No.	1000.00	80	20	11700.00	9360.00
	Total				20	11700.00	9360.00

5.3 Renewable Energy

5.3.1 Status of the Sector in the District

The Ministry of New and Renewable Energy, in line with the Prime Minister's



announcement at COP26, is working towards the goal of achieving 500 GW of non-fossil-based electricity capacity by 2030. In 2024-25, India added 21.35 GW of renewable energy, taking the total capacity to 220.10 GW from 198.75 GW as of 31 March 2024. India now ranks 4th in the world in renewable energy installed capacity, 4th in wind power, and 3rd in solar power. Renewable energy is playing a key role in strengthening grid power, improving energy access, reducing the use of fossil fuels, and supporting India's low-carbon growth path. India's climate commitment also aims to achieve 40 percent non-fossil-based installed electricity capacity by 2030. Karnataka, blessed with rich renewable energy resources such as solar, wind, small hydro, biomass, waste-to-energy, and tidal power, is one of the leading States in this sector with nearly 34.95 GW of installed capacity. The State added 1960.27 MW in 2023-24 and 637.98 MW in 2024-25 (up to December 2024). With an estimated renewable energy potential of about 1,55,074 MW, Karnataka is among the top five renewable energy-rich States in India. The Varahi hydro power project with an installed capacity of 460 MW is one of the major renewable energy projects in the district. The Karnataka Renewable Energy Development Ltd., has initiated a project for installation of solar rooftop panels across 25 schools. There is also a proposal for energising all PHCs with solar energy. It is estimated that the current solar energy capacity of the district is estimated at 300 MW.

5.3.2 Infrastructure and linkage support available, planned and gaps

- Under the PM Surya Ghar Muft Bijli Yojana, free electricity up to 300 units per month is proposed for one crore households.
- The PM-KUSUM scheme aims to replace diesel in the farm sector, provide energy security to farmers, reduce environmental pollution, and enhance farm incomes.
- High initial capital cost continues to be a deterrent for setting up solar energy-based units.
- Consumers face challenges in selecting the right products, designs, and technology.
- Limited availability of service centers and skilled personnel for timely maintenance and repair of solar installations remains an issue.
- MESCOM has entered into assured long-term buy-back arrangements with solar energy producers.
- A detailed survey of rooftop potential of households, along with yield optimization, needs to be undertaken.

5.3.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)							
Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
VII. Renewable Energy							



1	Biomass Energy-Home-Biogas	No.	0.40	90	130	52.00	46.80
2	Solar Energy-Roof Top Solar PV System with Battery-upto 3KW	No.	2.40	90	184	441.60	397.44
3	Solar Energy-Solar Water Heater System	No.	1.90	90	1705	3239.50	2915.55
4	Solar Energy-Stand Alone Solar Power Plants-Solar Home Lighting	No.	0.25	90	2180	545.00	490.50
Total					4199	4278.10	3850.29



RIDF

1. Details of RIDF projects sanctioned in the district are given below:

(₹ crore)				
Sr. No.	Sector	Projects Sanctioned (No.)	Fin. Outlay	RIDF loan
A	Closed Tranches	1009	383.59	330.71
B	Ongoing tranches	17	410.94	221.18
	Total (A + B)	1026	794.53	551.90

2. The sector-wise details of RIDF projects sanctioned in the district various categories are as given below:

(₹ crore)				
Sr. No.	Sector	Projects Sanctioned (No.)	Fin. Outlay	RIDF loan
A	Irrigation/ Agriculture	295	113.42	107.23
B	Rural roads & bridges	435	215.83	176.48
C	Social Sector	296	465.28	268.19
	Total (A + B + C)	1026	794.52	551.90

3. Some of the benefits accrued from the projects sanctioned under RIDF in the district are as under:

Sr. No.	Sector	Projects Sanctioned (No.)	Likely benefit	Unit	Value
A	Irrigation	193	Irrigation potential	ha	7093
B	Rural roads	293	Road length	km	804
C	Bridges	142	Bridge Length	m	3519

3. a Details in respect of other RIDF projects are given below.

Sr. No.	Sector	Projects Sanctioned (No.)	Likely benefit	Unit	Value
1	Anganwadi	98	Improvement in child health, nutrition and education	No.	161
2	Animal Husbandry	36	Improvement in animal health and productivity	No.	1008356



3	Backward Class Hostel	3	Improvement in education of backward classes	No.	186501
4	Drinking water project	1	The drinking water project will ensure safe, reliable, healthy, access to water to community.	No.	877
5	Primary Health Centres	5	Improvement in rural higher education	No.	66
6	Fish Jetty	10	Hygienic fish handling and better yield for fishermen	No.	3
7	Fisheries Project	3	To enhance livelihoods, improve nutrition and generate employment in fisheries	No.	0
8	Godown	1	Preservation of agricultural produce and better returns for farmers	No.	200
9	Govt. Tool Room and Training Centre	1	Job oriented technical training for rural youth	No.	10
10	Ground water Recharge	30	Replenishes aquifers, sustains water, reduces scarcity.	No.	672
11	Industrial Training Institute	3	Imparts vocational skills, enhancing employability across diverse trades.	No.	0



12	Moraji Desai Res School	1	Provides quality education to rural students	No.	0
13	Polytechnic	3	Job orientation technical training for rural youth	No.	7147
14	Pre University	71	Improved education for rural students	No.	2398.00
16	Primary Schools	15	Improved education for rural students	No.	487
17	Raitha Sampark Kendras	5	Better returns to farmers through enhanced support system	No.	0
18	Rural Markets	11	Better returns for farmers through improved marketing for farmers	No.	50355
19	Rural Service Centre	6	Better returns to farmers through enhanced support system	No.	717.95
20	Secondary Schools	80	Improved education for rural students	No.	938





Chapter 6

Informal Credit Delivery System

6.1 Status of the Sector in the District

The Self Help Groups Bank linkage (SHGBLP) programme which started as a bank outreach programme has through the passage of time slowly metamorphosed into a holistic programme for financial economic social and of late technological capital building in rural areas. Thus the SHG-Bank Linkage Programme has expanded at a fast pace in India to evolve into the largest microfinance programme in the world. As on 31 March 2024, 17.75 crore rural households were covered under the SHG-BLP. A total of 144.21 lakh SHGs were savings linked to the banking sector with savings of ₹65,089 crore, registering growth of 9.51% over the previous year. The credit disbursement to SHGs surged from ₹29 lakh in 1992 to ₹2,09,286 crore as on 31 March 2024. However, the Y-o-Y growth of savings linked SHGs decelerated from 12.7% during 2022-2023 to 7.6% in 2023-24. The loan outstanding stood ₹2,59,664 crore.

6.2 Infrastructure and linkage support available, planned and gaps

- All eligible poor households in Udupi District need to be covered under SHG-BLP.
- The projected population of the district (7 blocks) in 2023 is 12.61 lakh (source: District at a Glance).
- Around 72% of the population lives in rural areas.
- If 90% are rural poor, then about 1.63 lakh families qualify as poor/marginally poor and are eligible for SHG membership.
- With SHG membership size of 12, the potential for SHGs works out to 13,614 groups.
- So far, 14,250 SHGs have been promoted in the district; hence, there is little scope for new SHG formation.
- Focus should be on sustaining existing SHGs, with emphasis on improving quality.
- Regular grading of SHGs should be introduced by SHPIs/Banks.
- SHGs require training on basic tenets, group dynamics, and bookkeeping.
- There are 9 MFIs operating in the district, with 1,37,083 accounts and an outstanding of ₹1204.95 crore.
- Karnataka RO sanctioned ₹5,25,800 as grant assistance for one LEDP covering 90 mature SHG/JLG members, organized in 3 batches of 30 each, for 10 days.
- The LEDP was implemented by Bharathiya Vikas Trust on Value-Added Cocoa-Based Food Products.

