

F. No.4-9/2021-DP (E-19690)
Government of India
Ministry of Fisheries, Animal Husbandry and Dairying
Department of Animal Husbandry and Dairying

Krishi Bhawan, New Delhi
Dated: 3rd August 2021

Subject: Administrative approval for implementation of Central Sector Scheme "National Programme for Dairy Development" from 2021-22

The undersigned is directed to convey the Administrative Approval towards implementation of restructured Central Sector Scheme "National Programme for Dairy Development (NPDD)" with an allocation of Rs 1790.00 crore from 2021-22 to 2025-26.

2. National Programme for Dairy Development (NPDD) aims to enhance quality of milk and milk products and increase share of organised procurement, processing, value addition and marketing. This scheme has two (2) components:-

(i) The **Component 'A'** focuses towards creating/strengthening of infrastructure for quality milk testing equipment as well as primary chilling facilities for State Cooperative Dairy Federations/ District Cooperative Milk Producers' Union/SHG run private dairy/Milk Producer Companies/Farmer Producer Organisations.

The committed liabilities of ongoing NPDD scheme approved till 31.03.2021 shall be met under the revised scheme during first two years i.e. 2021-22 & 2022-23 as per administrative approval issued at the time of approval of respective projects.

(ii) The **Component 'B'** provides financial assistance from Japan International Cooperation Agency (JICA) as per project agreement already signed with them. The central Government share in this project is proposed to be funded through NPDD.

2. A copy of the operational guidelines of NPDD (Component A & B) and brief description of activities to be taken up is **enclosed** herewith. The proposal may be prepared by furnishing requisite information as per prescribed factsheet and Annexure of the guideline. The project proposal of SIA duly recommended by State Government/SLTMC should be submitted to DAHD for consideration.

3. Implementation Mechanism:

3.1 At the apex level, there will be a Central Project Steering Committee (CPSC), headed by Secretary (AHD), GoI, which will provide policy and strategic support to the project, monitor the progress of approved projects of NPDD, consider annual action plans, give policy directions and shall have the authority to re-appropriate component-wise fund requirement in approved programmes, change the eligibility conditions and other terms and conditions of the agreements between stakeholders, implementation

arrangement and can change the composition of committees viz. CPSC and PSC.

3.2 Project Sanctioning Committee (PSC) headed by Secretary AHD, GoI will have the authority to sanction projects after appraisal by Dairy division of DAHD. PSC will have power for re-appropriation of funds within the components/within the approved sub projects, change norms and change unit cost of items of the project. PSC will be responsible for consideration of proposals received from/recommended by SLTMC.

3.3 At the State level, there will be a State Level Technical Management Committee (SLTMC), which will be headed by Additional Chief Secretary/Principal Secretary/Secretary/Commissioner of the State, comprising representative of DAHD, SRLM, State Dairy Federation and NDDDB as members for effective implementation and to have synergy among the similar dairy development programmes implemented in the State. SLTMC must ensure that there is no duplication of activities and project area in the States.

4. Participating States/State Implementing Agencies will submit quarterly progress reports (QPR), annual report, audit reports etc along with utilization certificate dully signed by Administrative Secretary of the concerned Department of the State Government in the prescribed formats. In case of release of last instalment under the project, consolidated utilization certificate, Quarterly progress Report, audit expenditure statement may be submitted. State Level Technical Monitoring Committee (SLTMC) meetings shall be held regularly to review the progress of project under intimation to this Department. The funds released under the project will be subjected to AG Audit of the concerned State.

