COMPENDIUM OF SCHEMES FOR DAIRY DEVELOPMENT

Directorate of Animal Husbandry & Veterinary Services,
Odisha, Cuttack
Tel.: 0671 - 2414629, Fax: 0671 - 2414739, Email: dahvsorissa@gmail.com
Website: www.orissaahvs.com, www.olrds.com
I am immensely glad to know that the Fisheries & Animal Resources Development Department is organizing a State level workshop on “Implementation of New Agriculture Policy-2013, Livelihood Support & Credit Flow to Allied Sector of Agriculture” on 20th December 2013 and a compendium is brought out in commemoration.

In our State we have planned massive development in Agriculture sector under New Agriculture Policy-2013, considering the fact that livestock & fisheries sector is playing a significant role in poverty alleviation and economic growth of the State. This compendium published in this occasion will be of enormous use in sensitizing livestock & fisheries farmers, agri entrepreneurs, bankers & other stakeholders on State Agriculture policy as well as on different ongoing State Plan Schemes in ARD & Fisheries Sector.

I wish the workshop all success.

(Debi Prasad Mishra)
MESSAGE

It is a matter of great pleasure for me that the Fisheries & Animal Resources Development Department is organizing a State level workshop on “Implementation of New Agriculture Policy-2013, Livelihood Support & Credit Flow to Allied Sector of Agriculture” on 20th December 2013 by involving eminent personalities from agri food industry, business houses, banking sector and Agri-Entrepreneurs. In this occasion a compendium will also be released. The compendium has detailed mention of new State Plan Schemes launched in Dairy Sector and State Agriculture Policy, 2013, which will benefit all the stake holders involved in this sector.

I hope the workshop sessions will address the challenges posed to this sector and find solutions to bridge the critical gaps for better credit flow to the agriculture & allied sector.

(BISHNU PADA SETHI)
MESSAGE

I am extremely happy that the Fisheries & Animal Resources Development Department is organizing a State level workshop on “Implementation of New Agriculture Policy-2013, Livelihood Support & Credit Flow to Allied Sector of Agriculture” on 20th December 2013 and a compendium is also going to be released.

By contributing an expressive share in national GDP, Livestock sector is playing a significant role in poverty alleviation and economic growth of the State. To exploit the momentous potential of this sector special initiative has been taken up by State Government through launching a good number of schemes for Dairy Development with an objective to create self employment opportunities & to enhance milk production of the State. Organization of this workshop involving dairy farmers, dairy entrepreneurs, departmental officers, bank officials will definitely address various issues to share the common goal & will facilitate adequate credit flow to livestock sector.

I wish the workshop a great success and all the very best for continued progress in the Dairy sector.

(SRIKANTA PRUSTY)
CONTENTS

Guidelines on Dairy Entrepreneurship Development Scheme (DEDS) 1

Guidelines for Promotion of Dairy Entrepreneurship (PDE) Scheme 5

Guideline on interest subvention on short term credit support for dairy farmers 12

Guideline on interest subvention in long term credit support for dairy farmers 23

Guidelines for implementation of Livestock Insurance Scheme in Odisha under State Plan 31
GUIDELINES ON DAIRY ENTREPRENEURSHIP DEVELOPMENT SCHEME (DEDS)

The Central Sector Scheme - “DAIRY ENTREPRENEURSHIP DEVELOPMENT SCHEME (DEDS) was introduced during 11th Plan by Govt. of India and is implemented during 12th Five Year Plan Period.

Objectives of the Scheme
◆ Setting up modern dairy farms for production of clean milk
◆ Encourage heifer calf rearing for conservation and development of good breeding stock
◆ Bring structural changes in unorganized sector so that initial processing of milk can be taken up at village level.
◆ Upgradation of traditional technology to handle milk on commercial scale
◆ Generate self employment and provide infrastructure mainly for unorganized dairy sector.

Pattern of assistance
◆ Entrepreneur contribution (Margin)-10% of outlay (Minimum)
◆ Back ended capital subsidy 25% of the outlay for general category and 33.33% for SC/ST farmers subject to component wise ceiling which will be adjusted against the last few installments of repayment of bank loan.
◆ Effective Bank Loan - Balance portion, minimum of 40% of outlay.

Implementing Agency
The scheme will be implemented through National Bank for Agriculture and Rural Development (NABARD), who will be the nodal agency for the scheme.

Outlays of the scheme, Implementing Period and Area of Operation
The Budget provision for the scheme during 2013-14 is Rs. 300 Crore (including provision of Rs.40.30 crore for North-Eastern Region (NER) and Rs. 69.80 crore for Special Component Plan for scheduled Castes (SCP-SC). The scheme is being implemented throughout the country without any restriction for Operation Flood areas.

Eligibility
Farmers, Self Help Groups, Non-Government Organizations, Cooperative societies, Companies etc. are eligible under the scheme. An individual will be eligible to avail assistance for all components under the scheme but only once for each component. More than one member of a family can be assisted under the scheme provided they set up separate units with separate infrastructure at different locations. The distance between the boundaries of two such farms should be at least 500m. The scheme has been approved with guidelines given below.
Priority shall be given to projects being implemented in cluster mode covering dairy farmers in SHGs. Cooperatives and Producer Companies along with facilities of processing, value addition and marketing of milk produced in the cluster.

Guidelines for the approval of the project under the scheme
i. Government of India will release fund to NABARD, as advance payment to meet their committed / anticipated liabilities of the claims, which will be recouped after balance comes below certain level and will be utilized by NABARD for providing back ended capital subsidy, and these funds will be transferred to lead banks, as per their demand after the project is approved.
ii. Separate provision has been made in Budget for SC farmers/beneficiaries under Special Component Plan for Scheduled Castes (SCP-SC) in BE 2013-14 as per directives of Planning Commission.
iii. Eligible beneficiaries of the scheme are agricultural farmers, individual entrepreneurs and...
groups of unorganized and organized sector. Group of organized sector, includes self-help 
groups, dairy cooperative societies, Milk unions, milk federation, etc.

iv. Implementation of the scheme will be by NABARD, through commercial, cooperative, Urban 
and rural banks.

v. NABARD should arrange for adequate publicity to the scheme throughout the country to ensure 
benefits of the scheme can be availed by all eligible beneficiaries throughout the country.

vi. Proposals will be sanctioned by commercial banks as per guidelines of RBI, NABARD and 
Government of India.

vii. The recovery of loan will be based on net loan amount only, i.e. not including subsidy and 
subsidy will be adjusted by concerned bank after loan and interest thereon has been repaid.

viii. NABARD will submit quarterly report to DAHD&F, providing information on number of 
proposals received sanctioned, farmers / entrepreneurs benefited including SC, ST & Women 
members separately, component - wise details of fund release, funds sanctioned and recovery 
of loan may also be provided.

ix. Joint Monitoring Committee (JMC) will be held under Chairmanship of Joint Secretary (DD) with 
representatives of NABARD, concerned Banks and State Secretaries-Incharge of AH&D under 
review implementation of the shall review the implementation of scheme, at regular intervals.

x. Project Sanctioning Committee (PSC) of NABARD Regional Office shall examine the proposal 
placed before it and sanction the subsidy in case of eligible proposals.

xi. Empowered Committee under the Chairmanship of Secretary (ADF) will have discretion to 
modify unit cost, based on inputs from NABARD.

xii. Time limit for completion of the project under the scheme, (except for calf rearing units where 
disbursements are expected to continue till two years) will be as envisaged under the project, 
subject to 9 months (maximum), period from date of disbursement of first installment of loan, 
which may be extended by further period of 3 months, for justification considered adequate by 
financing bank. If project is not completed within stipulated period, benefit of subsidy will not 
be available and advance subsidy placed with participating bank, if any, will be refunded to 
NABARD.

xiii. Repayment Period will depend on nature of activity and cash flow and will vary between 3-7 
years. Grace period may range from 3 to 6 months in case of dairy farms, to 3 years for calf 
rearing units (to be decided by, financing bank as per requirements of individual projects).

xiv. Assistance under the scheme will be credit linked and subject to sanction of project by financial 
institutions.

xv. Rate of interest on loans shall be as per RBI guidelines and declared policy of bank in this regard. 
The bank may charge interest on entire loan amount, till subsidy amount is received and from 
date of receipt of subsidy, interest has to be charged only on effective bank loan portion i.e. 
outlay excluding margin and subsidy.

xvi. Security for availing the loan will be as per guidelines issued by RBI from time to time.

xvii. Capital subsidy will be back ended (adjusted against last few installments of repayment of bank 
loan) with minimum lock-in period of 3 years, and would be refunded if account becomes an 
NPA. It will be kept in "Subsidy Reserve Fund Account (Borrower-wise) in books of financing 
bank. No interest will be paid by bank on this amount.

xviii. Units set up under the scheme will be monitored by conducting field visits on a sample basis by 
NABARD and major observations will be put up to JMC for discussions.

xix. Participating will adhere to norms of appraising projects regarding technical feasibility and 
commercial/financial viability and avoid duplication of projects under scheme with similar 
projects implemented by Directorate of Agricultural Marketing, Ministry of Agriculture in same 
areas.

xx. Signboard displaying "Assisted by Department of Animal Husbandry Dairing and Fisheries, 
Government of India through NABARD" will be exhibited at the unit.

xxi. DAHD&F reserves right to modify, add and delete any terms / conditions without assigning any
reasons and their interpretation of various terms will be final. Further the Department reserves the right to recall any amount given under the scheme without assigning any reason thereof.