6.3 Assessment of Potential for the Financial Year 2026-27 (in both Physical and Financial Terms)

Keeping in view of the available infrastructure support and prevailing practices, the exploitable credit potential under the sector has been estimated as under. The physical and financial projections are presented in the following table, with block-wise details given in Annexure-I.

(₹ lakh)



Sr. No	Activity	Unit Size	Sof/ Unit Cost	Bank Loan Factor	Phy	TFO	Bank Loan
VIII. Others							
1	SHGs/ JLGs--JLGs	No.	2.00	100	14550	29100.00	29100.00
2	SHGs/ JLGs--SHGs	No.	2.00	100	19750	39500.00	39500.00
Total					34300	68600.00	68600.00

**Title : Microfinance to Microentrepreneurship**

Udupi district has a good network of SHGs promoted by various organisations including SKDRDP Navodaya Grama Vikas Charitable Trust etc. NRLM is engaged in promotion of microenterprises of SHG groups and its members by providing them appropriate capacity building training marketing assistance etc. To improve impacts by improving credit flow to the sector SCDCCB has been sanctioned a project for promotion of 3500 JLGs. Additionally support initiatives of NABARD including Livelihood Entrepreneurship Development Programme (LEDP) Skill Development Programme (SDP) Marketing assistance through Rural Mart to NRLM Federation etc. have been sanctioned by NABARD.



Chapter 7

Critical Interventions Required for Creating a Definitive Impact

1. Farm Credit

1. There is an urgent need to initiate measures to address the adverse effects of climate change, the declining availability of agricultural labour, and the inadequate infrastructure facilities for post-harvest value addition.
2. Since a large number of marginal and small farmers do not possess clear land titles, which often hinders their access to institutional credit, Joint Liability Group (JLG) mode of financing should be encouraged to benefit such farmers.
3. Banks should actively promote pledge financing to help farmers avoid distress sales and to meet their short-term credit requirements.
4. Providing training to rural youth in agricultural activities will enhance labour availability and help overcome workforce shortages.

2. Water Resources

1. Measures such as drip and sprinkler irrigation, water harvesting, comprehensive crop planning based on water availability, scientific moisture conservation, and runoff control practices should be promoted to ensure efficient use of water for irrigation and to improve groundwater recharge.
2. Steps need to be taken to control saltwater intrusion, augment underground water recharge in wells and tube wells, enhance the groundwater table in command areas, and encourage the adoption of lift irrigation.

3. Farm Mechanisation

1. There is a need to impart training to farmers on the operational aspects of various farm implements and equipment.
2. Extension agencies should guide farmers on the suitability of different makes, models, and horsepower of machinery based on the size of their operational holdings.
3. Innovations developed by individuals, such as those for arecanut and coconut climbing, should be tested and certified for safety, efficiency, and cost-effectiveness before being deployed at the field level.
4. Banks may extend finance for establishing Custom Hiring Centres, with support available under the Agriculture Infrastructure Fund.

4. Plantation and Horticulture

1. Promotion of commercial nurseries for supplying quality planting material should be undertaken by the Departments of Horticulture and Sericulture with support through bank finance.



2. Common Service Centres for collection, grading, and packing of horticulture crops need to be established to facilitate value addition. Such initiatives can be taken up by PACS, FPOs, and similar institutions with assistance under the Agriculture Infrastructure Fund.
3. Extension services, storage infrastructure, and marketing facilities for fruits and other perishable horticulture crops need to be strengthened.
4. Kundapur and Udupi taluks have significant potential for crops like coconut and arecanut. Introducing improved varieties and hybrids suited to local climatic conditions will enhance productivity and encourage greater flow of bank credit to the sector.
5. Cultivable wastelands should be brought under horticultural cultivation to expand the production base.

5. Forestry/ Waste Land Development

1. Agroforestry can be strengthened by promoting high-value forest species such as raktachandana, sandalwood, teak, and rosewood alongside agricultural crops on farmlands.
2. As per the Karnataka Forest (Amendment) Act, 2001, every occupant or holder of land is legally entitled to sandal trees grown on their land, except where such trees are declared to be the property of the State Government under a grant, lease, contract, or other instrument. In this context, farmers should be motivated to cultivate sandalwood on their lands.

6. Animal Husbandry - Dairy

1. Promotion of Dairy FPOs may be encouraged to enhance production and facilitate value addition of dairy products.
2. In the district, dairy farming is predominantly practiced by small and marginal farmers; hence, small silage units need to be popularised to ensure feed security.
3. Heifer calf rearing should be promoted through the supply of quality feed and provision of veterinary care.
4. Given the predominance of marginal farmers and landless labourers, banks may adopt the Joint Liability Group (JLG) mode for financing dairy activities.
5. KMF-DKMUL may initiate a specific action plan to rejuvenate defunct dairy co-operative societies, thereby extending greater support to dairy farmers in the area.

7. Animal Husbandry - Poultry

1. SHGs may be encouraged to rear low-technology input birds such as Giriraja, and poultry-based JLGs may be promoted and credit-linked. Backyard poultry birds like Cauvery and Chabro may also be encouraged.
2. FPOs of poultry growers should be promoted to facilitate value addition and ensure better price realization.
3. To support the transition from live-bird markets to frozen-product markets,



infrastructure such as cold chains and modern abattoirs needs to be strengthened.

8. Animal Husbandry - Sheep, Goat, Piggery

1. Improvement in market linkages for live animals is essential to ensure fair and remunerative prices to small farmers and shepherds, which may be facilitated by the AH&VS Department.
2. Promotion of stall-fed goat rearing should be encouraged, with training support provided to farmers through KVKs, NGOs, and other agencies.
3. Banks may encourage the establishment of pig breeding-cum-fattening farms, considering the strong demand for pork in the district.
4. There is also a need to establish hygienic and modern slaughterhouses to ensure food safety and quality.

9. Fisheries

1. Development of the fisheries sector should focus on providing HACCP-compliant facilities, establishing cold chain infrastructure, promoting cage culture, and setting up fish seed hatcheries.
2. Deep sea fishing and optimum utilization of inland water resources need to be encouraged to enhance productivity.
3. Introduction of new fish species for culture in inland and brackish water areas may be undertaken to diversify production.
4. Awareness programmes must be organized to discourage juvenile fishing in marine fisheries. Since fishermen engaged in deep-sea fishing sell nearly 80 per cent of their catch to processing units and the rest to the domestic market, restricting the purchase of juvenile fish by processing units would help in controlling over-exploitation of marine resources.
5. Ornamental fisheries and brackish water fisheries should be promoted to generate additional income opportunities.
6. Formation of JLGs and FPOs of fishermen may be encouraged to achieve economies of scale, secure better returns, and avail benefits of government schemes and programmes.
7. Expansion of estuarine aquaculture, including cage culture, pen culture, and Integrated Multitrophic Aquaculture (IMTA). Setting up mini feed processing units using locally available ingredients can reduce input costs and improve feed quality.
8. Training and extension services must be expanded through the establishment of a Fisheries Training and Resource Centre, offering modules on cage farming, IMTA, fish health management, and value chain development.

10. Construction of Storage and Marketing Infrastructure

1. Farmers need to be educated on the benefits of scientific storage facilities, which help avoid distress sales and provide liquidity through negotiable warehouse receipts. Banks



should extend credit to farmers against the strength of such NWRs.

2. Farmers, FPOs, and SHGs may be encouraged to create storage infrastructure with support under the Agriculture Infrastructure Fund.

11. Land Development, Soil Conservation and Watershed Development

1. Soil health is being adversely affected by the indiscriminate use of chemical fertilizers. The district has strong potential for the promotion of organic farming, and producer groups of organic farmers should be encouraged through awareness programmes.

2. Area-based measures such as terracing, bunding, and growing vegetative cover need to be promoted, preferably on a community basis, to conserve soil and water resources.

3. Farmers' cooperatives dedicated exclusively to organic farming may be encouraged, which can also serve as business platforms to support collective marketing and value addition.