5. This issues with the approval of Secretary (AHD) vide Note#16 diary No.E-19690 dated 29.07.2021.

Yours faithfully,

Encl.: a/a



(Deepak Sethi)

Under Secretary to the Government of India

DEEPAK SETHI
Under Secretary
DAHD

Distribution:

1. Principal Secretary/Secretary, Department of Animal Husbandry/Dairy Development, All States and UT's
2. Advisor (PAMD), NITI Ayog, Agriculture Division, Yojana Bhawan, New Delhi
3. Chairman, National Dairy Development Board, Anand, Gujarat
4. Managing Director, Milk Federation, All States
5. Director, National Dairy Research Institute, Karnal, Haryana- 132001
6. Principal Accounts Officer, Ministry of Fisheries, Animal Husbandry & Dairying, Department of Animal Husbandry and Dairying, Jeevan Tara Building, Parliament Street, New Delhi-110001.

7. Chief Controller of Accounts Department of Animal Husbandry and Dairying, Krishi Bhawan, New Delhi-110001.
8. The Accountant General, Commerce, Works and Miscellaneous, AGCR Building, Near ITO, New Delhi-110 002.
9. Deputy Director General (Animal Sciences), ICAR, Krishi, Krishi Bhawan, New Delhi
10. Chief Representative, JICA India Office, Japan International Cooperation Agency (JICA), 16th Floor, Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi - 110 001, India
11. Director, National Rural Livelihoods Mission (NRLM), Ministry of Rural Development, Krishi Bhawan, New Delhi

Copy for kind information to:

1. PS to Hon'ble Minister, FAHD
2. PS to Hon'ble MOS (SKB), FAHD
3. PS to Hon'ble MOS (LM), FAHD
4. Sr.PPS to Secretary (AHD)
5. PPS to AHC
6. PPS to AS &FA
7. PS to JS(C&DD)/Dir (Budget)/DC(CS)/AC(DS)
8. US (Fin)/Guard File



Government of India

Department of Animal Husbandry and Dairying

(Ministry of Fisheries, Animal Husbandry and Dairying)

Operational Guidelines

of

National Programme for Dairy Development

July 2021

OPERATIONAL GUIDELINES FOR IMPLEMENTATION OF NATIONAL PROGRAMME FOR DAIRY DEVELOPMENT (NPDD)

National Programme for Dairy Development (NPDD) aims to enhance quality of milk and milk products and increase share of organised procurement, processing, value addition and marketing. This scheme has two (2) components.

1.1 The **Component 'A'** focuses towards creating/strengthening of infrastructure for quality milk testing equipment as well as primary chilling facilities for State Cooperative Dairy Federations/ District Cooperative Milk Producers' Union/SHG run private dairy/Milk Producer Companies/Farmer Producer Organisations

1.2 The **Component 'B'** provides financial assistance from Japan International Cooperation Agency (JICA) as per project agreement already signed with them. The central Government share in this project is proposed to be funded through NPDD.

1.3 The operational guidelines of Component 'A' and 'B' are given at **Appendix-I & II** respectively.

COMPONENT A

2. AREA OF OPERATION:

2.1 Component A will be implemented throughout the country.

2.2 Component A will finance all components in States where Component B- Dairying through Cooperatives (DTC) under JICA assistance is not implemented.

2.3 In the case of States covered under Component B- DTC under JICA assistance, namely, Bihar and Uttar Pradesh, any addition of state shall be in compliance to the loan agreement between Government of India and Government of Japan. The Component A will cover those components that are not covered by DTC under JICA assistance.

3. DURATION OF THE PROJECT:

National Programme for Dairy Development (NPDD) will be implemented throughout the country from 2021-22 to 2025-26 and will continue till 2027-28.

The committed liabilities of ongoing NPDD scheme approved till 31.03.2021 shall be met under the revised scheme during first two years i.e. 2021-22 & 2022-23 as per administrative approval issued at the time of approval of respective projects. Further, the committed liability to be created under above sub-schemes during the implementation period from 2021-22 to 2025-26, will be met through budgetary support during next two years i.e. 2026-27 & 2027-28.