Components that can be financed, indicative unit cost and pattern of assistance are given below:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Component</th>
<th>Unit Cost</th>
<th>Pattern of Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>i</td>
<td>Establishment of small dairy units with crossbred cows / indigenous</td>
<td>Rs.5.00 lakh for 10 animal units</td>
<td>25% of the outlay (33.33% for SC/ST farmers), as back ended capital subsidy subject to a ceiling of Rs.1.25 lakh for a unit of 10 animals (Rs.1.67 lakh for SC/ST farmers). Maximum permissible capital subsidy is Rs.25000/- (Rs.33,300 for SC/ST farmers) for a 2 animal unit. Subsidy shall be restricted on a prorate basis depending on the unit size</td>
</tr>
<tr>
<td></td>
<td>descript milch cows like Sahiwal, Red Sindhi, Gir, Rathi etc / graded</td>
<td>- minimum unit size is 2 animals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>buffaloes upto 10 animals</td>
<td>with an upper limit of 10</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>animals.</td>
<td></td>
</tr>
<tr>
<td>ii</td>
<td>Rearing of heifer calves - crossbred, indigenous descript milch breeds</td>
<td>Rs.4.80 lakh for 20 calf unit</td>
<td>25% of the outlay (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs.1.20 lakh for a unit of 20 calves (Rs.1.60 lakh for SC/ST farmers). Maximum permissible capital subsidy is Rs.30,000 (Rs.40,000 for SC/ST farmers) for a 5 calf unit. Subsidy shall be restricted on prorate basis depending on the unit size</td>
</tr>
<tr>
<td></td>
<td>of cattle and of graded buffaloes - upto 20 calves</td>
<td>- minimum unit size is 5 calves</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>with an upper limit of 20</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>calves</td>
<td></td>
</tr>
<tr>
<td>iii</td>
<td>Vermi compost with milch animal unit (to be considered with milch</td>
<td>Rs.20,000/-</td>
<td>25% of the outlay (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs5,000/- (Rs.6700/- for SC/ST farmers).</td>
</tr>
<tr>
<td></td>
<td>animals/small dairyfarm and not separately)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv</td>
<td>Purchase of milking machines / milkotesters/bulk milk cooling units</td>
<td>Rs.18 lakh</td>
<td>25% of the outlay (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs.4.50 lakh (Rs.6.00 lakh for SC/ST farmers).</td>
</tr>
<tr>
<td></td>
<td>(upto 2000 lit capacity)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>v</td>
<td>Purchase of dairy processing equipment for manufacture of indigenous</td>
<td>Rs.12 lakh</td>
<td>25% of the outlay (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs.3.00 lakh (Rs. 4.00 lakh for SC/ST farmers).</td>
</tr>
<tr>
<td></td>
<td>milk products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>vi</td>
<td>Establishment of dairy product transportation facilities and cold</td>
<td>Rs.24 lakh</td>
<td>25% of the outlay (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs.6.00 lakh (Rs.8.00 lakh for SC/ST farmers).</td>
</tr>
<tr>
<td></td>
<td>chain</td>
<td></td>
<td></td>
</tr>
<tr>
<td>vii</td>
<td>Cold storage facilities for milk and milk products</td>
<td>Rs.30 lakh</td>
<td>25% of the outlay (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs.7.50 lakh (Rs.10.00 lakh for SC/ST farmers).</td>
</tr>
</tbody>
</table>

3
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Component</th>
<th>Unit Cost</th>
<th>Pattern of Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>viii</td>
<td>Establishment of private veterinary clinics</td>
<td>Rs. 2.40 lakh for mobile clinic and Rs. 1.80 lakh for stationary clinic</td>
<td>25% of the outlay (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs. 60,000/- and Rs. 45,000/- (Rs. 80,000/- and Rs. 60,000/- for SC/ST farmers) respectively for mobile and stationary clinics</td>
</tr>
<tr>
<td>ix</td>
<td>Dairy marketing outlet / Dairy parlour</td>
<td>Rs. 56,000/-</td>
<td>25% of the outlay (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs. 14,000/- (Rs. 18,600/- for SC/ST farmers).</td>
</tr>
</tbody>
</table>
GUIDELINES FOR IMPLEMENTATION OF
PROMOTION OF DAIRY ENTREPRENEURSHIP (PDE)

Livestock Production has always been an integral part of the rural livelihood systems in Odisha, all through the known history of the state. The predominant farming system in Odisha is the mixed crop-livestock farming system and over 90 percent of all farms of all categories conform to this farming system. The livestock wealth of Odisha is impressive in numbers across all species, constituting a natural resource base with immense livelihood implications, even though their productivity levels are very low. Livestock holding in Odisha is equitable, as over 80 percent of all livestock are owned by the marginal/small holders and the landless. Some 80 per cent of all rural households own livestock of one species or the other, or a combination of some of them and cattle being the most popular and therefore the preponderant species. Dairying provides secondary source of income for millions of rural families and has assumed a most important role in providing employment and income generating opportunity. Apart from this it can support the farmers to stand against the adverse effect of natural calamities frequently occurring in our State.

As per the Livestock Census 2003, the State had 142.8 lakhs cattle and 14.38 lakh buffaloes. The average productivity of Crossbred cows, non-descript cows and buffaloes in our State are 5.117 lt., 0.089 lt. and 2.536 lt. per day respectively and the per-capita availability is 112gm/day, which is far below the national average. In order to increase the productivity of dairy animals, expanding infrastructure for procurement, processing, marketing and quality assurance in milk, Government of Odisha is envisaging implementing a new scheme “PROMOTION OF DAIRY ENTREPRENEURSHIP” from the financial year 2013-14.

OBJECTIVES OF THE SCHEME

Ø To promote setting up modern dairy farms for production of clean milk.
Ø To up-grade traditional technology to handle milk on commercial scale.
Ø To generate self-employment and provide infrastructure mainly for unorganized dairy sector.

A. ELIGIBILITY

♦ Farmers, individual entrepreneurs, groups of unorganized and organized sector etc. Groups of organized sector include self-help groups etc.
♦ An individual will be eligible to avail assistance for only once under the scheme.
♦ More than one member of a family can be assisted under the scheme provided they set up separate units with separate infrastructure at different locations. The distance between the boundaries of two such farms should be at least 500m.
B. SUBSIDY
The capital subsidy will be back ended with minimum lock-in period of 3 years.

C. PATTERN OF ASSISTANCE
Indicative unit cost and pattern of assistance are given below:

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Name of the Unit</th>
<th>Unit Cost (Rs. /- in Lakh)</th>
<th>Pattern of Subsidy General 25%</th>
<th>SC/ST 33.33%</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Establishment of small dairy units with crossbred cows/indigenous descript milch cows/graded buffaloes up-to 10 animals.</td>
<td>5.00</td>
<td>25% (ceiling of Rs 1.25 lakh)</td>
<td>33.33% (ceiling of Rs 1.67 lakh)</td>
<td>Minimum Unit size: 2 animals. Subsidy and unit cost shall be restricted on Prorate basis depending upon the unit size.</td>
</tr>
</tbody>
</table>

D. PROJECT FIANCE
- Margin money - 10% of the outlay (minimum) by Entrepreneur
- Back ended capital subsidy – 25% or 33.33% as applicable by bank
- Bank Loan - Balance portion, Minimum of 50% of the outlay

E. SUBSIDY RELEASE
Assistance under the scheme would be purely credit linked and subject to sanction of the project by eligible financial institutions. After the disbursement of first installment of the loan, the bank shall apply to the Nodal Bank for sanction and release of subsidy.

F. ELIGIBLE FINANCIAL INSTITUTIONS
- Commercial Banks
- Regional Rural Banks
- State Cooperative Banks
- State Cooperative Agriculture and Rural Development Banks, and

The entrepreneurs shall apply to the banks for sanction of the project. The subsidy shall be released on first come first serve basis subject to availability of funds. If the project is not completed within the stipulated period, benefit of subsidy shall not be available and advance subsidy placed with the participating bank, if any, will have to be refunded forthwith to Lead Bank.

G. MONITORING
The Joint Monitoring Committee (JMC) consisting of representatives of Lead Bank, concerned banks and Director of Animal Husbandry & Veterinary Services, Odisha under the chairmanship of Commissioner-cum- Secretary, F&ARD, Govt. of Odisha will review implementation of the scheme at regular intervals. The PSC will review the progress on quarterly basis. The participating banks should conduct periodic inspections of the units and give a feedback to the PSC on a consolidated basis. The units set up under the scheme will be field monitored on a sample basis by officials from the Directorate of Animal Husbandry & Veterinary Services, Odisha & their observations will be put up to JMC for discussion. The discretion to modify the unit cost is vested with an Empowered Committee under the Chairmanship of Secretary, F&ARD, Govt. of Odisha.
H. OTHER CONDITIONS

1) The participating banks will adhere to the norms of appraising the projects regarding technical feasibility and commercial/financial viability.

2) All possible care will be taken to avoid duplication of projects under the scheme with similar projects implemented under DEDS by DAHD&F Govt. of India and such similar projects implemented by Directorate of Animal Husbandry Govt. of Odisha.

3) The participating banks should ensure insurance of the assets created under the project, wherever required.

4) A signboard displaying “Assisted by Fisheries & Animal Resources Development Department, Govt. of Odisha” will be exhibited at the unit.