12. Agriculture Infrastructure: Others

1. Common covered drying yards need to be established in cashew-growing clusters, as the last phase of cashew harvesting coincides with the monsoon, creating major challenges for processing units due to the arrival of wet raw nuts.

2. Dairy farmers, through milk producers' cooperative societies, should be encouraged to set up vermi-compost units, based on the scale of their dairy operations.

3. Adequate number of drying yards for arecanut will help in primary processing.

13. Food and Agro. Processing

1. Farmer Producer Organisations, with support from schemes such as AIF and PMFME, may establish agro-processing units to address challenges across the entire value chain.

2. Strong linkages between industries, technology developers, academic institutions, and R&D agencies should be fostered to provide entrepreneurs in the food processing sector with access to best practices, technology, capital, and marketing opportunities.

3. Training micro, small, and medium enterprises in the unorganized sector on food safety and quality standards will give a strong impetus to the sector by opening avenues for both domestic sales and exports.

4. Since most processing units belong to the unorganized sector and often do not strictly adhere to food hygiene laws, there is a pressing need to create awareness in this regard.

14. Agri. Ancillary Activities: Others

1. PACS may develop adequate storage and related infrastructure with support under the Agriculture Infrastructure Fund (AIF) to facilitate pledge finance, create value addition facilities, and thereby enhance farmers' income.

2. Joint Liability Groups (JLGs) availing crop loans should be made eligible for crop loan interest subvention.



15. Micro, Small and Medium Enterprises (MSME)

1. Branch managers should prioritise financing of prospective entrepreneurs having undergone training at RUDSETI / RSETI, EDPs, etc.
2. Assistance for organised marketing of products of SHGs, JLGs, craftsmen, micro entrepreneurs, etc., will enable hand holding of these units and ensure long term sustainability of these ventures.
3. More centres for providing incubation support to entrepreneurs may be set up in technical and management institutions.
4. Areas may also be earmarked by the District Administration for the development of micro industrial zones to expand opportunities and enhance the scope for micro-entrepreneurs.

16. Export Credit

1. Exporters may be encouraged to avail the export credit insurance facilities of ECGC. Greater awareness and adoption of export credit insurance schemes (ECGC) will safeguard exporters and encourage higher credit flow by banks.
2. Creation of modern pack houses, cold storage, quality testing laboratories, and common processing facilities under schemes like AIF and PMFME will enhance export competitiveness.
3. Banks and financial institutions need to increase tailored export credit facilities for MSMEs, SHGs, and FPOs

17. Education

1. Banks should conduct awareness and sensitization programmes at the beginning of the academic season to enable students to avail themselves of education loans. Such camps may also be organized at regular intervals in college premises.
2. Financial Literacy and Credit Counselling Centres (FLCCs), during their visits to schools, colleges, and Gram Sabhas, should sensitize the public about education loan schemes available for students pursuing higher education.

18. Housing

1. There is a need to create awareness of the various government schemes under which subsidy is available to eligible beneficiaries. The district administration should take necessary steps to create such awareness.
2. Encourage adoption of energy-efficient, eco-friendly construction practices (solar rooftops, rainwater harvesting, eco-bricks) through priority lending and awareness programmes.

19. Social Infrastructure

1. The cost of land being very high, for providing affordable health care and education the



state Government could consider providing land on relaxed terms.

2. Promotion of model schools, digital classrooms, vocational training centres, and incubation hubs in partnership with banks, NGOs, and academic institutions.
3. Promotion of solar lighting in schools, health centres, and community institutions under bank finance and government subsidy schemes.

20. Renewable Energy

1. A survey should be conducted to assess the rooftop potential in the district for solar home lighting systems.
2. Deep sea fishing vessels may be encouraged to install solar panels to meet their cooking and lighting requirements during fishing trips, thereby reducing dependence on fossil fuels.
3. The advantages of the PM Suryaghar scheme should be widely popularised to promote adoption among households and communities.

21. Informal Credit Delivery System

1. Handholding support through skill development, market linkages, and insurance coverage to make SHG/JLG ventures more viable.
2. Market avenues need to be explored, and a detailed assessment of support requirements should be undertaken to facilitate better access, value addition, and sustainability for producers and entrepreneurs.
3. Identification of potential SHG members including NRLM groups for graduation to micro enterprises and enabling benefits of government schemes like PMFME, AIF, etc.

Chapter 8

Status and prospects of Cooperatives

1. Background

The practice of co-operation and co-operative activities are deeply ingrained in the Indian culture and ethos. The co-operatives reduce individual risk in economic activities and create a culture of shared productivity, decision-making and creative problem solving. Largely, co-operatives are 'local institutions', addressing 'local needs', employing 'local talent' and led by 'local leaders' and thereby have the unique ability to promote local economy. 'Cooperatives' as an institutional entity are defined as 'an autonomous association of persons united voluntarily to meet their common social, economic and cultural needs as well as their aspirations through a jointly owned and democratically controlled enterprise'. There are seven major principles that govern working of cooperatives i.e., voluntary and open membership; principle of democratic member control; principle of member economic participation; principle of autonomy and independence; principle of education, training and information; principle of concern for community and principle of cooperation among cooperatives. Indian agriculture, especially the small & marginal farming community deeply needs an anchor to support all the farming related activities, be it arranging quality inputs like seeds, fertilizers, manure, timely crop advisory or remunerative price realisation. Cooperatives strengthen bargaining powers of their members; help them get access to competitive markets and to capitalise on new market opportunities. As such, they improve income opportunities, reduce costs and manage risks of the members. It has all the potential to emerge as the third pillar complementing the private and public sectors.

2. Formation of Ministry of Cooperation by GoI

Recognising the rich tapestry of democratic, people centric groups and the long history of cooperation in the Indian rural context, the GoI has set up a separate Ministry for Cooperation on 06 July 2021 with an objective of creating a separate administrative legal and policy framework for strengthening the cooperative movement in the country, to help deepen the presence of cooperatives, to streamline processes for 'Ease of doing business' for co-operatives. The formation of an exclusive Ministry of Co-operation is a watershed moment for the overall development of co-operatives in the country.

3. Initiatives of Ministry of Cooperation (MoC), GoI

The Ministry, soon after its formation has taken a number of path-breaking initiatives as given hereunder:

a. Formulation and circulation of model bye-laws for PACS

Formulation and circulation of model byelaws for PACS, adopted by 31 states/ Union Territories, will enable the PACS to undertake business activities like LPG distributorship, new petrol pump dealership, common service centres, Jan Aushadhi Kendra for accessing generic medicines, PACS as Kisan Samridhi Kendra, PACS as Pani Samiti, convergence of PM- KUSUM scheme at PACS level, etc.



b. Formation and strengthening of 2 lakh new Multipurpose Primary Cooperatives

The Union Cabinet, in its meeting held on 15.02.2023 approved the plan for Strengthening Cooperative Movement in the country and deepening its reach to grassroots by setting up of new multipurpose PACS/dairy/ fishery primary cooperative societies in each uncovered Panchayat / village and strengthen the existing PACS/ Dairy/ Fishery cooperatives through convergence of various identified schemes of Government of India.

c. National Campaign on Cooperation among Cooperatives

A pilot project to promote the spirit of Cooperation among Cooperatives was launched by Hon'ble Union Minister for Home & Cooperation on NABARD Foundation Day (12 July 2023). The pilot project was launched in Banaskantha and Panchmahal DCCBs of Gujarat to promote all the financial transactions of Primary Dairy Cooperative Societies (PDCS) and other cooperative bodies with cooperative banks to strengthen and make the cooperative sector self-reliant (Aatmanirbhar). The pilot project was successful, and the project was expanded and launched in all districts of Gujarat from 15 January 2024 by Hon'ble Chief Minister of Gujarat.

d. Centrally Sponsored Scheme for Computerisation of PACS (CSPCP)