4. OBJECTIVE

- a) To create and strengthen infrastructure for quality milk including cold chain infrastructure linking the farmer to the consumer;
- b) To provide training to dairy farmers for clean milk production;
- c) To create awareness on Quality & Clean Milk Production;
- d) To support research and development on Quality milk and milk products

5 INSTITUTIONAL ARRANGEMENT, IMPLEMENTING AGENCIES AND PROCESS FLOW CHARTS

NPDD	Component A		
	Cooperative Sector	SHG run private dairy (registered under NRLM/SRLM)	MPC and FPOs

NPDD	Component A		
	Cooperative Sector	SHG run private dairy (registered under NRLM/SRLM)	MPC and FPOs
Recommending authority (for submission of proposals)	State Level Technical Management Committee/ Additional Chief Secretary/Principal Secretary/Secretary/Commissioner of the State (Dairy Development & Animal Husbandry Department) – Shall screen and recommend proposals to avoid duplication.		
State Implementing Agencies	All State Dairy Federations in States where Milk Federation is operating. For States where there is no State Level Milk Federation, Cooperative Milk Union covering major area of operation shall be the State Implementing Agency	State Rural Livelihood Mission (SRLM), a registered society established by respective Department of Rural Development in States	National Dairy Development Board through State/Regional offices
End implementing Agencies	All State Dairy Federations and their constituent District/Taluka Level Milk Unions and farmer producer organisations, Government dairy/other registered Cooperative Unions (like dairy cooperatives registered under Multi State Coop. Act and Mutually Aided Cooperative Society Act etc.).	District Rural Development Authorities (DRDAs) operating at district level	Milk Producer Companies/ Farmer Producer organisations

NPDD	Component A		
	Cooperative Sector	SHG run private dairy (registered under NRLM/SRLM)	MPC and FPOs
Village level Participating Agencies	All dairy cooperative societies and other agencies associated or affiliated to above SIAs or EIAs like village level NGOs, SHGs, Universities, Colleges, ICAR Institutes etc.	All dairy processors and their feeder milk collection/cooling/chilling centres shall be eligible to receive assistance subject to the norms of the scheme	Milk Producer Institutions (MPIs)

5.1 Cooperative Sector:

State Dairy Federations for States viz Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Nagaland, Orissa, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand, West Bengal; and Milk Unions in remaining States and UTs will be the State Implementing Agency and shall be responsible for implementation of the approved projects. However, above SIAs may make necessary arrangement to ensure implementation of specific activities under approved projects through concerned End Implementing Agencies (EIAs) operating at district/taluka level.

In case of Government dairy/other registered Cooperative Unions (like dairy cooperatives registered under Multi State Coop. Act and Mutually Aided Cooperative Society Act etc.), not affiliated/recognized by SIAs may directly forward their proposal through State Level Technical Management Committee (SLTMC) under the programme. However, central assistance for admissible components in such cases shall be released to the concerned State Implementing Agencies directly by GoI.

5.2 SHG run private dairy (registered under NRLM/SRLM)

State Rural Livelihood Mission (SRLM), a registered society established by respective Department of Rural Development in States will be the State Implementing Agency and District Rural Development Authorities (DRDAs) operating at district level shall be the End Implementing Agency for SHG run private dairies. Government of India shall release financial assistance to respective SRLM, which in turn will release fund to District Level Rural Development authorities in respect of approved projects for SHG run private

dairies.

5.3 Village level Participating Agencies (VPAs):

5.3.1 In Cooperative Dairy Sector, all dairy cooperative societies and other agencies associated or affiliated to above SIAs or EIAs like NGOs, SHGs, village level affiliated agencies of Universities, Colleges and ICAR institutions etc. shall be eligible to participate and receive assistance under the scheme.