5) Pre and post completion inspection of the project shall be undertaken by the participating bank to verify physical, financial and operational progress as and when required.

6) The Fisheries & Animal Resources Development Department Govt. of Odisha reserves the right to modify, add and delete any terms / conditions without assigning any reason.

7) The Fisheries & Animal Resources Development Department Govt. of Odisha interpretation of various terms will be final.

8) The Fisheries & Animal Resources Development Department Govt. of Odisha reserves the right to recall any amount given under the scheme without assigning any reason thereof.

9) Pre and post inspection would be undertaken by the Fisheries & Animal Resources Development Department Govt. of Odisha / Lead Banks to find out the physical and financial progress as and when required.

10) Other operational instructions issued by the Fisheries & Animal Resources Development Department Govt. of Odisha / Lead Banks from time to time will be strictly followed.

I. PROJECT IMPLEMENTATION

RELEASE OF FUND:

- Loan proposal from entrepreneur ➔ Through VAS/AVAS ➔ Bank
- Bank (Appraises as per their norms, Sanctions the total outlay excluding margin, disburse the 1st instalment) ➔ Lead Bank R.O through their HO for release of subsidy.
- Lead Bank R.O ➔ PSC (Scrutinizes, Sanctions & authorizes NABARD to release funds)
- Lead Bank R.O ➔ Bank HO Branch
- Bank Branch ➔ Release of rest of the loan amount to entrepreneurs
  
  (On receipt of subsidy, the branch should credit the subsidy to the reserve fund of the borrower. A Utilization Certificate in the prescribed format shall be submitted to Lead Bank.)

PURCHASE OF ANIMALS:

- Animals will be purchased by the beneficiaries from outside the districts and from other States wherever possible.

ROLE OF VARIOUS AGENCIES

AH Department

- The Deputy Director, Dairy Development, Directorate of AH & VS, Odisha will be the Nodal officer for implementation and monitoring of the scheme. He will prepare the District wise target and issue guidelines to all the CDVOs & different banks of the State about the programme and take necessary steps for implementation and follow up.
- The Block wise & Bank wise target of the district will be prepared at the level of CDVOs on consultation with respective LDMs & AGM, Lead Bank of respective districts.
- The CDVOs will release advertisement for applications from interested farmers through local LIs, VASs & MPCS secretaries.
- The VASs/ AVASs will receipt the applications from the interested farmers & submit the valid applications to the concerned Banks.
· A consolidated list of applications will be submitted to CDVOs by the VASs.
· The monitoring formats will be communicated to all the CDVOs from the Directorate.
· The CDVOs will submit the monthly & Annual Reports to Directorate of AH&VS on regular basis.
· Director AH & VS will review the progress every month.

ROLE OF VAS/AVAS
1. Popularization of the scheme at various form.
2. Build awareness among farmers through meetings, training etc.
3. Distribute the 'Common application format’ the perspective entrepreneurs.
4. Guide the applicants to fill-up the application.
5. Assist the entrepreneur to prepare techno-financial proposal for availing bank loan.
6. Inform CDVOs on the number of entrepreneurs applying for the scheme periodically.
7. Liaise with bankers for sanctioning of loan.
8. Provide guidance to the entrepreneur to procure the cows from various markets within and outside State.
9. Certify the **age and general health condition of cows during procurement**.
10. Guide the entrepreneur on the measures to be taken while transporting the cows from place of purchase to the farms.
11. Periodically guide the entrepreneur on vaccination, deworming, feeding and breathing of the cows.
12. Liaise with local MPCS & Milk Unions for milk marketing.

Banks:
· To issue instructions (if not issued) & ensure receipt of scheme guidelines by all the branches.
· Liaise with local veterinarians for preparation of the techno-financial project report
· Identify, receive and sanction of projects
· Release of 1st installment and then apply to Lead Bank for sanction of subsidy
· Recover the loan amount as per repayment schedule
· Periodic inspection of the units and provide feedback to JMC
· Utilisation Certificate to be submitted
· Insurance of assets to be ensured
· Timely release of loan.
· Carry out the Tri-partite agreement with entrepreneur & Milk Unions of OMFED where ever needed
· Facilitate in proper selection of entrepreneur
· Facilitate and ensure provision of backward & forward linkages for success of the project
· Coordinate & help in recovery of bank’s dues
· Forwarding the subsidy claims to the Lead Bank through their respective Head offices.
· Support the entrepreneurs on financial solvency of the dairy farm.

OMFED/Milk Union:
· OMFED will be requested to provide list of milk routes to all Regional Offices of Banks concerned
· OMFED will be requested to communicate a letter to all General Managers of Milk Unions to authorize the Dairy Cooperative Societies to sign the Tripartite Agreement, in case the financing being made in MPCS areas.
· Where ever Milk producing Societies have become defunct, financing should be taken up in a cluster manner so that the District Milk Union will revive the defunct societies to enhance milk procurement.

NABARD/Nodal Bank:
· Administer the Subsidy fund
· Conduct PSC
· Scrutinize the claims of banks and release the subsidy
· Monitor the schemes financed on a regular basis and provide report to of Fisheries & Animal Resources Development Department, Govt. Of Odisha.
· To plan for improvement and expansion of the scheme for future based on the feedback.
Application for Loan
under Promotion of Dairy Entrepreneurship Scheme

To,

Branch Manager
.................................................Branch.................................................Bank

1. Name of the beneficiary

2. Name of father/Husband

3. Category- (SC/ST/General), Age

4. Occupation of the beneficiary

5. Educational Qualification

6. No. of family members

7. Residential address/Address for communication

8. Permanent address

9. Contact no

10. Objective of the Project

11. Location of the project (Village, Block, District)

12. Experience in dairy farming, if any

13. Whether attended any project-orientation training, if any

14. Annual Income

15. Sources of Income

16. Immovable Property- (in Beneficiary’s name)
   (i) Details of House Property
   (ii) Land property

Details of the Proposed Project-

17. Capacity of the farm

18. Description of the animals - (Crossbred/Red Sindhi/Gir/Rathi/Haryana/Sahiwal/Tharparkar/Indigenous descript/Graded Buffalo)

19. Source of procurement of animals

20. Plan for procurement of 2- animal/2- lot of animals

21. Details of milk yield

22. Availability of feed/ fodder

23. Availability of water and other inputs

24. Availability of Veterinary services, especially AI services and Veterinary aids

25. Status of milk route

26. Market and marketing arrangement- Whether through individual or cooperative- Furnish details including selling rate of milk, periodicity of payment

27. Disposal of Cow dung

28. Whether Vermicompost unit is proposed with scheme- Yes/No

29. If yes cost of the vermicompost unit & other details

[ *Please attach a copy of Identity Card (Voter ID/ PAN Card/Driving License/BPL Card/Bank Passbook/I-Card issued by local Sarpanch/any other) *]
### Cost of the Project

<table>
<thead>
<tr>
<th>Capital cost</th>
<th>Unit</th>
<th>Cost/Unit (Rs.)</th>
<th>Total (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Civil work-Cow Shed (40 Sq ft/cow)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Calf Shed (20sqft/calf)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Cost of the animal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Transportation cost of the animal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Dairy equipment cost (Iron Chain, Bucket, Milk Cans, Weighing Scale, Manual chaff cutter etc.)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Recurring Cost (Capitalized)                     |                                           |                 |             |
| 6 Cost of fodder cultivation (0.25 acres irrigated land/two animal) |                                           |                 |             |
| 7 Feed for 1st cow for one month @ 4 kg/day     |                                           |                 |             |
| 8 Insurance cost (5% of the cost of the animal) |                                           |                 |             |
| 9 Veterinary aid cost                           |                                           |                 |             |
| 10 Miscellaneous cost                            |                                           |                 |             |

**A. Total financial outlay of the project (TFO) = (1+2+3+4+5+6+7+8+9+10)**

**B. Margin money minimum (10% of the TFO)**

**C. Subsidy (Back ended capital subsidy) 25% General, 33.33% SC/ST**

**D. Bank loan (Minimum 40% of the TFO) = (A-B)**

Note- All parameters given above are indicative and vary according to local conditions.

31. Sources of Margin Money

32. Project implementation schedule

33. Economics of the project (please furnish details)
   - (i) Total income (Per annum)
   - (ii) Total expenditure (Per annum)
   - (iii) Net income (Per annum)

34. Security details:
   - (i) Primary Security
   - (ii) Collateral Security

The above information is true to the best of my knowledge and belief. If any information on my behalf is found to be false and incorrect, I shall be liable to refund the entire subsidy received, forthwith and concerned authority may take all kinds of legal action against me.

