

**Guidelines of the sub-scheme Special Programme for Dairy Development as a part of National Mission for Protein Supplements under Rashtriya Krishi Vikas Yojana (RKVY)**

National Mission for Protein Supplements (NMPS) will be implemented in identified States during financial year 2012-13 under Rashtriya Krishi Vikas Yojana (RKVY), at an outlay of Rs.500.00 (Rupees Five Hundred Crore only) of which, Rs.200.00 Crore (Rupees Two Hundred Crore only) has been earmarked to the sub-scheme for dairy development named as Special Programme for Dairy Development under National Mission for Protein Supplements (SPDD-NMPS). Under the scheme projects will be funded for expansion of animal husbandry and dairy development activities with priority given to improving productivity of milch animals through measures such as productivity improvement programme, improving nutritional balance of animal feed concentrate, fodder development activity and improving milk procurement, processing and marketing infrastructure in the identified area of implementation.

**Basic Features of the Special Programme for Dairy Development (SPDD)**

The SPDD aims at ensuring nutritional balance for consumers in terms of milk protein intake, growth in milk production and holistic development of Animal Husbandry and Dairy sector.

The main objectives of the scheme are to:

- (i) Increase milk production in the country.
- (ii) Ensure balancing of milk protein intake requirement and availability for the consumers.
- (iii) Incentivize the states so as to increase public investment in Animal Husbandry and Dairy sector.
- (iv) Provide flexibility and autonomy to states in the process of planning and executing projects for development of Animal Husbandry and Dairy sector.
- (v) Ensure that the local needs/priorities are better addressed by the projects taken up by the respective state governments themselves.
- (vi) Achieve the goal of reducing the yield gaps in milk production, through focused interventions.
- (vii) Maximize returns to the milk producers/farmers in Animal Husbandry and Dairy sector.
- (viii) Bring about quantifiable changes in the production and productivity in Animal Husbandry and Dairy sector by addressing them in a holistic manner.

**Area of Implementation:**

The SPDD is a part of National Mission for Protein Supplement under Rashtriya Krishi Vikas Yojana (RKVY). The eligibility for assistance under the scheme shall depend upon the States' milk production and present level of organized milk procurement with the view that maximum impact in terms of milk production could be generated after implementation of the projects approved under this Scheme. The scheme shall be implemented in 20 major milk producing States of Uttar Pradesh, Rajasthan, Punjab, Haryana, Gujarat, Maharashtra, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala, Bihar, Orissa, West Bengal, Madhya Pradesh and Jammu & Kashmir, Jharkhand, Uttarakhand, Himachal Pradesh, Chhattisgarh and Assam in specific districts identified by the State Government as having dairy potential for focused and directed dairy development to achieve significant and measurable improvement in production and availability of milk and milk products.

The entire schemes would be implemented under the RKVY umbrella with the flexibility of utilizing the funds in the prescribed manner. In addition, the State will be required to bear full cost of staff salary including any increase, maintenance of vehicle, office contingencies and acquisition of land etc. wherever necessary.

State will ensure that the proposed Animal Husbandry & Dairy development activities under this scheme have convergence with the existing Animal Husbandry and Dairy sector schemes of Central and State plan, which shall also be taken into consideration while formulating Animal Husbandry and dairy development projects based on local needs.

**Process of Operationalisation**

The quantum of assistance and the process of subsequent release of fund to the state will be in accordance with the approval given by State Level Sanctioning Committee (SLSC) on the basis of a Detailed Project Report (DPR) with definite time-lines, and clear objectives for Animal Husbandry and Dairy sector. An existing State Level Sanctioning Committee (SLSC) headed by the Chief Secretary of the state will have the authority to sanction specific projects under the Scheme. The Government of India's representative shall participate in the SLSC meetings and the quorum shall not be complete without the presence of at least one official from the Government of India.

The pattern of funding is 100% Central grant and the eventual goal is that the additional investment made through the SPDD scheme will lead to growth in milk production. The states are given sufficient flexibility under the scheme to make appropriate local choices so that the outcomes as envisaged in the Scheme objectives are met.

Project Coordination and Implementation Committee, at the State level may be set up which shall be responsible for ensuring that the scheme objective of growth in milk production is achieved in the State. PCIC shall be headed by Secretary (Dairy Development/AH/Cooperation). The committee shall have at least two members each from Dairy Development Department, AH Department and Cooperation Department and State Dairy Federation. The members in the PCIC shall not be below the rank of Joint Director. Four members shall complete the quorum.