5.3.2 In SHG run private dairy, all dairy processors and their feeder milk collection/cooling/ chilling centres shall be eligible to receive assistance subject to the norms of the scheme

6. ACTIVITY COMPONENTS TO BE FUNDED

The list of the activities which will be funded under NPDD are as follows:

6.1 Milk Chilling facilities (including BMC) at primary level

6.1.1 Civil Work

6.1.2 Equipment for Bulk Milk Coolers & Accessories

6.2 Establishment of milk testing laboratories

6.2.1 At DCS/Village Level Laboratories/ at Bulk Milk Cooler (BMC) centers/At District Level Laboratories/At State Level Laboratories including purchase of laboratory equipments as per FSS Act/Codex

6.2.2 Purchase of laboratory equipments (for chemical/ microbial (for district/union/state level) analysis of milk and milk products)

6.2.3 Purchase of laboratory furniture

6.2.4 System for quality assurance (HACCP/ISO) including equipment/computer hardware and software etc

6.3 Certification and accreditation

6.3.1 Certification for ISO/HACCP/Quality Mark etc.

6.3.2 Certifications as per Food Safety and Standards Regulation 2011

6.4 Information and Communication Technology Networking

Strengthening of all the cooperative dairies 30 TLPD and above in cooperative sector with the software systems like block chain, SAP, ERP for developing traceability, quality network etc.

6.5 Training & Farmer Awareness Programme

Under the training component of the scheme, focus will be on the following:-

6.5.1 Training of farmers in good hygienic practices/ good manufacturing practices

6.5.2 Training of Dairy Personnel/milk tester (including Plant and Marketing staff)

6.5.3 Training on Quality management systems.

6.5.4 Training of DCS staff/ BMC/ chilling centre/ AMCU/ DPMCU on operations and quality management

6.6 Planning and Monitoring

Under the planning and monitoring components, 2% (maximum) will be earmarked to meet the cost of preparation of project proposal, monitoring including field level inspections, review meetings, documentations (success stories, outcomes, concurrent evaluations, impact evaluation etc.).

6.7 Research & Development

6.7.1 Assistance to dairies of 1 Lakh Litre capacity and above

6.7.2 For development on new products, process automation, cost effective technology in processing, bio-degradable packaging technology, A2-Milk route scheduling, traceability system development, milk situation for casting model, resource management including innovators and start-ups so that new innovation and research come up the sector.

7. FUNDING PATTERN AND FUND FLOW:

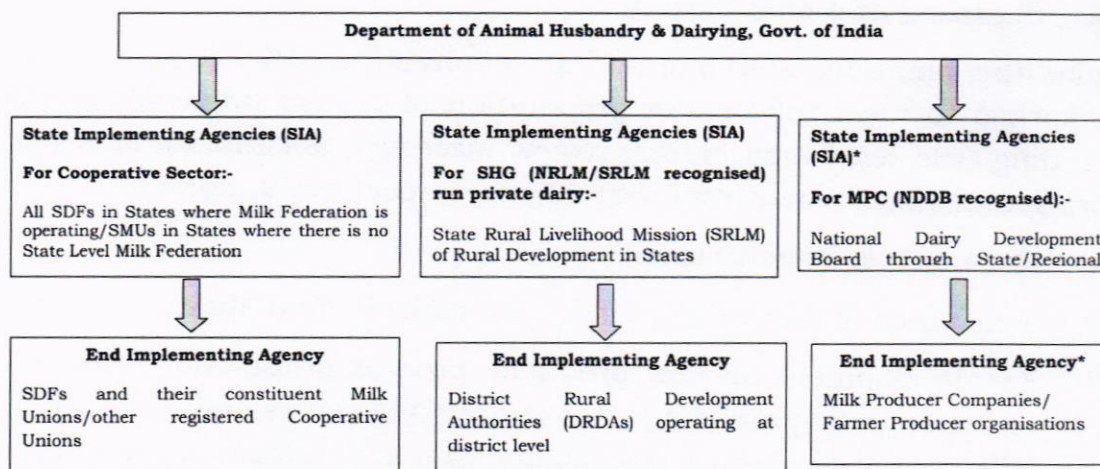
7.1 FUNDING PATTERN

- a) 60:40 cost sharing basis between GOI and State/State Implementing Agency (SIA)/End Implementing Agency(EIA)
- b) 90:10 cost sharing basis between GOI and State/SIA/EIA for NER States and Hilly States.
- c) The Central assistance for UTs will be 100%.
- d) In case of SIAs/EIAs, wherever applicable, is unable to provide its matching share, the concern SIA/EIA may source its matching share from State Government or any other loaning agency subject to fulfillment of the norms of the concerned assisting/loaning organizations. Such loaning organisations/institutions include State Government, NCDC, and Commercial banks etc.
- e) As regard funding support for Research & Development, ICT networking, training, awareness and planning & monitoring the assistance would be 100%.