*Applicant’s Signature*
CLAIM FORM FROM THE BANK BRANCHES
FOR RELEASE OF CAPITAL INVESTMENT SUBSIDY IN RESPECT OF
PROMOTION OF DAIRY ENTERPRENUERSHIP (P.D.E.)
(To be submitted to the concerned Regional Office)

Name of the Bank:

Total Amount of Current Claim:

Details of Current Claim:

<table>
<thead>
<tr>
<th>Particulars</th>
<th>(Rupees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name and address of the Entrepreneur (Please indicate district also)</td>
<td></td>
</tr>
<tr>
<td>Location of the Project (Indicate the district)</td>
<td></td>
</tr>
<tr>
<td>Whether SC / ST / Women</td>
<td></td>
</tr>
<tr>
<td>Bank / Branch address (indicate district also) with BSR Code</td>
<td></td>
</tr>
<tr>
<td>Loan Account No.</td>
<td></td>
</tr>
<tr>
<td>Date of Sanction</td>
<td></td>
</tr>
<tr>
<td>Purpose of Loan</td>
<td></td>
</tr>
<tr>
<td>Unit Size</td>
<td></td>
</tr>
<tr>
<td>Total Financial Outlay</td>
<td></td>
</tr>
<tr>
<td>Margin</td>
<td></td>
</tr>
<tr>
<td>Bank Loan</td>
<td></td>
</tr>
<tr>
<td>Repayment Prescribed</td>
<td></td>
</tr>
<tr>
<td>Rate of Interest</td>
<td></td>
</tr>
<tr>
<td>Date of Release of 1st Installment of Loan</td>
<td></td>
</tr>
<tr>
<td>Amount Released</td>
<td></td>
</tr>
<tr>
<td>Capital Subsidy Claim</td>
<td></td>
</tr>
<tr>
<td>Any other information relevant to the project</td>
<td></td>
</tr>
</tbody>
</table>

1. We undertake having complied with all the instructions, contained in circular No. 22047 dt. 21.11.13 regarding operational guidelines of the Scheme issued by Directorate of Animal Husbandry & Veterinary Services, Odisha, Cuttack in your address, while sanctioning above proposals.

2. We request you to release and amount of Rs........................ (Rupees...................................................) as Capital Investment Subsidy in respect of the above entrepreneurs.

Place:
Date: Seal and Signature of the Branch Manager (Financing Bank)

Authorized Signatory Controlling Office of the Bank
1. Objectives

Government of Odisha has focused for promoting dairy farming as a viable economic activity. Since dairy farming is mostly confined to small holder system, “Short Term Credit Support for dairy farmers” would be very much useful for increasing milk production and productivity in the state. Under the scheme, dairy farmers will be supported for maintenance of the dairy animals like cattle and buffalo in a more scientific manner to derive maximum benefit out of dairy farming.

2. Rationale

Majority of the dairy animals are maintained in small holder production system in our state. These farmers due to want of working capital are not able to maintain their dairy animals with optimal management practice for which productivity is below its potential. Particularly, pre parturition and during dry period, potential animals are under nourished, thereby resulting in low milk production. Farmers pursuing dairy farming as an income generating activity and availing short term loan, would get interest subvention of 5%. Further, an interest subvention of 3% shall be given to those farmers who will make timely repayment. Therefore, a dairy farmer availing short term loan for dairy farming and regular in repayment would get 8% interest subvention. This measure will boost production & productivity of milk and also provide gainful employment to youth of our state.

3. Scope

The scope of the scheme is to assist the dairy farmers especially the small and marginal farmers to undertake dairy farming as a commercial enterprise. With introduction of scheme of interest subvention on short term input loan, the profit margin will be increased thereby milk production is expected to increase gradually with a production of additional 7,500 MT per annum. By way of gradual up scaling of the short term credit, the present milk production will be enhanced by 10% in next 5 years.

4. Type of Models

The feed & fodder requirement, maintenance of cow shed, vaccine, medicine for one dairy animal for period of one year will be calculated as per the assessment of market need by the District Level Technical Committee (DLTC) every year. The dairy farmers can avail short term loan towards construction/repair of shed, purchase of concentrate balanced feed, induction of 1-2 animal, fodder cultivation, and other related activities.
Suitable matrix of scales of finance shall be worked out jointly by SLBC Convener – UCO Bank, OSCB and F&ARD Department under short term loan scheme for circulation amongst the banks for the year 2012-13. These Matrices can be used as models and the scales of finance can be worked out by the concerned District Level Technical Committees (DLTCs) for the subsequent years. The following procedure shall be adhered for smooth implementation of the scheme.

♦ Common application in Odiya for Dairy input loan has been developed involving NABARD, members from leading scheduled banks and F&ARD department.
♦ Scheme shall be applicable for all Commercial Banks, RRBs and PACs operating in the State.
♦ There is no upper limit for financing the unit. However, the Interest Subvention shall be available on maximum of Rs.3.00 lakh of loan per farmer. Beyond Rs.3.00 lakh of loan, the farmer will not be entitled for interest subvention for the balance loan above Rs.3.00 lakh.
♦ Timely repaying farmer can avail the dairy input loan for the following years.

5. Eligibility Criteria of Beneficiaries:
   a) All Dairy Farmers – Individuals / Joint borrowers who are owner of the Farm
   b) SHG/MPCS members involved in dairy farming

Kisan Credit Card Scheme aims at providing adequate and timely credit support from the banking system under a single window to the farmers for their farming activities & other needs as per the Reserve Bank of India guidelines issued to all banks on 11 May, 2012. Therefore, the same guideline will be followed for selection of the beneficiaries under the scheme.

Interest Subvention of 5%
♦ Farmer undertaking dairy farming with minimum 2 animals, yielding average 3 litres of milk per animal per day during the lactation period.
♦ He/she should have involved in dairy farming for last 2 years.
♦ Farmer willing to spare minimum land of 0.10 Acre per animal for fodder cultivation
♦ There is no upper limit for financing the unit. However, the Interest Subvention shall be available on maximum of Rs.3.00 lakh of loan per farmer. Beyond Rs.3.00 lakh of loan, the farmer will not be entitled for interest subvention for the balance loan above Rs.3.00 lakh.
♦ The repayment period shall not exceed 12 months. Moreover, interest subvention will be payable from the date of disbursement of loan up to the actual repayment or up to the due date of repayment of the loan fixed by the Bank whichever is earlier subject to a maximum period of one year.
♦ Farmer should not be a defaulter from any bank for any type of loan.

Interest Subvention of 3%
♦ Farmer should have undertaken scientific dairy farming, using appropriate and updated management practices.
♦ Recovery for the preceding short term loan should be above 80%.
♦ Additional 3% interest subvention will be provided for prompt repayment of loan.

6. Selection of Beneficiaries

Adequate publicity about the scheme shall be made by Govt of Odisha. The beneficiaries will be identified by the MPCS Supervisor/ Livestock Inspector which will be countersigned by local AVAS depending on the technical suitability and competence of these beneficiaries. The AVAS will sponsor the applications to bank. The list of selected dairy farmers sent by AVASs will be sent to Chief District Veterinary Officer and General Manger, Milk Union.
7. **Implementing Agency**

Department of Fisheries & Animal Resource Development and SLBC Convener – UCO Bank, OSCB shall be the nodal agencies for implementation of the scheme. The Department shall allocate the annual target to different districts, depending upon the available potential.

8. **Implementation Procedure**

- The interested dairy farmer shall apply to the Chief District Veterinary Officer with all relevant documents including ID proof issued by competent authority.
- Identification of the farmers will be done on the basis of photograph of borrowers along with signatures in case of literate borrowers and in case of illiterate borrowers; he shall be identified by his photo and thumb impressions.
- The concerned officials of Animal Husbandry & Veterinary Services Directorate/ General Managers of District Milk Union shall arrange field enquiries for monitoring.
- While selecting the beneficiary, it should be seen that the farmer is maintaining minimum 2 graded/crossbred cows/buffaloes and undertaking or proposing fodder cultivation along with dairy farming. The MPCs pouring members could be given preference to ensure assured repayment. The existing KCC holders and new KCC holders shall be covered in the scheme.
- After field enquiry, if the beneficiary is found eligible and project is feasible, the case will be sponsored to the nearby bank branch.
- Still photographs of the dairy animal with the farmer must be taken which will form the part of the case record.
- It will be the responsibility of the field staff of Directorate of AH & VS and Milk Union to ensure end use of the credit through adoption of scientific methods for dairy farming in a proper way through periodic field visits and evaluations.

9. **Implementing Banks**

The scheme will be implemented by Commercial Banks, RRBs, and Cooperatives. The detailed guideline on KCC circulated to all banks, shall form the basis for financing the short term loan for dairy farming.

10. **Administration of Interest Subvention**

The SLBC Convener – UCO Bank and OSCB shall administer the interest subvention to the banks extending short term credit on dairy farming. Basing on the annual credit plan the Fisheries & ARD department will place funds from state budget with SLBC Convener – UCO Bank and OSCB for releasing to concerned banks.

11. **Monitoring, reporting and supervision**

i) The SLBC Convener – UCO Bank and OSCB shall monitor the requirements of funds for interest subvention from the respective head office of financing banks, release funds and maintain accounts of short term credit on dairy farming.

ii) Monitoring / reporting and supervision shall be done by the respective Chief District Veterinary Officer/General Manger, Milk Union at District level and Block Veterinary Officers/AVAS at the Block level.

iii) The Chief District Veterinary Officer shall submit monthly progress report to the Director of AH & VS, Cuttack, who in turn submits the consolidated report to F & ARD Department.
MODALITIES FOR INTEREST SUBVENTION ON SHORT TERM LOAN TO DAIRY FARMERS AND FISH FARMERS THROUGH COOPERATIVE BANKS/PACS/COMMERCIAL BANKS/RRB

The Govt. of Odisha have introduced new scheme - "Interest Subvention on Short Term Loan to Dairy Farmers and Fish Farmers by Cooperative Banks & Commercial Banks during the year 2013-14 and there are budget provisions of Rs.3.50 crores for dairy farmers and Rs.8.00 crores for fish farmers.

