

ANNEXURE

**GUIDELINES OF VARIOUS COMPONENTS OF CENTRALLY SPONSORED
FODDER AND FEED DEVELOPMENT SCHEME**

1. ASSISTANCE TO FODDER BLOCK MAKING UNITS

1.	Name of the Component	<u>Assistance to Fodder Block Making Units</u>
2.	When started	April, 2010
3.	Objectives	(i) Promote conservation of fodder by converting crop residues into fodder blocks through the use of modern technologies, baling machines etc. into fodder blocks.
4.	Salient Features	<p>Central Government will provide subsidy @ Rs. 42.50 lakhs per unit or 50% of the cost of straw/ Bagasse based fodder block making units, whichever is lower. Smaller models will also be supported under the scheme.</p> <p>This type of feed will be useful during drought/flood etc. when the main objective is survival/maintenance of livestock population.</p>
5.	Pattern of financial assistance	50 % Central assistance as one time subsidy to the extent of Rs. 42.50 lakhs per unit or 50% of the cost of straw based fodder block making units, whichever is lower will be provided The assistance will be provided for the items given in Annexure I. However, this assistance will be provided to only those units having bankable projects appraised for their viability by any Nationalized Bank/ NABARD.
6.	Implementing agency	Fodder block making units under Public or Private entrepreneurship. However, funds will be released through state Govts concerned.

**COST ESTIMATES FOR ASSISTANCE TO FODDER BLOCK MAKING
UNITS**

Capacity 30 MT/Day

S. No.	Item	Quantity	Cost (Rs. in Lakhs)
1.	LD-HD Cutting with electric motor starter, panel board, V-belts, pulleys etc. LD-Low Density Materials (like paddy straws)	1 set	4.00
2.	HD-LD Mixer complete with Electric Motor, HD-High Density materials (like concentrate Pre-mixes)	1 set	3.00
3.	Densified TMR block maker with electric motors starter, hydraulic oil, cooling system	2 sets	38.70
4.	Platform Electronic Weigh Scale	2 sets	0.90
5.	Stitching Machine double thread	2 sets	0.20
6.	Main control panel complete with starter contractors, relays meter, conduits, and fittings, cable trays etc.	1 lot	4.45
7.	Molasses Storage Tank (2 MT capacity) OH molasses tank (80 kgs) capacity	1 set	3.25
8.	Grinding Section fitted with intake elevator motor, connecting piece with magnet. Bin for grindables in M.S. handle operated, Hammer mill half circle capacity 2 MT/hr with sieve and complete with foundation fitted with motor and drive parts.	1 set	3.50
9.	Mixing Section fitted with ground material lifting elevator with discharge with motor and connecting piece of magnet, bin above batch mixer with discharge control. Paddle type batch mixer with MS construction fitted with motor.	1 set	4.00
10.	Power Supply (Generator Set)	140 KVA	5.00
11.	Shed for machinery 60'x50'x20' @ Rs. 200/ sq.ft.	1	6.00
12.	Shed for storing raw materials 60'x100'x20' @ Rs. 200/ sq.ft.	1	12.00
	Total		85.00

Proforma for establishment of Fodder Block Making Unit for submitting proposal

A.	Name of the Organization/Department
B.	Location of the project:
	a) Address
	b) Telephone No.
	c) Telegraphic address
C.	Present requirement of green and dry fodder in the State
D.	Present availability of green and dry fodder in the State
E.	Fodder availability in the area where establishment of Fodder Block Making Unit is to be established.
F.	Type of fodder available round the year in the area./ source of dry fodder for purchase
G.	Total requirement of fodder throughout the year for running the Fodder Block Making Unit viably.
H.	Storage facilities available with the Agency, establishing the Fodder Block Making Unit.
I.	Method of making Fodder Blocks.
J.	Constituent/ingredients of Fodder Blocks.
K.	Total digestible nutrients (TDN) value of each fodder block may be given.
L.	Scope for disposal of fodder blocks.
M.	Any other information pertaining to the project.
N.	Whether State Govt has recommended the proposal
O.	Whether the project has been appraised by any commercial bank for economical viability of the project? Give details.
P.	Organization/ individual contributing towards the state share of 75% of project proposal.
Q.	Whether land of the project is owned by enterprise of the state Govt.
R.	Name and signature of the Directorate /Organization and Animal Husbandry of the State with complete address

**CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME
II-GUIDELINES FOR GRASSLAND DEVELOPMENT INCLUDING GRASS
RESERVES**