#### **Monitoring of the Scheme:**

State Government through the functional Department (Dairy Development Deptt./Animal Husbandry Deptt./Cooperation Deptt.) shall monitor the projects approved by SLSC under the Scheme. A system of collecting Quarterly Progress Reports (QPRs) for monitoring implementation of project activities under the scheme may be established. Quarterly/Annual progress reports indicating Parameters of monitoring in terms of physical and financial targets and achievements shall be furnished periodically in proforma as prescribed by State Government and documented in the DPR. Details of beneficiaries and area covered under the Scheme must be placed on the State Government/ Department web site, and should be monitored.

Accounts of the implementing agency shall be subject to audit by Chartered Accountants appointed by agency and/or by such other officers of Government of India/State/UT Governments as required under rules and a report in this regard should be furnished/intimated to this Department. State Government shall also furnish fund utilization certificate at the completion of project activities.

#### **Institutional Linkage:**

State Animal Husbandry Department and Dairy Development Department along with State Dairy Federations shall jointly formulate the action plan under the directives of PCIC and identify areas where institutional linkages are to be established for ensuring achievement of SPDD

objectives. States will be urged to ensure effective extension services and technical guidance in collaboration with ICAR/State Research Institutes. Similarly, involvement of Panchayati Raj Institutions (PRIs) should be explored to the extent feasible for effective implementation of Scheme.

### **Scheme Implementation And its Components**

Financial assistance in the form of yearly allocation shall be released to the State Governments for any/all of, but not limited to, the following components under the scheme:

<b>Sl No</b>	<b>Components</b>
1	Strengthening of dairy units by induction of upto 100 cross bred cows/indigenous descript milch cows like Sahiwal, Red Sindhi, Gir, Rathi etc/graded buffaloes
2	Rearing of Heifer calves- Crossbred, indigenous descript milk breeds of cattle and graded buffaloes (up to 50 animals)
3	Construction/renovation of cattle-sheds for housing of milch animals
4	Purchase/installation of milking machine, milk-o-tester, bulk milk cooling units
5	Establishment/modernization/augmentation of processing capacity of dairy plants
6	Purchase of equipments for Fodder cultivation, harvesting, silage making, fodder block making unit, feed mixing and grinding facilities, and for manufacturing feed and feed supplements.

The State Government Departments, State Government owned Undertaking/Board/Authorities would be given 100 % grant for undertaking the above mentioned activities. The projects implemented through Dairy/Milk Cooperative Societies would be on 75:25 cost sharing basis between Central grant and Implementing agency's share. In case of the project being implemented by a progressive dairy farmer the assistance from the scheme should be limited to 25% of the project cost.

**Funding pattern shall continue to be on 50:50 cost sharing basis for the project components, which have already been approved under the scheme during 2011-12 and which are implemented through Dairy/Milk Cooperative Societies.**

A budget provision of Rs 200.00 Crore has been made for the financial year 2012-13 under the scheme. A List of 20 high milk producing states, which are eligible for receiving assistance are given as under:

S.No	States	Proposed State-wise allocation during 2012-13
		(Rs in Crore)
1	Andhra Pradesh	13.41
2	Bihar	10.14
3	Gujarat	15.44
4	Haryana	9.75
5	Karnataka	10.35
6	Kerala	7.52
7	Madhya Pradesh	10.73
8	Maharashtra	12.17
9	Orissa	6.73
10	Punjab	12.17
11	Rajasthan	14.91
12	Tamil Nadu	10.70
13	Uttar Pradesh	19.43
14	West Bengal	8.55
15	Jammu & Kashmir	6.57
16	Jharkhand	6.53
17	Uttarakhand	6.45
18	Himachal Pradesh	6.24
19	Chhattisgarh	6.19
20	Assam	6.02
<b>Total</b>		<b>200.00</b>

**Additional Para as approved by Hon'ble Union Agriculture Minister:**

'Notwithstanding the guidelines for implementation of NMPS during 2012-13, the State Governments may take up any innovative project suitable for local conditions, to effectively demonstrate the improved technology and practice for improving productivity and production in the sector. However, at least 15 days prior to consideration of such projects by the State Level Sanctioning Committee (SLSC), a copy of such innovative projects may be sent to the Department of Animal Husbandry, Dairying and Fisheries for comments, which may be placed before SLSC along with the projects for consideration'.