Guidelines:

1. The Short Term Loan is loan availed by dairy farmers for production inputs i.e. purchase of feed, fodder, medicine, equipments and repair of cowshed etc. Similarly, short term loan is a loan availed by fish farmers for production inputs i.e. purchase of seeds, feeds, net, equipments and repair of pond. The short term loan is repayable within a period of one year.

2. The maximum amount of short term loan eligible for interest subvention is Rs.3.00 lakh. In case of short term loan sanctioned beyond Rs.3.00 lakh, the farmer will pay interest at the bank applicable rate exceeding Rs.3.00 lakh.

3. The amount of 5% interest subvention provided by Govt. of Odisha will be calculated from the date of disbursement of loan up to the date of actual repayment of loan by dairy/fish farmer or up to the due date of loan fixed by bank whichever is earlier. Additional 3% interest subvention will be made for prompt repayment of installments in due time.

4. The Banks/PACS will pass on the interest subvention benefits to the loanee dairy/fish farmers. In other words the interest chargeable to the dairy/fish farmers will be the applicable rate reduced by 5% and/or 3% provided under this scheme.

5. The dairy/fish farmers will apply for short term loan in the prescribed format to the concerned PACS/Commercial Banks/RRBs.

6. After receiving the application for Short Term Loan. Banks/PACS will scrutinise the application form with reference to their land records and KYC (Know Your Customer) norms. The Bank will sanction loan in favour of eligible dairy/fish farmers within 15 days from the date of receipt of application.

7. The concerned Bank/PACS will intimate the local VAS/AFO relating to sanction and disbursement of short term loan. The VAS/AFO will maintain bankwise register relating to details of short term loan sanctioned by different Banks/PACS.

8. The concerned Bank will also intimate the details of short term loan sanctioned and disbursed to the dairy/fish farmers with amount of 5% interest subvention claim from Govt. of Odisha to their Regional office/Zonal office/Controlling office at the end of each quarter. Additional 3% interest subvention for prompt repayment will be claimed at the end of the year.

9. The Regional office/Zonal office/Controlling office of the bank will submit information for claim of 5% interest subvention from GoO in prescribed form at Annexure-I in duplicate with other relevant documents to the UCO Bank Circle Office, Bhubaneswar for each quarter. In respect of 3% additional interest subvention the Commercial banks/RRBs will submit their one time claim at the end of the year. The PACS will send their claim of 5% interest subvention quarterly to DCCB and DCCB will forward the same to OSCB. Similarly additional 3% interest subvention for prompt repayment will be claim at the end of the each year.
10. The UCO Bank will verify the claim amount of each Bank and reimburse 5% interest subvention amount to the claiming bank within 15 days from the date of receipt of claim through RTGS from the A/C opened for interest subvention for short term loan maintained with them. Similarly, OSCB will release interest subvention in favour of PACS through DCCB. UCO Bank and OSCB, Bhubaneswar will maintain ‘Register for Bank-wise Claim & Release of Reimbursement’ for internal and external audit.

11. The F&ARD Deptt. will release the fund to the Director of Animal Husbandry & Veterinary Services, Odisha/Director of Fisheries, Odisha. The Director of Animal Husbandry & Veterinary Services/Director of Fisheries will draw 25% of the budget provision and transfer to the A/C maintained with UCO Bank and OSCB for interest subvention on short term loan immediately after passing of the budget and transfer of further amount as per requirement.

12. After release of reimbursement claim to different banks, the UCO Bank/OSCB will forward statement of claim of reimbursement along with the copy of the claim of different Banks/PACS to the Director of Animal Husbandry & Veterinary Services, Odisha/Director of Fisheries. Odisha in Annexure-I for further action.

13. The VAS/AFO will forward the bank-wise list of farmers availed interest subvention under this scheme to the Director of Animal Husbandry & Veterinary Services, Odisha/Director of Fisheries, Odisha through District Veterinary Officer/District Fisheries Officer for successful monitoring of this scheme.
ବାଲ ପୁରୁଷ / ନରୀକା

ପେଳି: ..........................

ପେଳି: ..........................

ପେଳି: ..........................

1. ଆମାଧାରକାର

ପୂର୍ଣମାଣ ରଖାଏଛନ୍ତି / ସୁପରିଁକ

2. ଆମାଧାରକାର

ପୂର୍ଣମାଣ ରଖାଏଛନ୍ତି / ସୁପରିଁକ

3. ଆମାଧାରକାର

ପୂର୍ଣମାଣ ରଖାଏଛନ୍ତି / ସୁପରିଁକ

4. ଆମାଧାରକାର

ପୂର୍ଣମାଣ ରଖାଏଛନ୍ତି / ସୁପରିଁକ

5. ଆମାଧାରକାର

ପୂର୍ଣମାଣ ରଖାଏଛନ୍ତି / ସୁପରିଁକ

6. ଆମାଧାରକାର

ପୂର୍ଣମାଣ ରଖାଏଛନ୍ତି / ସୁପରିଁକ

7. ଆମାଧାରକାର

(ଆଁ ଆରମ୍ଭ କରିବା ପୂର୍ମାଣ କାର୍ଯ୍ୟ)

8. ଆମାଧାରକାର

(ଆରମ୍ଭ କରିବା ପୂର୍ମାଣ କାର୍ଯ୍ୟ)
<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Details</th>
<th>Details</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>i)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ii)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Fill in the details accordingly.

**Questions:**

2. What is the result? □ / ❌
   - If □, write the details
   - If ❌, write the details

9. The information is correct. The data is correct as per the information.
   - □ / ❌
   - Details / Source details
   - Details / Source details
   - Details / Source details
   - Details / Source details
   - Details / Source details
   - Details / Source details

**Remarks:** □ / ❌

**Observations:**

- □ / ❌

- □ / ❌
4. ଆକାକାକାକା ମାନ୍ଦ୍ୱ (ତେରେ ଆକାକାକା ଏହା) କାଶ୍ଯପୁର୍ଣାଗ ૊ଳିଯା।

5. ସମ୍ବନ୍ଧୀ ଜାହା ଭଳା ହୋଇବ କି ୨୦ ତରକ ଲେଖଫାଳ ଉତ୍ତରିତ୍ତରେ ଦୁରପ୍ରଯୁକ୍ତ କରାଯା?

6. ରୁଜୁ ଉପରୁ ଗବାଲେର ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

7. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

8. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

9. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

10. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

11. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

12. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

13. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

14. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

15. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

16. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

17. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

18. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?

19. ରୁଜୁ ଉପରୁ ଗବାଲ ବାସ୍ତୁଭିତ୍ତ୍ତର ଭଳା ହୋଇବ କି?
| 9. | ପ୍ରଭାବରେ ରତନା / ପଦକ / ପରେକ୍ଷ ପାଲନରେ ପରିବର୍ତ୍ତନ: |
|---|---|---|
| ସମପରକି | କର୍ତ୍ତା | ଵର୍ତ୍ତମାନ ଲିଖିତ (ଜନ୍ମପଦ୍ଧତି) |
| 1) ପ୍ରଭାବରେ ରତନା | | |
| 2) ପ୍ରଭାବରେ ପଦକ | | |
| 3) ପରେକ୍ଷ ପାଲନ | | |
| 4) ଯାତ୍ରା ଯାତ୍ରା | | |
| 5) ବିଷୟବିଦ୍ୟାଲୟ / ବିଷୟବିଦ୍ୟାଲୟ / ବିଖ୍ୟା ବର୍ତ୍ତମାନ | | |
| 6) ମାଧ୍ୟମନାମାକା / ମାଧ୍ୟମନାମାକା / ପରେକ୍ଷ୍ୟା ବର୍ତ୍ତମାନ | | |
| 7) ଶାସ୍ତ୍ରଧାରା | | |
| 8) ପରେକ୍ଷ ବର୍ତ୍ତମାନ | | |

10. ମାତ୍ରକୁ ପ୍ରଭାବରେ ପ୍ରଭାବରେ ରତନା / ପଦକ / ପରେକ୍ଷ ପାଲନରେ ପରିବର୍ତ୍ତନ ସମାପ୍ତ ହେଲା ପ୍ରଭାବରେ ରତନା / ପଦକ / ପରେକ୍ଷ ପାଲନ ହେଲା ପ୍ରଭାବରେ ରତନା / ପଦକ / ପରେକ୍ଷ ପାଲନ ହେଲା।

ରାଜକୁମାରୀରେ ପାରାକ୍ରମ: 
ପରାକ୍ରମ: 
ପରାକ୍ରମ: 

ପରାକ୍ରମ / ରାଜକୁମାରୀ
Claim for 5% Interest subvention on short term loan for the Dairy farmers for the half year ending......................

Name of the Bank................................................................................................................................................

A/C No........................................................................................................................................................

IFS Code.......................................................................................................................................................

Statement for the half year ended on 30th September/ 31st march:

<table>
<thead>
<tr>
<th>Loans up to 300000/-</th>
<th>Total short term loan to dairy farmers</th>
<th>Amount of 5% subvention claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>No of Accounts</td>
<td>Amount</td>
<td></td>
</tr>
</tbody>
</table>

We certify having disburse the above loans by way of short term loan to the dairy farmers during the half year ended..........................................................................................................................

Date: (Seal) Authorized Signatory

We certify that the claim for interest subvention of x ..................................................................................... for The Half year ended.................................................as shown above are TRUE AND CORRECT.