1.	Name of the Component	Grasslands Development including Grass Reserves.
2.	When started	April, 2010
3.	Objectives	<p>(i) The degraded grasslands will be slowly improved by introducing suitable grass, legumes and fodder trees (by silvi-pasture etc).</p> <p>(ii) The extensive erosion presently taking place in these lands will be minimized</p> <p>(iii) The bio-mass produced will help to minimize the gap between availability and requirement of fodder</p> <p>(iv) The forage that will be obtained from these lands will be utilized as reserves by establishing fodder banks depots</p> <p>(v) The bio-mass production from grassland will be cheaper and will increase the animal production</p> <p>(VI) Increased fodder production through individual farmers.</p>
4.	Salient Features	<p>The scheme will enable improvement of degraded grassland and also the vegetation cover of problematic soils like saline, acidic and heavy soil. Under this programme the specific fodder trees (silvi-pasture) grasses and legumes will be identified for particular type of soil, so that a vegetation cover may be provided which will not only give additional quantity of fodder but will also protect the land from soil erosion. In addition, the fertility status of land will also be improved by introducing suitable legumes. A 5-10 ha. area of land will be taken up for development. The categorization of different types of land has been done and the rate for one unit of 10 hectare each given at Annexure-II. Separate project proposal for improvement of grasslands in remote areas can be taken up, in which import of fodder seeds as per suitability of their region, seed pelleting, broadcasting (by air) etc.</p> <p>Individual farmers can take up perennial Fodder crops cultivation in their fields. Individual farmer taking up this programme will have to make agreement with NGO,</p>

		SHG and other responsible organization for cultivation of fodder for five years continuously on the same land otherwise farmer will have to refund the whole amount to the Government.
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5.	Pattern of financial assistance	The assistance under the scheme will be provided as 100 % Central assistance .The per unit on the pattern as indicated in Annexure-II.
6.	Beneficiaries	Farmers, State Department of Animal Husbandry, Agriculture and Forest, NGO, Goshalas, SHG, etc.
7.	Implementing agencies	State Department of Forest and Department of Animal Husbandry & Agriculture.
8.	Staff	To be provided by the concerned State Governments

Cost estimates of Grassland Development Including Grass Reserves for
one unit (10 Hectare)

Annexure-II-A
Rupees in Lakh

S. No.	Item	CPR, Gochar land / community land / waste land which need treatment of soil.	CPR, Gocher land / community land / waste land which does not need treatment of soil	Govt. Farm/ Goshala land	Forest land / Grassland in remove area	Individual farmers
Continuing Parameters						
A. Capital Investment						
(a)	Demarcation of boundary, fencing/ (trench / brushwood / barbed wire)	0.75	0.75	0.20	0.70	0.00
(b)	Land Development (10 hectares)@10 lakhs per ha. (including soil treatment and weeding)	1.00	0.75	0.50	0.50	0.00
(c)	Farm sheds - for equipment, seed, manure, and office	1.50	1.50	0.00	0.00	0.00
(d)	Purchase of agricultural implements	0.50	0.50	0.50	0.25	0.00
(e)	Creation of irrigation facilities: wells, pumps, power line, water tank, pump room, pipelines etc.	3.75	3.00	2.50	0.75	0.00
	Sub- Total	7.50	6.50	3.70	2.20	0.00
Recurring Expenditure						
(a)	<u>Wages of supervisory staff</u>	0.20	0.20	0.50	0.50	0.00
(b)	<u>Seeds, fertilizer/ manure, insecticides</u>	<u>0.40</u>	<u>0.40</u>	<u>0.6</u> <u>0</u>	<u>0.6</u> <u>0</u>	<u>0.6</u> <u>0</u>
(c)	<u>Cultivation charges</u>	<u>1.00</u>	<u>0.50</u>	<u>0.6</u> <u>0</u>	<u>0.6</u> <u>0</u>	<u>0.6</u> <u>0</u>
(d)	<u>Irrigation electricity / fuel charges</u>	<u>0.30</u>	<u>0.30</u>	<u>0.5</u> <u>0</u>	<u>0.5</u> <u>0</u>	<u>0.0</u> <u>0</u>
(e)	<u>Maintenance of Store/dead stock</u>	<u>0.30</u>	<u>0.30</u>	<u>0.3</u> <u>0</u>	<u>0.3</u> <u>0</u>	<u>0.0</u> <u>0</u>
(f)	<u>Miscellaneous and unforeseen expenses</u>	<u>0.30</u>	<u>0.30</u>	<u>0.3</u> <u>0</u>	<u>0.3</u> <u>0</u>	<u>0.3</u> <u>0</u>
	Sub-Total	2.50	2.00	2.8 0	2.8 0	1.5 0
	Grand Total	10.00	8.50	6.5	5.0	1.5

Note: (i) Funds for improvement of grasslands by reseeded, import of fodder seeds, transportation, labour wages will be as per rates available at that time of submitting the project proposal.