NABARD is implementing the centrally sponsored scheme for the computerization of about 63,000 functional PACS across the country over a period of 5 years with a total budget outlay of Rs.2,516 crore, to which 4,000 additional PACS have been sanctioned by MoC, GOI in FY 2024. Under the CSPCP, each PACS is provided a maximum budgetary support of Rs.3,91,369/- which includes the cost of common National Level PACS Software (NLPS), NLDR and Admin Expenses, Hardware for PACS, Training, and services of System Integrator (SI). The project envisages computerization of 67,908 PACS by 31 March 2027. As on 28 February 2025, total 53,385 PACS, covering 30 States and UTs, have been computerized under the project.

e. Computerisation of Agriculture and Rural Development Banks (ARDBs)

MoC, GoI under the Centrally Sponsored Project of 'Strengthening of Cooperatives through IT Interventions' has approved the sub project of Computerization of Agriculture and Rural Development Banks (ARDBs) on 06 October 2023. The Project envisages computerization of 1867 units across 11 States and 2 Union Territories (UTs) for a period of 03 years i.e. up to 31 March 2026. As on 28 February 2025, the project has been sanctioned in 10 States/UTs. The states of Kerala and West Bengal are yet to submit the proposal under the project, UT of JK has withdrawn from the project citing that ARDBs are financially unviable. The onboarding of the stakeholders onto the Coopsindia portal is completed. The work of First-Hand Report (FHR), Field Verification Report (FVR) is in progress.



f. Preparation of Turn Around Plan & Development Action Plan by Rural Cooperative Banks (RCBs)

NABARD has advised the weak RCBs banks falling under C and D category as per NABARD's latest inspection ratings and banks falling under Supervisory Action Framework - Self Initiative for Turn Around (SAF-SITA) to plan & implement a multipronged comprehensive Turn Around Plan (TAP). Turn Around Plan is envisaged to cover financial parameters along with other key aspects like; business diversification, internal checks and controls, governance, cost rationalization, human resource development, technology adoption, financial inclusion etc., required for a holistic improvement in functioning of weak RCBs. NABARD has circulated a template for preparation of TAP and has organized trainings for the officials of weak RCBs for preparation of TAP through Bankers Institute of Rural Development (BIRD). The sensitization and training workshops in write-shop mode for the nodal officers of all identified banks and concerned ROs were completed by BIRD-L, BIRD-K. and BIRD-M by March 2025. All the identified RCBs have been advised to launch Out of 65, 30 weak banks have board-approved TAP. Out of 30, 26 weak banks have launched TAP.

Other banks (A, B+, B rated RCBs) have also been advised to adopt the template/format for preparing their Development Action Plan (DAP) for improving their functioning & performance.

g. Strengthening of C-PEC, BIRD Lucknow by way of Digitalisation:

C-PEC (Centre of Professional Excellence in Cooperatives) was established in 2009 at BIRD Lucknow to cater to the capacity building needs of Cooperative Professionals. In view of the changing ecosystem of cooperatives and expansion of activities proposed, efforts have been undertaken for strengthening of C-PEC by way of digitalisation of all the operational activities of CPEC. M/s K-nomics Techno Solutions Private Limited has been awarded the contract for implementing the project 'Digitalisation and Learning Management System (LMS) for C-PEC, vide work order dated 17.10.2024. Digitalisation is expected to streamline the operational activities of CPEC helping it to cater to the increasing demand for capacity building needs in Cooperatives in near future, thus resulting in outreach of C-PEC.

h. Initiatives under Cooperative Development Fund (CDF)

Cooperative Development fund (CDF) was created in the year 1992-93 with a corpus of ₹10 crore from the profit of NABARD for supporting activities like Infrastructure facilities to PACS, Training of Coop Banks Personnel, Setting up of PACS Development Cell, HR Capacity Building measures to all the Cooperative Banks/PACS etc. Overtime, diversified interventions were brought into the fold of CDF like Comprehensive Support Plan for NER states (CSP), Business Diversification and Product Innovation Cell (BDPIC), PACS Computerization, SRF- PACS as MSC, Publications by Cooperatives, etc. Cumulative expenditure incurred under CDF as on 31 March 2025 was ₹ 381.52 crore.

4. Recent developments/ latest initiatives by State Government in strengthening the outreach and activities of cooperatives

Status of Cooperatives

Status of Cooperatives in the State



The cooperative sector in Karnataka comprises a total of 45962 cooperatives, covering about 36075 non-credit cooperative societies i.e., Dairy/Fishery/Poultry/ Housing/ Labour/ Consumer/ Weavers/ Marketing/ Industrial societies, etc. and 9885 rural credit co-operatives (PACS, LAMPS, FSS, etc.). These primary societies have nearly 236 lakh members spread across 29736 villages. The long-term rural co-operative credit structure cover 26 State Co-operative Agriculture and Rural Development Bank (SCARDBs) branches and 181 PCARDBs having a membership of nearly 11.89 lakh members. Further, there are 3446 MSCS having their registered office in the State. Besides, there are about 41 district level federations and 25 State level federations of societies operating in the State.

The following announcements were made by the State in their budget for 2025-26. The Akka Cooperative Society for Women empowers SHGs and women heads of families under the Gruha Lakshmi scheme, offering credit access, entrepreneurship support, and financial inclusion. As part of the National Rural Livelihood Mission, it strengthens women's socio-economic roles. Under the Interest Waiver Scheme, ₹240 crore in loan interest has been waived for farmers via DCCBs and PCARDBs. The Karnataka State Co-operative Housing Federation will develop an online database of housing cooperatives and launch a helpline to protect depositors and enhance transparency. Additionally, the department will digitize audit reports of cooperative societies to improve accountability and efficiency.

As part of the International Year of Cooperatives (IYC) celebrations, the State Government launched a series of impactful initiatives across Karnataka. A snapshot of these events is presented below:

Sahakar Se Swachhata Abhiyan, a Statewide initiative, was led by the Karnataka State Cooperative Federation Ltd., Bangalore, and Belgaum District Cooperative Union Ltd. with a major cleanliness drive in Belgaum on 28 May 2025. Staff and office bearers from various cooperative societies participated actively. Similar events were held on 27 May 2025 in Bellary, Vijayanagar, and Dharwad, with support from DCCBs and the State Cooperative Federation, showcasing the cooperative sector's commitment to public welfare.

Green Initiatives included "Ek Ped Maa Ke Naam" campaign by the RCS office, blending environmental awareness with emotional appeal. In Mysore, the Cooperative Union, TAPCMS, and Women's Cooperative Societies led impactful cleanliness and plantation drives. Tree plantation activities also took place in Hassan, Chitradurga, Udupi, Chamarajanagar, and Bengaluru Rural, promoting sustainability through active participation of officials and cooperative members.

Health, Awareness, and Community Engagement

1. The Karnataka Milk Federation amplified awareness by proudly displaying the IYC logo on all milk tankers and booths across the State.
2. On 31 July, the RCS Head Office in Bengaluru hosted a medical check-up and blood donation camp, reinforcing the cooperative sector's commitment to public health.
3. To commemorate the IYC, a special magazine titled "Sahakara" was published, showcasing stories, achievements, and future visions of Karnataka's cooperative movement.



Trainings & Debates

4. Across districts, training programs were conducted to raise awareness about the significance of IYC and the role of cooperatives in sustainable development.
5. A thought-provoking debate on “Economic Growth Through Cooperatives” was organized by the Karnataka State Cooperative Federation, sparking dialogue on the transformative power of cooperative models.

Status of PACS Computerisation

State Level Status of computerisation (viz. Go-Live/e-PACS only, Online Audit, trainings etc,) as on 25.08.2025

PACS Sanctioned - 5491

ERP Trial Run - 3504

ERP Go Live - 3028

HoC uploaded - 144

Number of PACS doing entries and Day end Activity Post Go Live as per SOP - 2588

On-system Audit - 1496 Dynamic Day End - 137

Training Programs Conducted by RO - To equip PACS staff with skills to operate the new PACS ERP software, RO has sanctioned conduct of training programme for all 5,491 PACS under the project. Approved by Karnataka State Cooperative Apex Bank (KSCAB), training is being delivered to Master Trainers (MTs) and Certified Master Trainers (CMTs). So far, 3,702 PACS staff have completed training, and ₹49,14,200 has been disbursed for 2,517 PACS based on received claims. Training for the remaining PACS is ongoing in phases. Additionally, RO has organized capacity-building programs for stakeholders, including training for 141 PACS auditors in May 2025, enhancing on-system audit and compliance across the cooperative ecosystem.