Date (Seal) Signature of Central Statutory Auditors

Membership No..................................................
Onetime Claim for additional 3% Interest subvention for timely repayment of short term loans up to ₹ 3.0 lakhs by Dairy Farmers disbursed during year

Name of the Bank..............................................................................................................................................................

A/C No.................................................................................................................. IFS Code...............................................................

Statement for the half year ended on 30th September/ 31st March:

<table>
<thead>
<tr>
<th>Total short term loan to dairy farmers</th>
<th>Total short term loan which were repaid in time</th>
<th>Amount of additional 3% subvention claimed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans up to ₹ 300,000/-</td>
<td>No of Loan Account</td>
<td>No of Accounts</td>
</tr>
<tr>
<td></td>
<td>Amount</td>
<td>Amount</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

We certify that above short term loans for which the claim is being made were repaid in time and benefit of additional 3% incentive subvention has already been passed on to the account holders thereby bringing down the interest rate for dairy farmers to.........................% per annum during the year.

Date (Seal) Authorized Signatory

We certify that the claim for interest subvention of ₹ .................................................. for The Half year ended.............................................. as shown above are TRUE AND CORRECT.

Date (Seal) Signature of Central Statutory Auditors

Membership No........................................
GUIDELINE ON INTEREST SUBVENTION IN LONG TERM CREDIT SUPPORT FOR DAIRY FARMERS

1. Objectives:

Government of Odisha has focused for promoting dairy farming as a viable economic activity. Since dairy farming is mostly confined to small holder system, "Long Term Credit Support for dairy farmers through Banks" would be very much useful for attracting new entrepreneurs, thereby increasing milk production and productivity in the state. Under the scheme, dairy farmers will be supported interest subvention to derive more profit out of dairy farming.

2. Rationale:

Farmers pursuing dairy farming as an income generating activity and availing long term loan from bank, would get interest subvention of 3%. Further, an interest subvention of 2% shall be given to those farmers, who will make timely repayment. This measure will provide gainful employment to youth of our state by increasing the profit margin and boost production of milk and also

3. Scope:

The scope of the scheme is to assist the dairy farmers to undertake dairy farming as a commercial enterprise. With introduction of interest subvention for term loan, the milk production is expected to increase gradually with a production of additional 7,500 MT per annum. By way of gradual up scaling of the Long term credit, 8000 new entrepreneurs would avail the benefit.

4. Type of Models:

The Dairy Farmers can avail Long Term Loan towards establishment of Dairy Units which includes infrastructure, construction of shed, induction of animal, fodder cultivation and other related activities.

The following procedure shall be adhered for smooth implementation of the scheme:--

♦ Common application for Dairy input loan shall be developed involving NABARD, members from leading scheduled banks and fisheries department.

♦ Scheme shall be applicable for all Commercial Banks, RRBs and PACs operating in the State.

♦ There is no upper limit for financing the unit. However, the Interest Subvention shall be available on maximum of Rs.10.00 lakh of loan for a period of 5 years per farmer.

5. Eligibility Criteria of Beneficiaries:

a) All Dairy Farmers — Individuals / Joint Borrowers who are willing to take up dairy enterprise.

b) SHG / MPCS members involved in dairy farming.

c) Entrepreneurs who have availed capital investment subsidy under CAE by APICOL (KSK) are not eligible.

Interest Subvention of 3%:

♦ The maximum limit of long term loan may be Rs.10.00 lakh per farmer and for more than one year and up to 5 years. Moreover, interest subvention will be applicable to the farmers, whose loan has been sanctioned after 1.4.2013.

Interest Subvention of 2%:

♦ Recovery for the preceding Long term loan should be above 80%.
Additional 2% interest subvention will be provided for prompt repayment of loan.

6. Selection of Beneficiaries:
Adequate publicity about the scheme shall be made by Government of Odisha. The beneficiaries will apply in the prescribed application form to bank for interest subvention through local AVAS. The local AVAS will sponsor the applications to bank under intimation to SDVO. Milk Union will take steps for selecting the potential DCS members and the Society supervisor will sponsor applications through local AVAS. The CDVO and General Manager, Milk Union will take all possible steps for selection of entrepreneurs and sponsoring to banks.

7. Implementing Agency:
Department of Fisheries & Animal Resource Development and SLBC Convener – UCO Bank & OSCB shall be the nodal agencies for implementation of the scheme. The Department shall allocate the annual target to different districts, depending upon the available potential. The CDVO and General Manager, Milk Union will monitor the progress in their district every month.

8. Term Loan Support For Dairy Farming:
Dairy entrepreneurs those who are willing to set up dairy units through the ongoing schemes like DEDS, PDE , self financing or any other scheme except KSK can avail the benefit. In order to increase the off-take of livestock farming term loan in the State, it is proposed to provide interest subvention of 3% of the interest rate charged on term loan availed by the livestock farmers. Further, additional interest subvention of 2% will be provided to the farmers for regular/timely repayment of their loan installment/ dues. Fund amounting Rs.300.00 lakh has been budgeted for benefiting about 2000 farmers per year during the first year. In subsequent years new beneficiaries will be added and it has been calculated on cumulative basis for the corresponding year.

9. Release of Interest Subvention:
The Department will follow the modalities decided by Finance Department in consultation with representatives of RBI, NABARD, SBI, Nodal bank of SLBC, Odisha State Cooperative bank, F&ARD Department, Cooperative Department for interest subvention.

10. Monitoring & Supervision:
The overall supervision will be made by Deputy Director, Dairy Development of the Directorate of AH & VS, Odisha. The Director AH VS will review the scheme during the monthly review meeting. The CDVOs, SDVOs and General Manager, Milk Union will make regular follow up and monitor the programme in the monthly review meeting and through field visit. Monitoring / reporting and supervision shall be done by the respective Block Veterinary Officers at the Block level.

11. Awareness Programme:
The Directorate of AH&VS will popularize the Scheme during the normal monthly review meetings and farmers will be sensitized during ongoing departmental training programmes. The orientation of staff will be held during BLBC meeting. The awareness through electronic media and print media will also be taken up.

12. Implementation Procedure:
The Project will be implemented through the existing administrative system ARD Department. At the State level monitoring will be done by Directorate of AH&VS, nodal bank of SLBC – UCO Bank and OSCB. The CDVOs will monitor the scheme at district level. Similarly the Project will be implemented by VAS/AVAS & concerned Banks at Block level.
The interested dairy farmer shall apply to the Chief District Veterinary Officer with all relevant documents including ID proof issued by competent authority.

Identification of the farmers will be done on the basis of photograph of borrowers along with signatures in case of literate borrowers and in case of illiterate borrowers; he shall be identified by his photo and thumb impressions.

The MPCS pouring members could be given preference to ensure assured repayment through monthly milk bill.

Still photographs of the dairy animal with the farmer must be taken which will form the part of the case record.

13. Implementing Banks:

The scheme will be implemented by Commercial Banks, RRBs and PACs. The detailed revised guideline for availing long Term loan under Dairy Farming circulated to all Banks, shall form the basis for availing interest subvention on Long Term Loan for dairy farming.

14. Administration of Interest Subvention:

The SLBC Convener – UCO Bank and OSCB shall administer the interest subvention to the banks extending Long Term Credit on Dairy Farming. Basing on the Annual Credit Plan the Fisheries & ARD department will place funds from State Budget with UCO Bank for releasing to concerned banks.

The SLBC Convener – UCO Bank and OSCB shall monitor the requirements of funds for interest subvention from the respective head office of financing banks, release funds and maintain accounts of Interest subvention on Long Term Credit for Dairy Farming.
MODALITIES FOR INTEREST SUBVENTION ON LONG TERM CREDIT TO DAIRY FARMERS AND FISH FARMERS THROUGH CO-OPERATIVE BANKS/PACS/ COMMERCIAL BANKS/RRB

The Govt. of Odisha have introduced new scheme - "Interest Subvention on Long Term Credit to Dairy Farmers and Fish Farmers by Cooperative Banks & Commercial Banks during the year 2013-14 and there are budget provisions of Rs.3.00 cores for dairy farmers and Rs.4.50 cores for fish farmers.

Guidelines:

1. The Long Term Loan will be a loan availed by dairy farmers for asset creation i.e. purchase of livestock, construction of cow shed, purchase of equipment and machinery and other activities. Similarly, long term loan will be a loan availed by fish farmers for creation of assets like pond development, fish seed hatchery, net and boat etc. The long term loan is repayable in a period of more than one year and within period of 7 years.

2. The maximum amount of loan eligible for interest subvention is Rs.10.00 lakh. In case of long term loan sanctioned beyond Rs 10.00 lakh, the farmer will pay interest at the bank applicable rate exceeding Rs 10.00 lakh.

3. The amount of 3% interest subvention provided by Govt. of Odisha will be calculated from the date of disbursement of loan up to the date of actual repayment of loan by dairy/ fish farmer or up to the due date of loan fixed by bank whichever is earlier. Additional 2 % interest subvention will be made for prompt repayment of installments in due time.

4. The interest subvention will be calculated on net loan in case any subsidy admissible under any scheme of Govt, of India and Govt of Odisha.

5. The Banks/PACS will pass on the interest subvention benefits to the loanee dairy/fish farmers. In other words the interest chargeable to the dairy/ fish farmers will be the applicable rate reduced by 3 % and/or 2% provided under this scheme.