Annexure-II -B

Proforma for submitting proposal under Centrally Sponsored Fodder Development Scheme - Grassland Development including Grass Reserves.

A.	Name of the Implementing agency/Organization/Department:
	a) Address:
	b) Telephone No.:
	c) Telegraphic address:
B.	Present status of requirement and availability of green and dry fodder in the State :
C.	Present statistics of grasslands available in the:
	i) State :
	ii) With Department:
D.	Location and addresses of plots already developed, if any under the scheme and, proposed to be developed (Survey No., Khasra No. etc). In case of individual forms, details may be provided in the list. Individual formers can take up at their land near village.
E.	Whether area is leased (for at least 5 years in case of farmer for using the land for grass production) or owned by Agency seeking assistance for Grassland & Fodder Development?
F.	What is the distance of the area to be developed from village or city boundary? (area should be selected at least one kilometer away from village so that extension of village development may not affect the area developed for Grassland Development)
G.	Type of Grasses and legumes to be sown:
H,	Quantity of Grasses and legumes required for development of grassland:
I.	Whether seeds available with the organization or source of availability of grasses and legumes seeds:
J.	Cost estimate and requirement of funds for development of proposed grasslands as per pattern of Annexure -2:
K.	Anticipated additional quantity of green/dry fodder to be produced from the proposed grasslands after development:
L	Mode of disposal of fodder produced at this Grassland to be developed:
M	Any other relevant information related to the proposal:
N	Name and signature of Director of Animal Husbandry of concerned State/Organization with date & Place:

**CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME
III-GUIDELINES FOR FODDER SEED PROCUREMENT & DISTRIBUTION**

1.	Name of the Component	Fodder Seed Procurement and Distribution
2.	When started	April, 2010
3.	Objectives	Promote cultivation of superior variety of fodder for fodder seed (breeder, foundation and certified seed) production by creating assured market and distribution of seeds among the farmers.
4.	Salient Features	To create an assured market for quality fodder seed, this component has been modified. Now state Govts. will assess the requirement of fodder seeds of the state & will make an agreement with seed supplying agency for supply of each fodder seed inclusive of transportation cost upto delivery place & time of supply of seeds. The seed supplying agencies in turn will make a buy back arrangement of fodder seeds produced by the farmers. After procurement of fodder seeds, state Govt. will distribute these seeds to farmers free of cost. Thereby passing on Central State Grant to the farmers. For 1st year truthfully labeled seeds may be allowed but from 2011-12 only certified seeds will be given preference, for which seed certification norms exist in the.
5.	Pattern of financial assistance	The assistance under the scheme will be provided as 75 % Central grant with share of 25% to be arranged by implementing agencies/ state.
6.	Beneficiaries	Farmers, NGOs and the state Govts. May involve SIAs/ Milk Federation.
7.	Implementing agencies	Department of Animal Husbandry, Agriculture of the States. States may involve NGO, SHG, NSC, Milk Federation for supply of seeds. Funds will be routed through SIAs.

Annexure-III -A

Proforma for submitting proposal under Centrally Sponsored Fodder and Feed Development Scheme- Fodder Seed Procurement & Distribution.

A.	Name of implementing agency/Organization/Department:					
	Location:					
	a) Address:					
	b) Telephone No.:					
	c) Fax No.			Email:		
B.	Present status of requirement and availability of green and dry fodder in the State :					
C.	Requirements of fodder seeds of cultivated crops, grasses and legumes in the State					
D.	Availability of fodder seeds of cultivated crops, grasses and legumes in the State					
E.	Following details may be provided:					
Type of seed crop/variety to be procured and quality of seed	Source of procurement	Quantity to be procured (in qtls.)	Rate of procurement of seed in the form of fodder minikit	Cost of seeds to be procured (Rs. in lakh)	75% cost of seed to be procured (Central share) (Rs.in lakh)	25% cost of seed arranged by implementing agency/State share (Rs. in lakh)
Note: Quality of seed to be procured, whether it certified on truthfully labeled. For 2010-11 truthfully labeled seeds may be allowed but from 2011-12, only certified seed (for which certifications norms exist in the country) will be allowed.						
F.	Whether agreement has been made with seed supplying agency, if yes, the copy of agreement to be enclosed:					
G.	Time of delivery of fodder seed.					
H.	Whether state has made the arrangement for distribution and these seeds among the farmers, if yes the details may be provided District wise:					
I.	Whether this demand is exclusive of quantity of seeds sought under Central Minikit Testing Programme:					
J.	Whether state Govt. has made the arrangement for distribution of fodder minikits to the farmers free of cost.					
K.	Any other relevant information related to the proposal:					
L.	Name and signature of Director of Directorate/Organization and address:					

**CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME
IV-GUIDELINES FOR ASSISTANCE FOR STRENGTHENING OF FEED
TESTING LABORATORIES:**

1.	Name of the Component	Assistance for Strengthening of Feed Testing Laboratories
2.	When started	April, 2010
3.	Objectives	Quality testing of manufactured feed and feed ingredients to promote production and supply of quality feed.
4.	Salient Features	To ensure the supply of quality feed to the farmers, Department wants to strengthen the laboratories for testing the case Feed. Assisted laboratories will take up testing of Feed samples received from various Govt. and private agencies as per prescribed rates. Funds will be provided for purchase of machinery and equipment related to Feed testing.
5.	Pattern of financial assistance	50% Central assistance will be provided as one time grant to the extent of Rs. 100.00 lakhs per unit or 50% of the cost of the plant and machinery required for strengthening of feed testing laboratories, whichever is lower. However, this assistance will be provided to Veterinary college & Agriculture Universities.
6.	Beneficiaries	Veterinary college & Agriculture Universities.
7.	Implementing agency	Department of Animal Husbandry

**Proforma for establishment of Strengthening of Feed Testing
Laboratories for submitting proposal**

A.	Name of the Organization/Department/ Implementing agency
B.	Location
	a) Address
	b) Telephone No.
	c) Telegraphic address
C.	Present Status of the laboratory
D.	No of Feed samples tested earlier.
E.	No of Feed samples testing can be increased with the Central aid
F.	Whether such facility is available in the state, if yes, please give details.
G.	Constituent/ingredients of feeds to be tested.
H.	Whether laboratory will undertake the testing of feed samples received from private parties/ Govt. agency.
I.	What will be rate for testing each constituent (Protein, fat etc.) of feed?
J.	Any other information pertaining to the project.
K.	Whether the project has been appraised by any Committee constituted by the ICAR, SAU, VCI etc. Give details.
L.	Whether matching state share of Rs. 100.00 lakh will be provided by VCI/ SAU from their resources or state Govts.
M.	Name and signature of Organization / Director, Animal Husbandry of the State with complete address

CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME

V(a) - GUIDELINES FOR ASSISTANCE FOR INTRODUCTION OF HAND DRIVEN CHAFFCUTTER:

1.	Name of the Component	Assistance for Introduction of Hand Driven Chaff Cutter
2.	When started	April, 2010
3.	Objectives	(i) Reduce wastage of fodder by chopping and promote better utilization of fodder.
4.	Salient Features	Members of Milk Federation, ATMA/ KVKs and farmers having upto 5 livestock will be assisted under the scheme for purchases of the hand driven chaff cutters provided they have not availed earlier this type of benefit from Central Govt. or State Govt./any other organization formed by the Govt.
5.	Pattern of financial assistance	Assistance under the scheme will be provided as 75% Central Govt. as one time grant out of the total cost of Rs. 5000/- per unit or 75% cost of the chaff cutters, which ever is less. Balance 25% funds are to be met by the beneficiaries. Adequate number of woman, SC/ST beneficiaries may be covered. Balance 25% share to be met by the beneficiaries.
6.	Beneficiaries	Farmers and Members of Milk Cooperatives/ ATMA/ KVKs.
7.	Implementing agency	Milk Federation, Department of Animal Husbandry, KVKs/ATMA.