7.2 FUND FLOW of Component-A of NPDD:

Under Component A of NPDD scheme instead of one State Nodal Agency, there will be three State Implementing Agencies for three different End Implementing Agencies. DAHD will release the fund to these SIAs based on the project approved by PSC and subsequent progress reported by State/SIA.

Fund Flow - Component A (Flow Chart)



State Nodal Agency-State Milk Federation/Unions for Cooperatives, SRLM for SHG run private dairies and State/Regional Office of NDDB for MPC/FPOs

8. IMPLEMENTATION MECHANISM

8.1 Central Project Steering Committee (CPSC)-

At the apex level, there will be a Central Project Steering Committee (CPSC), headed by Secretary (AHD), GoI, which will provide policy and strategic support to the project, monitor the progress of approved projects of NPDD, consider annual action plans, give policy directions and shall have the authority to re-appropriate component-wise fund requirement in approved programmes, change the eligibility conditions and other terms and conditions of the agreements between stakeholders, implementation arrangement and can change the composition of committees viz CPSC and PSC.

Secretary, DAHD	Chairperson
Financial Advisor, DAHD	Member
Animal Husbandry Commissioner, DAHD	Member
Deputy Director General (Animal Sciences), ICAR	Member
Principal Secretary/ Secretary, Department of Animal Husbandry and Dairy of States (one each from North, South, East and West)	Member
MDs of State Dairy Federations (one each from North, South, East and West)	Member
Chairman, NDDB or his nominee	Member
Managing Director/ Executive Director, NDDB	Member
Group Head (FPS), NDDB	Member
Director NDRI Karnal	Member
NRLM-Representative	Member
Representative from JICA as an observer	Member
Joint Secretary (CDD), DAHD	Member Secretary

8.2 Project Sanctioning Committee (PSC)

Project Sanctioning Committee (PSC) will be headed by Secretary AHD, GoI and will have the authority to sanction projects after appraisal by Dairy division of DAHD. PSC will have power for re-appropriation of funds within the components/within the approved sub projects, change norms and change unit cost of items of the project. PSC will be responsible for consideration of proposals received from/recommended by SLTMC. The PSC will meet quarterly or as frequently as necessary to ensure that proposals received through SLTMC are considered without unreasonable delay. The composition of PSC will be as under:

- I. Secretary, AHD, GoI –Chairman of the Committee
- II. Financial Advisor, DAHD
- III. Joint Secretary (Dairy Development), DAHD
- IV. Chairman, NDDB or his nominee not below the rank of Executive Director (ED)
- V. Executive Director / Group Head (FPS), NDDB
- VI. A representative from the concerned State Government and the State Dairy Federation would be an invitee while discussing the proposals pertaining to that particular state.
- VII. Representative from ICAR
- VIII. Representative from Rural Development
- IX. Representative from NRLM/concerned SRLM
- X. Deputy Commissioner (DD) / Assistant Commissioner(DD) , GoI – Member Convener

8.3 Programme Coordination Management Cell (PCMC)

A Programme Coordination Management Cell (PCMC) shall be created to provide Secretariat support to CPSC and PSC. Dairy Division (support by PCMC & PMA) will be responsible for analysis and timely placement of project proposals to PSC as well as for providing inputs to CPSC for successful implementation of the scheme as per the project objectives and deliverables.