6. The dairy / fish farmers will apply for long- term loan in the prescribed format to the concerned PACS/ commercial Banks/ RRBs.

7. After receiving the application for long term Loan, Banks/PACS will scrutinize the application form with reference to their land records and KYC (Know Your Customer) norms. The Bank will sanction loan in favour of eligible dairy/ fish farmers within 30 days from the date of receipt of application.

8. The concerned Bank/PACS will intimate the local VAS/AFO relating to sanction and disbursement of long term loan. The VAS/AFO will maintain bank-wise register relating to details of long term loan sanctioned by different Banks/PACS.

9. The concerned Bank will also intimate the details of long term loan sanctioned and disbursed to the dairy/fish farmers with amount of 3% interest subvention claim from Govt. of Odisha to their Regional office/Zonal office/Controlling office at the end of each quarter. Additional 2% interest subvention for prompt repayment will be claimed at the end of the year.

10. The Regional office/Zonal office/Controlling office of the bank will submit information for claim of 3% and 2 % interest subvention from GoO in prescribed form at Annexure-I in duplicate with other relevant documents to the UCO Bank Circle Office. Bhubaneswar. In respect of 2% additional interest subvention
the Commercial Banks/RRBs will submit their one time claim at the end of the year. The PACS will send their claim of 3% interest subvention quarterly to DCCB and DCCB will forward the same to OSCB. Similarly additional 2% interest subvention for prompt repayment will be claimed at the end of each year.

11. The UCO Bank will verify the claim amount of each Bank and reimburse 3% interest subvention amount to the claiming bank within 15 days from the date of receipt of claim through RTGS from the A/C opened for interest subvention for long term loan maintained with them. Similarly, OSCB will release interest subvention in favour of PACS through OSCB. UCO Bank and OSCB. Bhubaneswar will maintain “Register for Bank-wise Claim & Release of Reimbursement for internal and external audit.

12. The F & ARD Deptt. will release the fund to the Director of Animal Husbandry & Veterinary Services, Odisha/Director of Fisheries, Odisha. The Director of Animal Husbandry & Veterinary Services/Director of Fisheries will draw 25% of the budget provision and transfer to the A/C maintained with UCO Bank and OSCB for interest subvention on long term loan immediately after passing of the budget and transfer of further amount as per requirement.

13. After release of reimbursement claim to different banks, the UCO Bank/OSCB will forward statement of claim of reimbursement along with the copy of the claim of different Banks/PACS to the Director of Animal Husbandry & Veterinary Services, Odisha/Director of Fisheries, Odisha in Annexure-I for further action.

14. The VAS/AFO will forward the bank-wise list of farmers availed interest subvention under this scheme to the Director of Animal Husbandry & Veterinary Services, Odisha/Director of Fisheries, Odisha through District Veterinary Officer/District Fisheries Officer for successful monitoring of this scheme.
Claim for 3% interest subvention on long term credit to dairy farmers on loan up to ₹ 10.00 lakh for half year ending on ............................

Name of the Bank.................................................................................................................................................................

A/C No........................................................................................................ IFS Code.......................................................................................

Statement for the half year ended on 30th September/ 31st March:

(Amount in ₹)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Long term loan sanctioned to Dairy Farmers</th>
<th>Amount of 3% Subvention claimed on net loan amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of accounts</td>
<td>Total amount</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

We certify having disbursed the above loans by way of Long Term Loan to the dairy farmers during the half year ended.................................................................

Date: ............................................................................................................. (Seal) Authorized Signatory

We certify that the claim for interest subvention of ₹ ................................................................. for the half year ended................................................ as shown above are TRUE AND CORRECT.

Date ........................................................................................................... (Seal) Signature of Central Statutory Auditors

Membership No......................................................................................
Claim for 2% Additional interest subvention for timely repayment of long term loans to Dairy farmers up to ₹ 10.00 lakh for half year ending on .................

Name of the Bank ..................................................................................................................................................................

A/C No .................................................................................................................................................. IFS Code ..........................................................................................................................................................

(Amount in ₹)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Long term loan sanctioned to Dairy Farmers</th>
<th>total net amount of loan which Were repaid in time</th>
<th>Amount of additional subvention claimed @ 2% on net loan amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of accounts</td>
<td>Total loan amount</td>
<td>Subsidy amount</td>
</tr>
</tbody>
</table>

We certify that the above long term loans to dairy farmers for which the claim is being made were repaid in time and the benefit of additional 2% incentive subvention has already been passed on to the account holders thereby bringing down the interest rate for dairy farmers to ............... % per annum during the year.

Date ........................................ (Seal) ........................................ Authorized Signatory Bank

We certify that the claim for additional interest subvention of ............... % for the Year ended ......................... as shown above are TRUE AND CORRECT.

Date ........................................ (Seal) ........................................ Signature of Central Statutory Auditors Membership No ........................................
GUIDELINES FOR IMPLEMENTATION OF LIVESTOCK INSURANCE SCHEME IN ODISHA UNDER STATE PLAN

Livestock is an important sector of national economy, especially for the rural areas. The supplementary income derived from rearing of livestock is a great source of support to the farmers facing uncertainties of crop production, apart from providing sustenance to poor and landless farmers.

For promotion of the livestock sector, it is important that along with providing more effective measures for disease control and improvement of genetic quality of animals, a mechanism of assured protection to the farmers and cattle rearers is required against eventual losses of such animals. In this direction, the Government of India introduced a Centrally Sponsored Scheme (CSS) on Livestock Insurance on a pilot basis during 2005-06 & 2006-07 in 100 selected districts of the Country. In Odisha, initially the said scheme was implemented in two district i.e Jagatsingpur and Cuttack districts on pilot basis which was subsequently extended to nine districts like including the above two like Sambalpur, Puri, Kendrapada, Keonjhar, Mayurbhanj, Khurdha, Bargarh. Presently, the scheme is being implemented in these nine districts under CSS and Orissa Livestock Resources Development Society (OLRDS) is the State Implementing Agency to implement the scheme in these nine districts.

The Government of India was requested by the SIA to extend the scheme to remaining 21 districts of the State which is still under consideration. However, considering the usefulness and success of the scheme in our State in the course of its implementation during last two to three years, it was decided to take up the scheme in remaining 21 districts of the State under State Plan from the financial year 2013-14. However, the scheme under central assistance will be continued to take up in nine districts in usual manner as before.

The broad guidelines, to be followed to implement the scheme under State Plan in 21 districts are detailed below:

Implementing Agency

The National Project for Cattle and Buffalo Breeding (NPCBB) is being implemented through the State Implementing Agencies (SIAs) like State Livestock Development Boards/ Agencies or Societies. In Odisha, OLRDS is the SIA for the Central Project, NPCBB. In order to bring about synergy between NPCBB and Livestock Insurance under CSS, the latter scheme is also implemented through the SIAs. Therefore, the LIS under State Plan will be implemented through the Orissa Livestock Development Society (OLRDS), Bhubaneswar under State Fisheries and Animal Resources Development Department.

Executive Authority

The Chief Executive Officer of OLRDS will be the executive authority for this scheme under State Plan. The CEO will have to get the scheme implemented in the selected districts through the senior most officer of the Animal Husbandry Department in the district by following the Government of India guideline issued for Livestock Insurance Scheme 2013-14. The necessary instructions for this purpose will have to be issued by the State Government. The funds for premium subsidy for insuring the animals, payment of honorarium to the Veterinary Practitioners, awareness creation through publicity with involvement of local Panchayat Raj institutes will be placed with the SIA. As Executive Authority of the scheme, the Chief Executive Officers will be
responsible for execution, and monitoring of the scheme. The main functions of the CEO will be:

(i) Managing the funds placed under State Plan carefully and in accordance with instructions issued by the State Government.

(ii) Calling quotations from the insurance companies for implementing the scheme, carrying out negotiations with them and selecting suitable company (companies).

(iii) Signing the contract with the selected insurance company/companies.

(iv) Payment of subsidy premium to the Insurance Company (including advance, if any and its subsequent adjustment).

(v) Preparing district wise list of Veterinary practitioners (Government) and providing the same to the insurance company and also to concerned Panchayati Raj bodies.

(vi) Creating awareness among the general public as well as the officials whose services may be required for implementation of the scheme.

(vii) Carrying out field inspections and also facilitating field inspections by the authorities.

(viii) Release of funds to the concerned Chief District Veterinary Officers for payment of honorarium to the Veterinary Practitioners.

(ix) Regular monitoring and preparation of reports for submission to the State Government.

(x) Furnishing village wise list of livestock owners who have insured their animals during the Financial year along with list of claimant and status of their claims.

(xi) Such other functions necessarily required for efficient implementation of the scheme.

The Department of Animal Husbandry and Veterinary Services will ensure availability of sufficient infrastructure in terms of manpower and other logistic support to the CEO & the concerned CDVO which is needed for effective implementation of the scheme. The name, designation, address of CEO and the concerned CDVOs for Insurance work will be made available to the Government. Any change in the name and designation of CEO or CDVOs will also be properly communicated to all concerned. For effective implementation and monitoring of the scheme a district committee could be formed suitably involving the officers / organizations having interest in the field of Animal Husbandry. The Dairy Cooperative Societies could also be involved and given responsibility of implementing the scheme wherever possible.