Annexure-V(a)-I**Proforma for Introduction of Hand Driven Chaff cutters for submitting proposal**

A.	Name of the Organization/Department/ implementing agency
B.	Location
	a) Address
	b) Telephone No.
	c) Telegraphic address
C.	Present requirement of green and dry fodder in the State
D.	Present availability of green and dry fodder in the State
E.	The details may be provided as per Annexure-V.
F.	Type of fodder available round the year in the area./ source of dry fodder for purchase
G.	Name of the supplies of chaff cutters
H.	Whether quotation collected for supply of chaffcutters at farmers door step.
I.	Type of chaff cutter (ISI mark) to be purchased.
J.	No. of chaff cutters to be purchased.
K.	Cost of each chaff cutter.
L.	Total cost of the chaff cutter to be purchased.
M.	Central share (Rs. in lakh)
N.	Beneficiaries share (Rs in lakh).
O.	Whether 25% beneficiaries shares has been taken as an advance or state Govt. will arrange.
P.	Name and signature of Organization / Director, Animal Husbandry of the State with complete address

CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME

V (b)- GUIDELINES FOR ASSISTANCE FOR INTRODUCTION OF POWER DRIVEN CHAFFCUTTER:

1.	Name of the Component	Assistance for Introduction of Power Driven Chaff Cutter
2.	When started	April, 2010
3.	Objectives	(i) Reduce wastage of fodder by chopping and promote better utilization of fodder.
4.	Salient Features	Members of Milk Federation, ATMA/ KVKs and farmers having upto 10 or more livestock will be assisted under the scheme for purchases of the hand driven chaff cutters provided they have not availed earlier this type of benefit from Central Govt. Or State Govt./any other organization formed by the Govt.
5.	Pattern of financial assistance	Assistance under the scheme will be provided as 75% Central Govt. as one time grant out of the total cost of Rs. 20,000/- per unit or 75% cost of the chaff cutters, which ever is less. Balance 25% funds are to be met by the beneficiaries. Adequate number of woman, SC/ST beneficiaries may be covered. Balance 25% share to be met by the beneficiaries.
6.	Beneficiaries	Farmers and Members of Milk Cooperatives/ ATMA/ KVKs.
7.	Implementing agency	Milk Federation, Department of Animal Husbandry, KVKs/ATMA.

Annexure-V(b)-I

Proforma for Introduction of Power Driven Chaff cutters for submitting proposal

A.	Name of the Organization/Department/ implementing agency
B.	Location
	a) Address
	b) Telephone No.
	c) Telegraphic address
C.	Present requirement of green and dry fodder in the State
D.	Present availability of green and dry fodder in the State
E.	The details may be provided as per Annexure-V (a).
F.	Type of fodder available round the year in the area./ source of dry fodder for purchase
G.	Name of the supplies of chaff cutters
H.	Whether quotation collected for supply of chaffcutters at farmers door step.
I.	Type of chaff cutter (ISI mark) to be purchased.
J.	No. of chaff cutters to be purchased.
K.	Cost of each chaff cutter.
L.	Total cost of the chaff cutter to be purchased.
M.	Central share (Rs. in lakh)
N.	Beneficiaries share (Rs in lakh).
O.	Whether 25% beneficiaries shares has been taken as an advance or state Govt. will arrange.
P.	Name and signature of Organization / Director, Animal Husbandry of the State with complete address

CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME

VI- GUIDELINES FOR ASSISTANCE FOR ESTABLISHMENT OF SILAGE MAKING UNITS:

1.	Name of the Component	Assistance for Establishment of silage making Units
2.	When started	April, 2010
3.	Objectives	Establish silage-making units to preserve surplus fodder for feeding during lean periods.
4.	Salient Features	During the period of surplus supply of green fodder, farmers are to be encouraged to take up silage making to make the quality fodder available during lean (shortage) period of fodder.
5.	Pattern of financial assistance	100%Grant-in aid by the Central Government will be provided for Establishment of new silage making Unit @ Rs. 1.05 lakhs (Rs. 75000/- for construction work of trench silo pit and Rs. 30,000/- for purchase of power driver chaff cutter) per unit or the cost of the silo pit collected, whichever is lower.
6.	Beneficiaries	Members of Milk Federation, Farmers, ATMA/ KVKs
7.	Implementing agency	Milk Cooperatives, state Department of Animal Husbandry, ATMA/ KVKs.

**Proforma for establishment of Establishment of Silage Making unit for
submitting proposal**

A.	Name of the Organization/Department/ implementing agency:
B.	Location
	a) Address
	b) Telephone No.
	c) Telegraphic address
C.	Present requirement of green and dry fodder in the State
D.	Present availability of green and dry fodder in the State
E.	No of silo pits proposed.
F.	Total cost of the silo pits.
G.	Central share (Rs. in lakh).
H.	List of the farmers selected with complete details as per Annexure- VI.
I.	Whether estimates for each silo pit & chaff cutters cost has been given.
J.	Any other information pertaining to the project.
K.	Whether the purchase of power driven chaff cutters has been done as per ISI mark.
L.	Name and signature of Organization / Director, Animal Husbandry of the State with complete address

CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME

VII- GUIDELINES FOR ASSISTANCE FOR DEMONSTRATION OF
AZOLLA CULTIVATION AND PRODUCTION UNITS:

1.	Name of the Component	Assistance for Demonstration of Azolla Cultivation and Production Units
2.	When started	April, 2010
3.	Objectives	(i) Encourage production of Azolla as an alternate source of green fodder.
4.	Salient Features	To train the farmers for production of azolla, providing necessary material to the farmers for establishing of azolla production unit.
5.	Pattern of financial assistance	Assistance under the scheme will be provided as 50% Central Govt as one time grant to the extent out of total cost of Rs. 00.05 lakhs per unit or 50% cost of the azolla unit and training, which ever is lower. Balance 50% funds are to be met by the states/ implementing agencies. Suitable number of woman, SC/ST beneficiaries are to be covered.
6.	Beneficiaries	Farmers, Members of Milk Cooperatives KVKs, ATMA.
7.	Implementing agency	Milk Federation, KVKs, ATMA.

Proforma for submitting proposal under Centrally Sponsored Fodder and Feed Development Scheme - Demonstration of Azolla cultivation and production units

A.	Name of the Implementing agency/Organization/Department:
	a) Address:
	b) Telephone No.:
	c) Telegraphic address:
B.	Present status of requirement and availability of green and dry fodder in the State :
C.	No of trainings to be conducted.
D.	Total fund requirement for the training programme.
E.	Central share (Rs in lakh)
F.	State share (Rs in lakh)
G.	Name and signature of Organization / Director, Animal Husbandry of the State with complete address

CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME

VIII- GUIDELINES FOR ASSISTANCE FOR ESTABLISHMENT OF BY-PASS PROTEIN PRODUCTION UNITS:

1.	Name of the Component	Assistance for Establishment of By-Pass Protein Production Units
2.	When started	April, 2010
3.	Objectives	Production of by-pass protein for feeding high yielding dairy animals to make better use of available high quality meals and improve feed efficiency.
4.	Salient Features	To enhance the production of by-pass proteins to sustain the high yield livestock population. 25% subsidy is to be provided for purchase of plant and machinery for establishment By-Pass Protein Production unit. The scheme is to be implemented in the state of West Bengal, Madhya Pradesh, Uttar Pradesh, Punjab, Haryana, Kerala, Maharashtra, Andhra Pradesh, Karnataka and Tamil Nadu.
5.	Pattern of financial assistance	Grant-in aid (subsidy) by the Central Government will be provided @ Rs. 36.25 lakhs per unit out of the total project cost of Rs.145.00 lakh as per Annexure-VIII or 25% of the cost of the plant and machinery required for establishment of By-Pass Protein Production unit, which ever is lower. This is subject to viability of project certified by any Commercial/ Nationalized Bank/ NABARD.
6.	Beneficiaries	Milk Federation/ Private Entrepreneurs.
7.	Implementing agency	Milk Federation/ Private Entrepreneurs. However, the funds would be released through Animal Husbandry Department.

Annexure- VIII A**Economics of establishment of by-pass protein feed unit****A. Summary**

S.No.	Details	
1	Unit size	By-pass protein unit of 50 MT capacity per day
2	Unit Cost (Rs. lakh)	145.00
3	Margin (25%, Rs.lakh)	36.25
4	Capital subsidy* (25%, Rs.lakh)	35.00
5	Effective bank loan(Rs. lakh)	73.75
6	Repayment period	Repayable in 7 years with 3 years grace. Interest accrued in 1 st and 2 nd year shall be recovered from 2 nd year onward.
7	Interest (% pa)	12%
8	NPW @15% DF	16,803,526
9	BCR @ 15%DF	1.03:1
10	IRR (%)	40.23

* Subsidy on capital items only.

B. Details of Investment Cost

S.N o	Item	Cost(Rs)
1	Capital Cost	
2	Construction of shed and godown - 1000 sq.m. @ 2700 per sq.mt.	2,700,000
3	Cost of plant and machinery including installation	10,500,000
4	Electrical and other works	800,000
5	Margin on working capital	500,000
6	Total	14,500,000
7	Margin (25%)	3,625,000
8	Capital subsidy (25% on capital items)	3,500,000
9	Effective bank loan	7,375,000