8.4 State Level Technical Management Committee (SLTMC)

At the State level, there will be a State Level Technical Management Committee (SLTMC), which will be headed by Additional Chief Secretary/Principal Secretary/Secretary/Commissioner of the State, comprising representative of DAHD, SRLM, State Dairy Federation and NDDB as members for effective implementation and to have synergy among the similar dairy development programmes implemented in the State. SLTMC shall oversee state-level monitoring of the projects, the land

availability for village level institutions like, primary dairy societies and primary level cold chain infrastructure statutory requirements, co-ordination among SIAs/EIAs, policy support etc. SLTMC must ensure that there is no duplication of activities and project area in the States. The composition of SLTMC will be as follows:

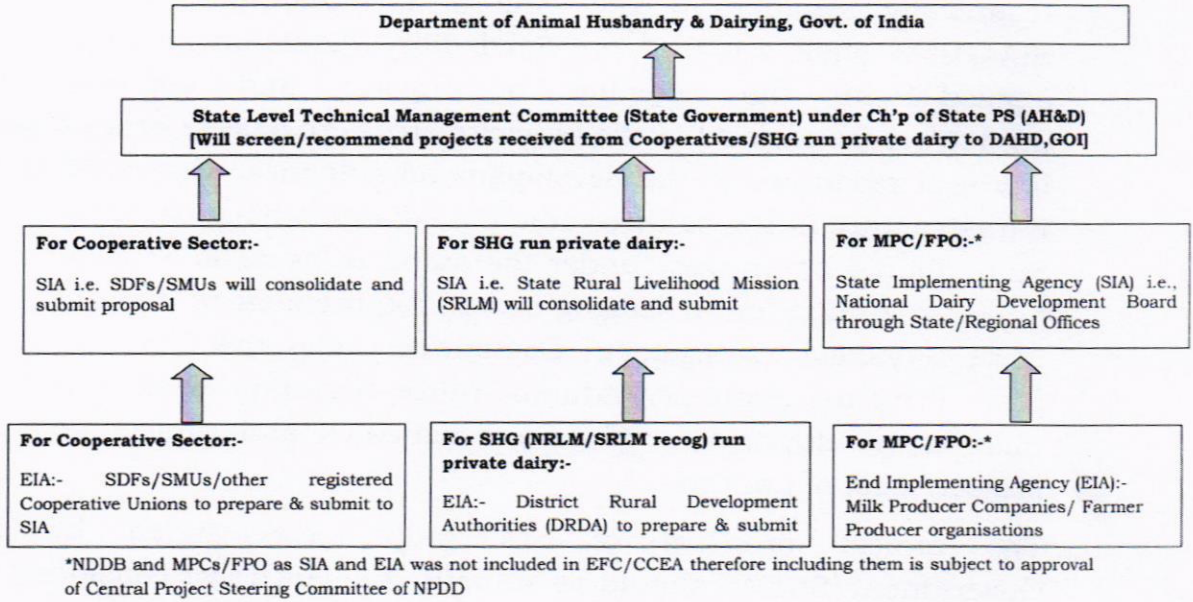
- i. Additional Chief Secretary/ Principal Secretary/Secretary/Commissioner of DADF of the State Government – Chairman of the Committee
- ii. Representatives from Dairy Development/ Animal Husbandry Department of the State Government.
- iii. Representatives from Department of Animal Husbandry and Dairying, Government of India.
- iv. Representative from Department of Finance and Planning of the State Government
- v. District Magistrate of Scheme Districts or his representative.
- vi. CEO, State Livestock Board
- vii. Representative of SRLM
- viii. Managing Director, State Dairy Federation/Milk Producer Company – Member convener (for projects under Component A)
- ix. Representative of NDDDB (nominated by Chairman, NDDDB), Member convener (for projects under Component B)