**Districts in which the scheme will be implemented**

The scheme is to be implemented in 21 selected districts of the State which are Angul, Balasore, Bolangir, Boudh, Dhenkanal, Deogarh, Ganjam, Gajapati, Jajpur, Jharsuguda, Kalahandi, Koraput, Malkanagiri, Nawarangpur, Nuapada, Rayagada, Sundergarh, Sonepur, Nayagarh, Kandhamal and Bhadrak.

**Selection of Insurance Companies**

In order to get the maximum benefit in terms of competitive premium rates, easier procedures of issue of policy and settlement of claims, the Chief Executive Officer will be empowered to decide upon the Insurance company(s) and the terms and conditions. While selecting Insurance Company, besides premium rates offered, their capacity to provide services, terms and conditions and service efficiency should also be taken into
account. The CEO will invite quotations in writing from those public and private general insurance companies having a fairly wide network in the State particularly in these 21 districts. The CEO should select the Insurance Company/Companies after negotiating with the insurance companies for successful and efficient implementation of the scheme and popularizing the scheme amongst the livestock owners. If any Insurance Company is offering cover for any type of disability in addition to death of the insured animal, such offer could be considered, however, no subsidy in the premium for such additional risk coverage will be provided. The entire cost of premium on account of the risk coverage other than death of the animal has to be borne by the beneficiaries. However, as per the GoI guideline, if any additional risk cover is offered as a package along with death cover and the premium rate is not exceeding the maximum limit of 4.5% for annual policies and 12% for three year policies, such offer could be accepted and subsidy could be provided. As mentioned above, the CEO has to ensure that the premium rate agreed to is competitive. Under no circumstances, the rate of premium should exceed 4.5% for annual policies and 12% for three-year policies. Normally, a single insurance company should be entrusted for insurance work in a district. However, for the purposes of encouraging competition and popularizing the scheme more than one insurance company may be allowed to operate in a district, if other terms and conditions are remaining same. Default in settlement of claim or any types of deficiency in services on part of Insurance Companies could be brought to the notice of the Insurance Regulatory and Development Authority which is a nodal authority in the country in this regard.

The Service Tax cannot be paid by the State Government, but by the entity, that is liable.

**Involvement of Veterinary practitioners**

The active involvement of the veterinary practitioners at the village level is required for the successful implementation of the scheme. They are to be associated with the work of identification and examination of the animals to be covered under the scheme, determination of their market price, tagging of the insured animals and finally issuing Postmortem Report as and when a claim is made. Besides, being in touch with the farmers and cattle-rearers, they may also help in promoting and popularizing the scheme. Only the Veterinary practitioners registered with the State Veterinary Council will be involved. A list of such Veterinary practitioners will be prepared for every district with the help of district officer of the Department and it will be made available to the insurance company selected for the district as well as to the concerned Panchayati Raj bodies.

**Commencement of Insurance policy cover and adjustment of premium subsidy**

In order to generate confidence among the cattle owners about the efficacy of the scheme, it is important that the policy cover should take effect once the basic formalities like identification of animal, its examination by the veterinary practitioner, assessment of its value and its tagging along with payment of 50% of the premium to the insurance company or its agent by the cattle owner are completed. The selected insurance company will have to agree to this. However, it is possible that the insurance company may point out a provision in the Insurance Act that insurance cover can take effect only after the whole premium is paid in advance. In order to take care of this problem, there could be an arrangement by which certain amount is paid in advance to the insurance company directly by the CEO. This amount should not exceed 50% of the premium of the number of animals expected to be insured in a period of 3 months. The insurance company, on its part, should issue instructions to their branches that as and when 50% of the premium is paid by the cattle owner, they should issue the policy by suitably adjusting the balance 50% from this advance. The insurance company
should prepare monthly statements of the policies issued indicating the assessed value of each animal and the Government share for each district duly countersigned by the district officer of the Animal Husbandry Department and submit to the CEO so that, that much amount can be recouped to the insurance company by the CEO. Target of getting the number of animals insured in a three months period for payment of advance to the Insurance Company should be on realistic basis and recouping of the advance fund should be on the basis of subsequent progress made by the concerned Insurance Company.

**Animals to be covered under the scheme and selection of beneficiaries**

The graded indigenous/crossbred milch cattle and buffaloes will be under the purview of the scheme. Milch cattle/buffalo will include both in-milk and dry as well as pregnant animal, which have already calved once. Benefit of subsidy is to be restricted to two animals per beneficiary per household. Efforts will be made to insure the milch animals for at least three years rather than one year. This is administratively convenient and rates will also be significantly reduced. However, as evident from the past experiences, farmers were eager to go for one year policy rather than three year policy as the payment of premium amount for one year was comparatively less than the premium amount for three years. Hence, keeping this in view, if a farmer desires to have a policy for a period less than three years that could also be provided and subsidy on premium will be provided for insuring same animals again in the future years of implementation of the scheme.

Special efforts will be made to associate and involve the registered milk societies/unions for insuring the milch animals belonging to the members of these societies/unions as a group.

Field performance recording under the NPCBB for identification of elite animals may also be integrated with insurance. The Village Panchayats and the Panchayat Raj Institutions will also be involved in the identification of animals to be insured, promotion of the scheme and providing assistance for better implementation of the scheme.

**Determination of market price of the animal**

An animal will be insured for its current market price. The market price of the animal to be insured will be assessed jointly by the beneficiary, authorized Veterinary practitioner and the insurance agent if engaged.

**Identification of insured animal**

The animal insured will have to be properly and uniquely identified at the time of insurance claim. The ear tagging should, therefore, be full proof as far as possible. The cost of fixing the identification mark will be borne by the Insurance companies and responsibility of its maintenance will lie on the concerned beneficiaries. The nature and quality of tagging materials will be mutually agreed by the beneficiaries and the Insurance Company. The Veterinary Practitioners may guide the beneficiaries about the need and importance of the tags fixed for settlement of their claim so that they take proper care for maintenance of the tags.

**Change of owner during the validity period of insurance**

In case of sale of the animal or otherwise transfer of animal from one owner to other, before expiry of the Insurance Policy, the authority of beneficiary for the remaining period of policy will have to be transferred to the new owner. The modalities for transfer of livestock policy and fees and sale deed etc required for transfer, should be decided while entering into contract with the insurance company.
**Settlement of Claims**

The method of settlement of claim should be very simple and expeditious to avoid unnecessary hardship to the insured. While entering into contract with the insurance company, the procedure to be adopted/documents needed for settlement of claim should be clearly spelt out. Only four documents would be required by insurance companies for settling the claims viz. FIR with the Insurance Company, Insurance Policy, Claim Form and Postmortem Report. All documents/forms for insuring as well as settling the claims should be made available by the insurance agency in local language and English language. In case of claim becoming due, the payment of insured amount should be made within 15 days positively after submission of requisite documents. While insuring the animal, the CEO must ensure that clear cut procedures are put in place for settlement of claims and the required documents are listed and the same is be made available to concerned beneficiaries along with the policy documents. The beneficiary should get full payment of the sum insured in case of death of animals. In case, there are delays in settling a claim or the claim is rejected, it must be fully justified by the concerned insurance agency to the claimant under intimation to SIA. Provisions to these effects must be incorporated in the MOU with the insurance agencies.

**Effective monitoring of the scheme**

In order to ensure full impact of the scheme, there is a need of strict monitoring at different stages. The monitoring should be in terms of financial releases, number of animals insured and type of insurance. Monitoring at the State and District levels is extremely important. The CEO will be required to make special efforts for effective monitoring. The Director, Animal Husbandry & Vety. Services, Odisha will take periodic review of the implementation of the scheme. All Insurance Agencies will submit district-wise quarterly progress report for the policies in operation to Department of Animal Husbandry in the format given below by 15th of the next quarter.

<table>
<thead>
<tr>
<th>District</th>
<th>No. of animals insured</th>
<th>Total cases of claims made</th>
<th>Total cases of claims settled</th>
<th>Amount of premium received (Rs. Lakh)</th>
<th>Amount of claim paid (Rs. Lakh)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>During last quarter</td>
<td>Upto last quarter</td>
<td>During last quarter</td>
<td>During last quarter</td>
<td>During last quarter</td>
</tr>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(7)</td>
<td></td>
<td></td>
<td>(8)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(9)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(10)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(11)</td>
</tr>
</tbody>
</table>

In addition, they will also submit district-wise information on Claim ratios for the animals insured during a financial year (FY) latest by the 15th of April of the following FY after expiry of the said policies.
Payment of honorarium to the Veterinary practitioners

As per the observations of Finance Department, the honorarium amount has been excluded from the project component. However this matter will be taken up separately with Finance Department highlighting equity aspects vis-a-vis Govt. of India funded Livestock Insurance Scheme.

Publicity

Wide public ations wi ll be ma de in the conc erned dis trict s for populariz ation of the scheme. The Panchayati Raj institutions will be involved in publicity. The task of disseminating information on the scheme and inviting farmers to offer their animals for identification for insurance will be entrusted to the Intermediate Panchayats. For this purpose the CEOs are empowered to provide assistance of Rs.10,000/- for each implementing districts to conduct district level orientation meeting involving various stake holders including district level official and Panchayati Raj members.

Physical & Financial target of Livestock Insurance Scheme in 21 districts under State Plan

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance coverage to the dairy animals</td>
<td>60,000</td>
<td>258.00</td>
<td>50,000</td>
<td>228.00</td>
<td>50,000</td>
<td>228.00</td>
<td>50,000</td>
<td>228.00</td>
</tr>
</tbody>
</table>

*including Service tax