C. Techno economic parameters

S.No	Item	Parameter
1	Production capacity per shift (MT)	17
2	Number of working days	300
	Construction and trial run in 1 year	
3	Number of shifts - 2 year	1
	- 3 year	2
	- 4 year onwards	3
4	Capacity utilization (%) - 2 year	60
	- 3 year	80
	- 4 year onwards	90
5	Cost of untreated protein meal (Rs. per MT)	12,000
6	Formaldehyde requirement per MT of feed (litres)	4.63
7	Cost of formaldehyde (Rs. Per litre)	25
8	Labour required per shift	10
9	Wages per shift per labourer (Rs)	120
10	Number of supervisors per shift	1
11	Supervisor salary (Rs per month)	15,000
12	Electricity requirement per shift (KWH)	600
13	Cost of electricity (Rs per KWH)	5
14	Number of bags required per shift	340
15	Cost per bag (Rs)	18
16	Selling and administrative expenses (% of sales)	1
17	Depreciation on civil works (%) per annum	5
18	Depreciation on plant and machinery (%) per annum	10
19	Interest on term loan and working capital (%) per annum	12
20	Treated meal sold (%) of production	98
21	Sale price of treated protein meal (Rs per MT)	13,600
22	Number of bags available for sale per shift	340
23	Sale price per bag (Rs)	10

D. Economics

	Item / Year	2 nd Year	3 rd Year	4th year onwards
A	Income			
1	Sale of by-pass protein meal	40,786,400	108,759,200	183,532,000
	Sale of used bags	612,000	1,632,000	2,754,000
	Total	41,398,400	110,391,200	186,286,000
B	Expenditure			
1	Cost of untreated protein meal	36,720,000	97,920,000	165,240,000
2	Cost of formaldehyde	353,813	943,500	1,592,156
3	Wages	216,000	576,000	972,000
4	Salary	180,000	360,000	540,000
5	Electricity	540,000	1,440,000	2,430,000
6	HDPE bags	1,101,600	2,937,600	4,957,200
7	Selling and admn. expenses	407,864	1,087,592	1,835,320
8	Interest on working capital	265,200	705,600	1,189,200
	Total	39,784,477	105,970,292	178,755,876
C	Surplus	1,001,923	2,788,908	4,776,124

Note: Construction and trial run in 1 year

E, Working Capital limit availed - one month of working capital requirements

Year	2 nd year	3 rd year	4th year onwards
	2,210,000	5,880,000	9,910,000

F. Repayment Schedule:

Effective Bank Loan: Rs 73.75 lakh

Interest: 12% per annum

Repayment period: Repayable in 7 years with 3 years grace. Interest accrued in 1 and 2 year shall be recovered from 2 year onwards

(in Rs)

Year	Gross surplus	Loan O/S	Effective loan O/S	Interest O/S	Repayment		Total outgo	Net surplus
					Principal	Interest		
1		10,875,000	7,375,000	885,000				
2	1,001,923	10,875,000	7,375,000	1,770,000		500,000	500,000	501,923
3	2,788,908	10,875,000	7,375,000	2,155,000		2,155,000	2,155,000	633,908
4	4,776,124	10,375,000	7,375,000		2,000,000	885,000	2,885,000	1,891,124
5	4,776,124	8,375,000	5,375,000		2,000,000	645,000	2,645,000	2,131,124
6	4,776,124	6,375,000	3,375,000		2,000,000	405,000	2,405,000	2,371,124
7	4,776,124	4,375,000	1,375,000		1,375,000	165,000	1,540,000	3,236,124

OS-outstanding

Note: Capital subsidy of Rs 3,500,000 will be adjusted at the end of 7 years.

**Proforma for establishment of Establishment of By-Pass Protein
Production unit for submitting proposal**

A.	Name of the Organization/Department want to establish the project:
B.	Location of the Project:
	a) Address
	b) Telephone No.
	c) Telegraphic address
E.	Requirement and Availability of concentrate in the state:
F.	Type of concentrate available round the year in the area:
G.	Total requirement of concentrate the year for running the viably.
H.	Storage facilities available with the Agency, establishing the By-Pass Protein Production unit.
I.	Method of making By-Pass Protein:
J.	Whether International/ National standards has been taken care while, making project proposal.
K.	Type of concentrate to be used for production of by- pass protein:
L.	Scope for disposal of.
M.	Any other information pertaining to the project.
N.	Whether the project has been appraised by any commercial bank for economical viability of the project? Give details:
O.	Whether State/Organization/ individual contributing towards the state share of 75% of project proposal.
P.	Whether land of the project is owned by Entrepreneurs or state Govt.
Q.	Name and signature of Organization / Director, Animal Husbandry of the State with complete address