5. Status of Cooperatives in the District

1. The cooperative sector in Udupi comprises a total of 716 cooperatives. Out of these, 566 are Non-Credit Cooperative Societies, which include Milk, Fishery, Poultry, Housing, Labour, Consumer, Weavers, Marketing, and Industrial societies. There are also 54 rural credit cooperatives, such as PACS, LAMPs, and FSS. These primary societies together have nearly 15.60 lakh members, spread across 223 villages. In addition, the long-term rural cooperative credit institutions include 1 State Cooperative Agriculture and Rural Development Bank (SCARDB) and 3 Primary Cooperative Agriculture and Rural Development Banks (PCARDBs). These institutions have a membership of nearly 704 members.

Further, there is 1 Multi-State Cooperative Society (MSCS) having its registered office in the district.

6. Potential for formation of cooperatives

1. There is fair potential for cooperative activity in the agricultural sector, especially PACS as Multi Service Cooperatives.



2. PACS can be developed as Multi-Service Cooperatives, offering integrated services like credit, agricultural inputs, storage, processing, and marketing support to farmers.
3. Stronger cooperatives enhance livelihoods, farm productivity, and local economic resilience. PACS can also diversify into value addition and processing of agricultural produce, creating higher returns for farmers.



Chapter 9

NABARD's Projects and Interventions in the District

Sr. No.	Broad Area	Name Of The Project/ Activity	Project Area	Nature Of Support Provided	Csr Collaboration/ Convergence Etc.	No. Of Beneficiaries	Likely Impact/ Outcome
1	Micro Finance	Rural Mart for NRLM Group	Udupi block of Udupi district	A Rural Mart was sanctioned to Pragathi Sanjeevini Mahila Okkutta, NRLM group for enabling marketing of their products.	The project was implemented in collaboration with Zilla Panchayat and District / Taluk NRLM	200	Enabling better and direct marketing facilities for SHG women products, thereby providing them employment and enhancing income generation.
3	Infrastructure Development	Multi village project to supply water sanctioned under RIDF Tranche 26 (2020-21)	Byndoor and Bhramavara blocks of Udupi district	Grant assistance for establishment of Rural Mart by Mookambika FPO and Mobile Marketing Van for Benegal FPO.	Project collaborated with State and Central Government under the Jal Jeevan Mission.	877	Overall a drinking water project has a transformative effect on health economic stability and social development.

4	Infrastructure Development	Special Refinance Facility for transformation of PACS as MSC (Multi-Service Centre)	22 PACS in Dakshina Kannada District	Grant assistance from NABARD with an amount of ₹18.358 crore through StCB.		22	The PACs have created quality infrastructure (capital assets) and increased business portfolio as well as meet the credit requirements of members of the PACS.
5	Collectivisation	There are three FPOs promoted by NABARD in the district under PRODUCE FUND of NABARD.	Various Taluks of Udupi	The support provided to Farmer Producer Organizations (FPOs) crucial for their sustainability and success were Formation Setting up an Office Appointing a CEO Business Development Support Setting up Marketing Avenues (Rural Mart/Mobile Mart).	Collaborated with Manipal University and SKDRDP	4	This holistic support system for FPOs—from formation to market access—boosts their productivity, profitability and resilience contributing to the overall welfare of farming communities.



6	Skill Training	Skill Development Programme in Weaving of GI tagged Udupi Sarees and related activities.	Udupi Primary Weavers Cooperative Society Udupi	One batch of skill development programme (SDP) for 30 people for 6 months of training involving grant support of Rs 14.71 lakh	Udupi Weavers Society Ltd. has tied up with M/s Robosoft for providing stipend support to the artisans and Zilla Panchayat for providing a training hall for conduct of regular training programmes.	30	Revival of Udupi saree weaving activity with creation of livelihood opportunities in rural areas especially rural women.
7	Women Empowerment	Livelihood Entrepreneurs hip Development Programme – Value Added Cocoa Based Food Products	3 Taluks of Udupi viz. Kundapura Karkala Byndoor	The programme was implemented by Bharathiya Vikas Trust with grant Assistance for 90 women	The programme drew support from Zilla Panchayat Dakshina Kannada and Grama Panchayats.	90	The LEDP focused on value-added cocoa-based food products promotes entrepreneurship boosts income generation strengthens the cocoa value chain and fosters local economic development. It also enhances sustainability and provides health benefits to consumers.

Success Stories

Success Story 1



6. Village	42 Villages
Title	Revolutionising Paddy Cultivation in Karnataka
Scheme	Producer Organisation Development Fund (PODF)
Project Implementing Agency	Shri Kshethra Dharmasthala Rural Development Project
Duration of the project	5 years
Beneficiary	Shree Mookambika Bhattha Belegarara Okkota
1. No. of beneficiaries	729
2. Community	Paddy Growers in Byndoor & Kundapura taluks of Udupi
3. State	Karnataka
4. District	Udupi
5. Block	Bainduru

1.1 Support provided

NABARD sanctioned ₹9.06 lakh under the PRODUCE Fund to SKDRDP for 3 years. ₹5.06 lakh was for the FPO (CEO salary operations RF registration training) and ₹4.00 lakh for SKDRDP (farmer mobilization training resource person).

NABARD continued support through the 4th and 5th year sanctions of ₹5.16 lakh further ₹5 Lakh was made available as Business Development Assistance (BDA) facility opportunity to establish a Rural Mart under NABARD scheme was also provided.



1.2 Pre-implementation status

The number of paddy growers was steadily declining as many farmers shifted away from cultivation due to low productivity and poor returns.

Farmers largely depended on traditional methods with little exposure to scientific practices.

Paddy trays and improved nursery techniques were not available resulting in uneven planting and weaker crop establishment.

Farmers sold their produce individually lacking collective marketing systems which left them with poor bargaining power and lower prices.

1.3 Challenges faced

Traditional methods were commonly used with little awareness or adoption of scientific practices that could enhance yields and reduce costs.

Labour shortage was a persistent issue and the rising cost of labour made paddy cultivation increasingly unviable.

Training opportunities and technical guidance were minimal leaving farmers without access to innovations like SRI or mechanization.

Lack of collective marketing leaving farmers with weak bargaining power

Basic infrastructure such as storage drying yards and processing units was absent leading to post-harvest losses and reduced income.

1.4 Impact

Membership Growth: From 10 to over 868 members.

Turnover Growth: From Rs. 9.5 lakh (2018-19) to over Rs. 2.15 crore (2024-25).

Capacity Building: Over 100 training programs conducted.

Soil Health Awareness: 500+ soil tests guided INM practices.

Women Participation: Consistent efforts ensured women member inclusion.

Digital Financial Inclusion: 100 payments through bank accounts.

Input Linkage: Seed fertilizers and lime supplied at negotiated rates.

Crop Diversification: Expansion into millet and horticulture initiated.

Brand Development: "Mookambika Rice" gained local recognition.

Institutional Convergence: Linked with BhuSamridhi CHSC and ATMA projects.

Success Story 2



Title	Value added cocoa based food products
Scheme	Livelihood Entrepreneurship Development Programme (LEDP)
Project Implementing Agency	Bharathiya Vikas Trust
Duration of the project	2 Years
Beneficiary	
1. No. of beneficiaries	90
2. Community	Mature SHG/JLG women members
3. State	Karnataka
4. District	Udupi
5. Block	Kundapura
6. Village	Hossadu

2.1 Support provided

The Livelihood Entrepreneurship Development Programme (LEDP) of NABARD is a livelihood-entrepreneurship promotion initiative that combines skill development with continuous handholding support.