9. PROJECT PREPARATION AND SUBMISSION OF PROPOSAL

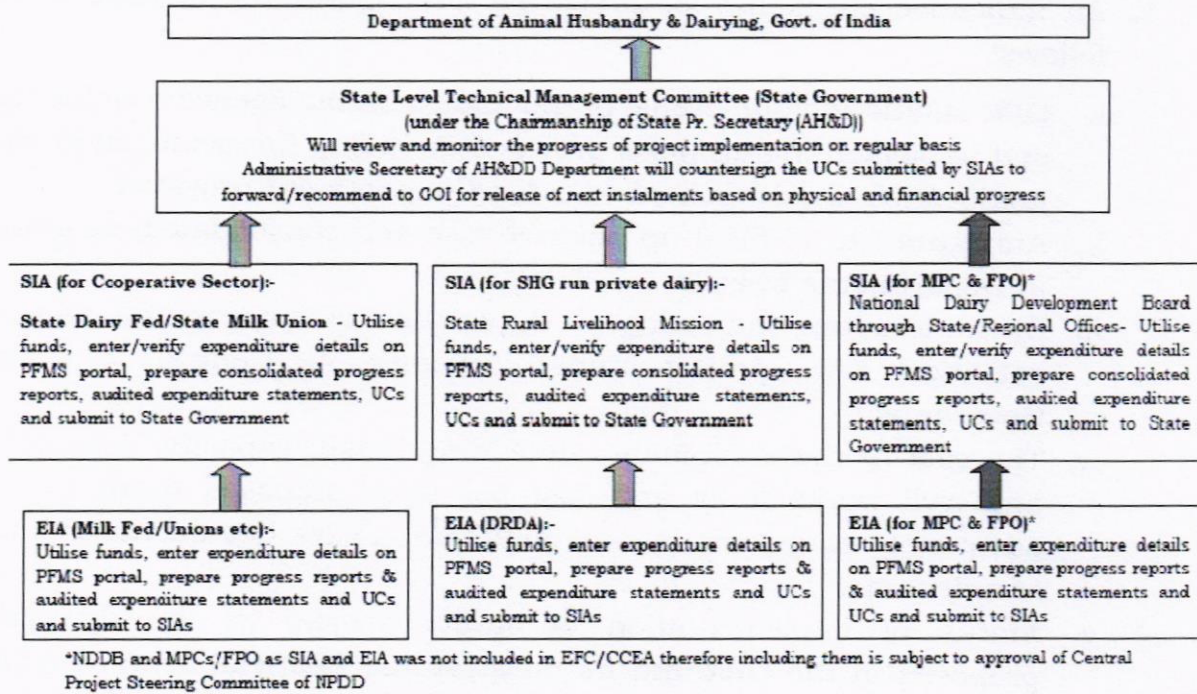
- a. A Situation Analysis shall be undertaken and shall include: a) Pre project Base line Survey by an independent Agency; b) funding under earlier programmes, c) role and capabilities of different players ; and d) area of operation etc.
- b. The Project/subproject Proposals under NPDD shall ensure optimal resource utilization and shall discourage avoidable expenditure and duplication/ overlap of activities.
- c. Special efforts must be made to re-commission idle equipment and equipment that is damaged but repairable. Proposal for fresh procurement shall be made only after making a realistic need assessment.
- d. The proposal may be prepared by furnishing requisite information as per prescribed factsheet and Annexure of the guideline. Guideline/ procedure for preparing a new project proposal along with prescribed annexure I to VI is **enclosed**.