CENTRALLY SPONSORED FODDER AND FEED DEVELOPMENT SCHEME

IX-GUIDELINES FOR ASSISTANCE FOR ESTABLISHMENT OF AREA
SPECIFIC MINERAL MIXTURE / FEED PELLETING/ FEED
MANUFACTURING UNIT:

1.	Name of the Component	Assistance for Establishment of Area Specific Mineral Mixture / Feed Pelleting/ Feed Manufacturing Unit
2.	When started	April, 2010
3.	Objectives	(i) To enhance availability of feed and area specific mineral mixture for feeding livestock for improving their productivity and health.
4.	Salient Features	By encouraging production of feed and area specific mineral mixture, the existing gap between availability of feed and mineral mixture could be narrowed down. However, this assistance will be provided to only those units having bankable projects appraised for their viability by NABARD or any other Nationalized Bank.
5.	Pattern of financial assistance	Grant-in aid (subsidy) by the Central Government will be provided @ Rs. 25.00 lakhs per unit or 25% of the cost of the plant and machinery required for establishment of mineral mixture/ feed pelleting/ feed manufacturing unit/ plant, whichever is lower. Smaller models will also be supported under the scheme.
6.	Implementing agency	Area Specific Mineral Mixture / Feed Pelleting/ Feed Manufacturing Unit under Public or Private entrepreneurship. However, the funds would be released through state Govt.

**Proforma for establishment Centrally Sponsored Fodder and Feed
Development Scheme-of Area Specific Mineral Mixture/ Feed
Pelleting/ Feed manufacturing Unit**

A.	Name of the Organization/Department
B.	Location
	a) Address
	b) Telephone No.
	c) Telegraphic address
C.	Present requirement and availability of feed/ mineral mixture in the state.
D.	Availability of raw material in the area where establishment of plant is to be done.
E.	Total area available for establishment of plant.
F.	Owner of the land where plant is to be established.
G.	Whether permission from local body is required for such plants.
H.	Whether storage facilities available with the Agency.
I.	Method of making area specific Mineral Mixture/ Feed Pelleting/Feed manufacturing Unit.
J.	Constituent/ingredients of Feed, Feed Pelleting unit or Mineral Mixture to be produced.
K.	Scope for disposal of feed, feed pellets, mineral mixture.
L.	Any other information pertaining to the project.
M.	Whether the project has been appraised by any commercial bank for economical viability of the project? Give details.
N.	Whether Organization/ individual is contributing towards the state share of 75% of project proposal, details may be provided.
O.	Name and signature of Organization / Director, Animal Husbandry of the State with complete address

Annexure-X

Details of the beneficiaries for supply of Hand Driven Chaff Cutters:

Name of the farmer	No of livestock held by the farmer	Quantity of fodder to be chaffed daily	Whether undertaking taken from farmer that he will not made any claim towards physical harm due to chaff cutter provided by the Govt.	Whether farmers has given undertaking for making 25% payment of cost of chaff cutter	Whether farmer has availed this type of assistance for State/ any other body please give details.	Whether undertaking taken from the farmers that hence for they will feed the chaffed fodder livestock.	Whether the same farmer has availed the benefit under the other component of the scheme.
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Annexure-X (a)

Details of the beneficiaries for supply of Power Driven Chaff Cutters:

Name of the farmer	No of livestock held by the farmer	Quantity of fodder to be chaffed daily	Whether undertaking taken from farmer that he will not made any claim towards physical harm due to chaff cutter provided by the Govt.	Whether farmers has given undertaking for making 25% payment of cost of chaff cutter	Whether farmer has availed this type of assistance for State/ any other body please give details.	Whether undertaking taken from the farmers that hence for they will feed the chaffed fodder livestock.	Whether the same farmer has availed the benefit under the other component of the scheme.

ANNEXURE XI

Annexure XII

Components wise pattern of financial assistance of the scheme

S. No	Name of Modified Components/ New Components	Pattern of Financial Assistance
I		
1	Establishment of Fodder Block Making Unit	50:50
2	Grassland Development including Grass Reserves	100:00
3	Fodder Seed Procurement and Distribution	75:25
4	Strengthening of Feed Testing Laboratories	50:50
5		
a	Introduction of hand driven chaff cutter	75:25
b	Introduction of power driven chaff cutter	75:25
6	Establishment of silage making Units	100:00
7	Demonstration of Azolla cultivation and production units	50:50
8	Establishment of by-pass protein production units	25:75
9	Establishment of Area Specific Mineral Mixture / Feed Pelleting / Feed manufacturing unit	25:75