It aims to help rural women establish and sustain viable enterprises thereby generating both income and employment in rural areas.

Karnataka Regional Office had sanctioned ₹525800 to M/s Bharathiya Vikas Trust for conducting one LEDP in Udupi district on "Value Added Cocoa-Based Food Products" for 90 women.



The programme provided intensive training for 90 mature SHG/JLG members in three batches of 30 each with 10 days per batch.

2.2 Pre-implementation status

Cocoa is a major agricultural produce of the region offering good opportunities for value addition due to the high demand for cocoa-based products.

The women were primarily engaged in household activities and traditional livelihood practices with limited income generation.

They had little exposure to entrepreneurship or opportunities for value addition in agricultural produce.

Skills in food processing quality control and packaging were minimal or absent.

Despite these limitations the women were highly motivated and willing to explore enterprise opportunities if proper guidance and training were provided.

2.3 Challenges faced

Women in rural areas constitute nearly 50 of the population yet their participation in the workforce has remained limited.

There exists considerable potential for employment and income generation among women if they are provided with suitable livelihood skills.

In Kundapura block women under NRLM SHGs were identified as highly motivated to take up entrepreneurial activities.

2.4 Impact

The women gained practical skills in preparing cocoa-based products and local snacks enhancing their confidence to start small enterprises.

They received knowledge on quality control packaging and marketing which improved their understanding of running a sustainable business.

Participants developed entrepreneurial orientation and teamwork enabling them to explore collective business ventures.

The training created awareness about value addition opportunities in cocoa helping them recognize its potential for better income.

With institutional support from NRLM and BVT the women are now better positioned to generate additional household income and contribute to rural employment.



Appendices

Climate Action & Sustainability

1 Climate Action - Scenario at Global & National Level

1.1 Climate Change and its Impact

Climate change is affecting every region on the Earth, in multiple ways. The IPCC AR6[] highlights that human-induced climate change is intensifying weather and climate extremes, resulting in unprecedented heatwaves, heavy rainfall, and severe droughts. The frequency and intensity of these events are likely to increase, posing significant risks to ecosystems, biodiversity, and human societies.

India is exposed to a whole range of climate and weather-related hazards. India with diverse geographical regions, long coastline, biodiversity, and high dependence on natural resources is one of the most vulnerable countries to climate change risks worldwide. Further, more than half of India's population lives in rural areas and depends on agriculture & allied activities, which are highly sensitive to climate change, threatening the livelihoods of people dependent on them.

There is emerging evidence that the productivity of crops, livestock and fish is likely to be affected with implications to food security, livelihoods, and sustainability in agriculture. In India, several studies have projected declining crop yields, in the absence of adaptation to climate change. As per the district level risk and vulnerability assessment of Indian agriculture to climate change undertaken by ICAR-CRIDA[], 109 districts out of 573 rural districts (19% of total districts) are 'very high-risk' districts, while 201 districts are high-risk districts.

- 1.Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC), 2022
- 2.ICAR-CRIDA (2019): Risk and Vulnerability Assessment of Indian Agriculture to Climate Change.

1.2 Climate Finance and Challenges

Climate finance requirement of India is enormous. While the preliminary financial estimates for meeting India's climate change actions as per NDC was USD 2.5 trillion between 2015 and 2030, estimated financial requirement of India to become net-zero by 2070 as per IFC is US\$10.1 trillion. There are various estimates of financial requirements that vary greatly due to varying levels of detail, but it is important to note that they all point to a need for tens of trillions of US dollars. India's updated NDCs also indicates the need to better adapt to climate change by enhancing investments in development programmes in sectors vulnerable to climate change, however financial requirements for adaptation are very large and will increase in the future. To fully meet our NDCs in a timely manner, India requires enhanced new and additional financial, technological and capacity building support. However, financial, and technological commitments by developed countries under the Paris Agreement are yet to be fully transpired.



1.3 Initiatives of Govt. of India

India initiated the National Action Plan on Climate Change (NAPCC) in 2008, which introduced eight National Missions encompassing various efforts. In August 2022, the Government of India displayed greater determination in its efforts to address climate change by submitting its revised Nationally Determined Contribution (NDC) to the UNFCCC. Through Mission LiFE (Lifestyle for the Environment), India advocated for a global shift in mindset and behaviour, moving away from thoughtless and harmful consumption towards purposeful and conscious utilisation.

1.4 Initiatives of RBI

Climate change is a rapidly emerging area of policy interest in the RBI. Back in 2007, the RBI advised banks to put in place Board-approved plans of action towards helping the cause of sustainable development. In 2015, the RBI included loans for generation of renewable energy and public utilities run on non-conventional energy as part of its priority sector lending (PSL) policy to incentivise the development of green energy sources.

RBI has also laid out guidance for voluntary initiatives by regulated entities (REs) on green finance, setting up of green branches and green data centres, encouraging greater use of electronic means of communication instead of paper, and renewable energy sources. In early 2023, the RBI issued sovereign green bonds to mobilise resources for the Government for green infrastructural investments. RBI has also released the framework for mobilising green deposits by REs.

In February 2024, the RBI has issued draft guidelines on 'Disclosure framework on climate-related financial risks, 2024'. The framework mandates disclosure by REs on four key areas of governance, strategy, risk management and metric and targets, which is a step towards bringing the climate risk assessment, measurement and reporting requirements under mainstream compliance framework for financial sector entities in India.

1.5 Initiatives of NABARD

The whole spectrum of NABARD's functions and initiatives focus on the attainment of sustainable development. NABARD's initiatives in the Agriculture, Natural Resources, and Rural Development (ANR) sector have integral components of climate action – both mitigation and adaptation, for vulnerable sectors and communities. NABARD has been playing a key role in channelising climate finance to the nation as the Direct Access Entity (DAE) and the National Implementing Entity (NIE) for major climate funds such as the Green Climate Fund (GCF), Adaptation Fund (AF), and National Adaptation Fund for Climate Change (NAFCC). This role enables NABARD to access and deploy climate finance effectively, driving impactful initiatives that address the pressing challenges of climate change in the agricultural sector.

In a significant stride towards sustainable development, NABARD recently unveiled its Climate Strategy 2030. The strategy is structured around four key pillars: (i) Accelerating Green Lending across sectors, (ii) Playing a broader Market Making Role, (iii) Internal Green Transformation of NABARD, and (iv) Strategic Resource Mobilization.



This strategic initiative not only reinforces NABARD's commitment to environmental stewardship but also positions it as a pivotal player in India's transition towards a resilient and sustainable economy.

1.6 Way Forward

India has significantly high climate finance needs. NABARD is dedicated to playing its part to expand climate financing in India through a range of financial and non-financial initiatives. Our goal is to promote adoption of innovative and new techniques, and paradigm shifts to build climate resilient agro-ecological livelihoods and sustainable agricultural systems, that are resilient to climate change. The fight against climate change necessitates cooperation, innovation, and a collective commitment to effect change. Currently, it is a crucial time for communities worldwide to expedite climate action before it becomes too late.

Climate Change Scenario-at the State level- Karnataka faces increasing climate stress especially in agriculture-dependent regions. Districts like Bidar are experiencing severe droughts while Bengaluru struggles with green cover depletion water scarcity and changing rainfall patterns due to rapid urbanization. Institute for Social and Economic Change (ISEC) has developed a Climate Change Vulnerability Index for Karnataka. It is found that districts like Ballari Raichur Gulbarga and Yadgir are highly vulnerable due to high exposure sensitivity and low adaptive capacity to frequent & intense climate events like droughts heatwaves & erratic rainfall.

2.1 State Action Plan for Climate Change

a) The Karnataka State Action Plan on Climate Change (KSAPCC) Version 2 was developed in 2021 and received Central Government approval in May 2024. This updated plan aligns with India's NAPCC. It aims to guide Karnataka's climate resilience and low-carbon development until 2030. The plan estimates a budget of ₹ 52827 crore for implementation between 2025 and 2030. It spans multiple sectors including agriculture horticulture forestry energy infrastructure water resources urban development and rural livelihoods. Each sector has tailored strategies for both mitigation and adaptation. KSAPCC is based on historical climate data from 1985 to 2015 and future projections using CORDEX models. To reduce greenhouse gas emissions the plan promotes renewable energy energy efficiency and sustainable transport including electric vehicles. It also encourages afforestation carbon sink creation and industrial energy audits. These efforts aim to decouple economic growth from carbon emissions.

b) The Environment Management and Policy Research Institute (EMPRI) is the nodal agency for implementation of KSAPCC. Sector-specific working groups have been formed to oversee adaptation mitigation and research. A climate dashboard has been launched to monitor departmental progress funding utilization and policy outcomes.

2.2 Any specific Climate Change initiative in the State by

a) 1. MoEFCC provided funds to EMPRI to establish climate change units and train government staff across departments. These efforts support implementation of SAPCC action points.



2. EMPRI established the Centre for Climate Change and the Karnataka State Strategic Knowledge Centre for Climate Change supported by the National Mission on Strategic Knowledge for Climate Change (NMSKCC) under the Department of Science and Technology Government of India.

b) 1. National Innovations in Climate Resilient Agriculture (NICRA) projects in Karnataka focus on strategic research in climate-resilient crops and farming systems technology demonstrations on farmers' fields and capacity building through Krishi Vigyan Kendras (KVKs) 2. ICAR-IIHR Bengaluru has developed horticultural technologies suited for climate variability and promoted protected cultivation drought-tolerant varieties and water-efficient irrigation systems. 3. Crop Diversification Initiatives under NICRA and the Krishi Unnati Yojana 4. Dryland adaptation studies in Vijayapura and Bagalkot 5. KVK led Community support: established Village Climate Risk Management Committees set up seed and fodder banks and custom hiring centers issued agro-advisories to help farmers respond to extreme weather.

c) 1. Karnataka State Action Plan on Climate Change (KSAPCC): A climate dashboard has been launched to monitor mitigation and adaptation efforts across departments. 2. EMPRI as Nodal Agency has initiated several state-funded and centrally supported projects. EMPRI is exploring carbon credit markets and nature-based solutions to support departmental initiatives 3. Karnataka Forest Wildlife and Climate Change Mitigation Foundation was launched in 2025. This is a first-of-its-kind initiative in India which focuses on carbon credit generation through agroforestry and afforestation.

d) NABARD has undertaken several climate change initiatives in Karnataka including a pilot carbon credit project in Kolar involving 3500 mango growing farmers promoting biomass management and tree plantations. It also supported a ₹ 24.22 crore livestock resilience project under the National Adaptation Fund for Climate Change (NAFCC) focusing on conservation of indigenous breeds. As India's National Implementing Entity for climate funds like NAFCC and the Green Climate Fund (GCF) NABARD facilitates projects in water conservation natural resource management and climate-resilient agriculture while also building local capacity through its Centre for Climate Change.

e) The Centre for Study of Science Technology and Policy (CSTEP) along with IISc TERI ISEC and University of Agricultural Sciences collaborated with EMPRI to revise Karnataka's State Action Plan on Climate Change (SAPCC). These institutions contributed to:

1. Climate vulnerability mapping
2. Sectoral impact assessments (agriculture water health and forests)
3. Development of adaptation strategies and district-level plans
4. Recommendations for technical working groups and climate cells at district level

3 Climate Change Scenario - At the District Level

3.1 Prospects of Climate Action in the District

a) As per Karnataka State Action Plan on Climate Change Version 2.0 Udupi district displays the low vulnerability to climate change for agricultural sector and low vulnerability for socio-economic. The same holds true for Composite Vulnerability Index also. The district as per 2011 census had a population of 11.78 lakh with a low decadal



growth percentage of 5.6 as against state average of 15.67. The mean rainfall during 4124 mm and kharif rainfall was 3812 mm and rabi rainfall was 460 mm. The kharif season rainfall was around 92 of total rainfall and Udupi was one of the districts wherein rainfall had increased the maximum in the range 20-25. The district had a high rainfall variability of 42 for rabi season. The warming of summer maximum temperature is expected to be lower than the state average for Udupi district under RCP 3.5 RCP 4.5 and RCP 8.5 conditions for both short-term (2030s) and long-term (2080s). Further rainfall is also expected to increase 15-25 under RCP4.5 & RCP8.5 in both short and long term scenarios with marginal increase in rainfall days and increase in high and very high rainfall events. It is expected that there would be a no change in drought years both under RCP4.5 and RCP 8.5 scenarios. As compared to present productivity of rice it is expected that the same would decrease.

b) Various adaptation measures indicated include reduction in area under rice and ragi and increase in area of other crops. Also for the fisheries sector it is recommended to reduce pressure on marine fisheries improving skills of fishermen and providing alternative livelihood activities for fishermen promoting inland fisheries conserving critical coastal environment including mangroves etc.

3.2 Any specific Climate Change initiative in the District by

- a) MoEFCC under National Coastal Mission scheme has provided financial assistance of Rs. 35.05 lakhs to the State of Karnataka for conservation of mangrove sites in Kundapur mangrove area in Udupi District.
- b) Udupi district has launched India's first SLWM (Solid and Liquid Waste Management) centre introducing the concept of converting waste into resources. All 155 Gram Panchayats in the districts have initiated segregated waste collection. Three Plastic Waste Management Unit (PWMU/ Mini MRF (Materials Recovery Facility) have been established in Udupi district
- c) NABARD has sanctioned a project to KVK Bhramavar for developing Standard Operating Procedure (SOP) for drone application of fertilisers pesticides herbicides and nutrients. The project is expected to promote scientific application of inputs thereby preventing wastage environmental degradation lowering cost of cultivation and enhancing income.
- d) India's first hi-tech biochar making unit utilising biomass waste (organic waste like wood crop residues or nutshells) converted through a method called slow pyrolysis is being set up at Udupi under a India Denmark initiative.



Potential for Geographical Indication (GI) in the district

1. Geographical Indication (GI) is an Intellectual Property Right (IPR) that identifies goods originating from a specific geographical location and having distinct nature quality and characteristics linked to that location. GIs can play an important role in rural development empowering communities acting as product differentiators support brand building create local employment reduce rural migration creating a regional brand generating spin-off effects in tourism and gastronomy preserving traditional knowledge and traditional cultural
2. NABARD's intervention in Geographical Indications envisages end-to-end support in facilitating pre-registration as well as post-registration activities for Geographical Indications in order to appreciate quality improve market access create awareness strengthen producer's capacity to enforce their rights subsidize cost of registration enforcement and marketing.
3. Udupi district is home to several unique products that have been granted the Geographical Indication (GI) tag reflecting their distinct identity and heritage. NABARD has played a proactive role in strengthening these initiatives. The revival and promotion of these GI-tagged Udupi sarees have been actively supported by NABARD. NABARD has facilitated the conduct of Skill Development Programmes (SDPs) assisted in creating dedicated websites and extended support for marketing through participation in exhibitions. Adding to this rich legacy the Padupanamboor Weavers Service Cooperative Society Ltd. in Dakshina Kannada has been granted the GI tag for Udupi sarees along with Talipady Weavers Cooperative Society Ltd. and three societies in Udupi district namely Udupi Shivalli and Brahmavara Weavers' Societies are authorised users of this GI tag. These interventions have not only ensured the preservation of traditional skills and practices but also contributed significantly to enhancing livelihoods and sustaining the rural economy in Udupi and Dakshina Kannada districts.
4. NABARD has worked closely with the famous Udupi Mattu Gulla a special variety of brinjal grown in Mattu village which has been granted GI status under the Mattu Gulla Growers' Association.who are the recognised users of the GI tag. NABARD has facilitated their collectivisation convergence of various schemes and provided support in grading and standardising their produce. For Mattu Gulla farmers NABARD has encouraged the formation of a Farmer Producer Organisation (FPO) enabling farmers to come together to organise standardise and popularise their produce. This collective effort has provided farmers with opportunities to reach both domestic and international markets helping them secure better price realisation and in turn improved income levels.
5. Udupi Mallige (Jasmine) has received the GI tag with the Director of the Department of Horticulture Government of Karnataka as the registered holder.

Sources for District Profile Data

Table Name	Source(s) and reference year of data
Physical & Administrative Features	District at a Glance 2023-24
Soil & Climate	District at a Glance 2023-24
Land Utilisation [Ha]	District at a Glance 2023-24
Ground Water Scenario (No. of blocks)	District at a Glance 2023-24
Distribution of Land Holding	District at a Glance 2023-24
Workers Profile [In 000]	District at a Glance 2023-24



Demographic Profile [In 000]	District at a Glance 2023-24
Households [In 000]	District at a Glance 2023-24
Household Amenities [Nos. in 000 Households]	District at a Glance 2023-24
Village-Level Infrastructure [Nos.]	District at a Glance 2023-24
Additional Information	District at a Glance 2023-24
Infrastructure Relating To Health & Sanitation [Nos.]	District at a Glance - Udupi - 2023-24
Infrastructure & Support Services For Agriculture[Nos.]	District at a Glance - Udupi - 2023-24
Irrigation Coverage [000 Ha]	District at a Glance - Udupi - 2023-24
Infrastructure For Storage, Transport & Marketing	District at a Glance - Udupi - 2023-24
Processing Units	District at a Glance - Udupi - 2023-24
Animal Population as per Census [Nos.]	District at a Glance - Udupi - 2023-24
Infrastructure for Development of Allied Activities [Nos.]	District at a Glance - Udupi - 2023-24
Milk, Fish, Egg Production & Per Capita Availability - Year-2	District at a Glance - Udupi - 2023-24
Status	District at a Glance - 2023-24 - Udupi
Major Crops, Area, Production, Productivity	District at a Glance - 2023-24 - Udupi
Irrigated Area, Cropping Intensity	District at a Glance - 2023-24 - Udupi
Input Use Pattern	District at a Glance - 2023-24 - Udupi
Trend in procurement/ marketing	District at a Glance - 2023-24 - Udupi
KCC Coverage	RBI SLBC Portal
Soil testing facilities	District at a Glance - 2023-24 - Udupi
Crop Insurance	District at a Glance - 2023-24 - Udupi
Irrigated Area & Potential	District at a Glance - 2023-24 - Udupi
Block level water exploitation status	District at a Glance - 2023-24 - Udupi
Mechanisation in District	District at a Glance - 2023-24 - Udupi
Service Centers	District at a Glance - 2023-24 - Udupi
Production Clusters	District at a Glance - 2023-24 - Udupi
Sericulture	District at a Glance - 2023-24 - Udupi
Weavers Clusters	District at a Glance - 2023-24 - Udupi
High Tech Orchards	District at a Glance - 2023-24 - Udupi
Production and Productivity	District at a Glance - 2023-24 - Udupi
Area under Forest Cover & Waste Land	District at a Glance - 2023-24 - Udupi
Nurseries (No.)	District at a Glance - 2023-24 - Udupi
Processing Infrastructure	Karnataka Milk Federation
Marine Fisheries (No.)	CMFRI
Agri Storage Infrastructure	District at a Glance - 2023-24 - Udupi
NABARDs interventions	NABARD
Fertilizer Consumption	District at a Glance - Udupi



Facilities Available	www.mofpi.gov.in www.fssai.gov.inwww.startupindia.gov.in
MSME units - Cumulative	District at a Glance - 2023-24 - Udupi
Crop Identified for One District-One Product	www.e-mpeda.nic.in
Status of SHGs	RBI SLBC Portal
Details of non-credit cooperative societies	District at a Glance - 2023-24 - Udupi
Details of credit cooperative societies	District at a Glance - 2023-24 - Udupi
Block wise, sector wise distribution of cooperative societies in the district	District at a Glance - 2023-24 - Udupi
Status/ progress under various schemes of MoC in the district	District at a Glance - 2023-24 - Udupi

***OPS includes Export Credit, Education, Housing, Social Infrastructure, Renewable Energy**

Sources for Banking profile Data	
1	RBI SLBC Portal
2	District at a Glance - Udupi - 2023-24

Name and address of DDM

Name	Sangeetha S Kartha
Designation	DDM, NABARD
Address 1	902 Bliss Apartment Homes
Address 2	5th Cross Gandhinagar Mannaguda Mangalore
Post Office	Gandhinagar S.O (Dakshina Kannada)
District	DAKSHINA KANNADA
State	Karnataka
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**NABSanrakshan Trustee Private Limited
Building Trust for Rural Prosperity**

- NABSanrakshan, a wholly owned subsidiary of NABARD, offers Credit Guarantee against the loans extended by the Eligible Lending Institutions (ELIs), through the Trusts (Funds) under its Trusteeship.
- Three sovereign Credit Guarantee Schemes offered are:
 - Credit Guarantee Scheme for FPO Financing (CGSFPO)" provides credit guarantee for collateral free credit facility upto Rs. 2 crores to FPOs (including loans' to FPOs under AIF) and PACS under World's Largest Grain Storage Plan.
 - Credit Guarantee Scheme for Animal Husbandry and Dairying (CGSAHD)- provides credit guarantee to MSMEs and Dairy Cooperatives.
 - Credit Guarantee Scheme for loans sanctioned under Fisheries and Aquaculture
 - Infrastructure Development Fund (FIDF) - provides credit guarantee to eligible borrowers under FIDF
- More than 3,000 FPOs availed credit guarantee till 31st March 2025, covering nearly 21.77 lakh farmers across 23 States. Operations carried through a Credit Guarantee Portal

Registered Office: NABARD Regional Office, 1-1-61, RTC 'X' Road P.B., No. 1863, Hyderabad- 500020

: 040-23241155/56

: www.nabsamruddhi.in

Corporate Office: NABARD, Gr. Floor, 'D Wing', Plot No. C-24, G Block, BKC, Bandra(East), Mumbai-400051

: 022-2653-9693

: nabsamruddhi@nabard.org



NABVENTURES LIMITED | A wholly owned Subsidiary of NABARD

- NABVENTURES Ltd. is incorporated as a public company registered under the Companies Act, 2013 in April 2018 to manage Alternative Investment funds (AIF).
- NABVENTURES, Fund I scheme I is the maiden flagship venture equity fund of NABVENTURES Ltd with a corpus of INR 598 crore.
- As of 31 March 2025, NABVENTURES Fund I has invested in 19 startups related to the Agriculture, Rural, Food, and Finance sectors.
- NABVENTURES Ltd is also acting as an Investment Manager to AgriSURE Fund- 'Agri Fund for Start-Ups and Rural Enterprises', a SEBI-registered Cat-II AIF.
- Agri SURE Fund is set up to support innovative, technology-driven, high-risk, high-impact activities in agriculture and rural Start-ups ecosystem with a total corpus of ₹750 crore

Registered Office: NABARD, 8th Floor, C Wing, Plot No. C-24, G Block, BKC, Bandra (East), Mumbai-400051

: 022-26539149

: nabventure@nabard.org

: www.nabventure.in



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

**WHAT DOES NABFOUNDATION WANT
FROM YOU? IF YOU ARE AN
INDIVIDUAL**

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

IF YOU ARE A CSR UNIT

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

IF YOU ARE A CIVIL SOCIETY

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

IF YOU ARE WITH THE GOVERNMENT

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

Registered Office: NABARD, 4th Floor, E Wing, Plot No. C-24, G Block, BKC,
Bandra (East), Mumbai-400051

 : 022-26539404/9054  : nabfoundation@nabard.org  : www.nabfoundation.in



NATIONAL BANK FOR
AGRICULTURE AND RURAL
DEVELOPMENT

NABARD

Karnataka Regional Office

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