- e. The project proposals are to be planned to envisage dairy development in two to three adjoining districts comprehensively to make it technically feasible. At the time of formulating a proposal, the SIAs/EIAs shall see that projected dairy development activities are aligned with the activities of ongoing and approved dairy infrastructure projects in the project districts to ensure best utilisation of project resources in the developmental activities. The existing dairy infrastructure in two to three adjoining districts lying unutilised in the State should be brought under the ambit of baseline analysis during project planning for envisaging overall requirement of the State. State Level Technical Management Committee under the Chairmanship of State Principal Secretary/Administrative Secretary shall ensure that there is no duplication of project activities and project area in a project/a set of projects.
- f. The project proposal of SIA duly recommended by State Government/SLTMC should be submitted to DAHD for consideration.
- g. Soft copy of the Detailed Project Report should be submitted to DAHD timely, for appraisal and approval by the Project Sanctioning Committee.
- h. An indicative check list for preparing DPR under the scheme is as follows:-
 - i. DPR should include profile of the implementing agencies including end implementing agencies provided including financial condition, justification on component wise fund requirement provided.
 - ii. Annexure-I to VI filled up (district-wise and consolidated) as given in Departments website
 - iii. An undertaking indicating no duplication of funding and project activities with project under schemes of Central / State Government
 - iv. The cost of the equipments (including make, capacity, year etc.) and civil works (area and cost per unit) proposed needs to be adequately supported by the quotation/tender documents/copies of orders etc.
 - v. Status of implementation of earlier project in the district's proposed in the DPR and its physical and financial achievements against target along with closure reports and UCs.
 - vi. Balance sheet and Profit & Loss a/c for the year last financial year clearly indicating net and accumulated profit and loss.
 - vii. Implementing agency has mapped all the EIAs in the PFMS for implementation of the scheme
 - viii. Copy of FSSAI, ISO, HACCP etc certification of dairy plant

Project Preparation and Submission - Component A (Flow Chart)



UC Submission - Component A (Flow Chart)



10. Submission of Information:

SIA shall submit following information on Quarterly basis to DAHD (at the end of March, June, September & December):

i) State-wise, Project-wise and component-wise progress report indicating total outlay, Grant assistance, SIA/EIA contribution, fund released to EIAs, fund utilized by EIAs, unspent balance etc.

ii) Physical progress vis-à-vis approved physical parameters. Status of installation of BMC/Laboratory equipments etc.

iii). Audited utilization certificate (duly authenticated by registered auditor and also countersigned by Administrative Secretary/Chairman of the State Level Technical Management Committee of concerned State Animal Husbandry and Dairying Department.

iv) Audited report of expenditure vis-à-vis approved components/sub-components/items etc.

vi) SC/ST/Women population covered under the project.

11. Ranking of States (Credit Ranking)

The project execution and implementation performance of States will be reviewed through State Level Technical Management Committee (SLTMC) meetings. Accordingly, States will be ranked based on their performance. The ranking may be deemed as credit ranking which will help States to apprise and seek subsequent financial assistance under projects on priority under the scheme.

12. Project Monitoring Agency (PMA)

For the purpose of overall monitoring of the approved projects/sub-projects under dairy development schemes through online project monitoring portal, PMA shall be put in place who shall be responsible to develop a Management Information System (MIS).

Functions of PMA:

- I. Monitoring of dairy projects as per approved project schedule
- II. Maintenance of MIS to provide all inputs for policy intervention and strategy finalisation by DAHD.
- III. Prepare financial/physical progress reports of various schemes on periodical basis as well as when required.

13. Project completion report:

On completion of project, the State Government would review the achievements made under the project vis-s-vis targets and would submit a project completion report indicating its achievements, setbacks etc alongwith a consolidated utilisation certificate (audited) and consolidated audited statement of expenditure, audited balance sheet of SIA/EIA/PIA etc.

FACT SHEET- NATIONAL PROGRAMME FOR DAIRY**DEVELOPMENT****STATE :****1.0 PROJECT SYNOPSIS**

- 1.1 Total Estimated Cost(Rs in Lakhs)
 1.2 Duration of Project
 1.3 District Covered
 Name of the State Implementing
 1.4 Agency

2.0 ITEMS		BASE YEAR		EOP TARGETS	
Monitoring Parameters					
2.1	DCS Organised				
2.2	DCS Functional				
2.3	Farmers Members (000)				
2.4	Chilling Capacity (TLPD)				
2.4.1	Chilling Plant Capacity				
2.4.2	Bulk Milk Coolers				
2.5	Dairy Plant Capacity (TLPD)				
2.6	Daily Average Milk Procurement(TKgPD)				
2.7	Daily Average Milk Marketing(TKgPD)				

3.0 OUTLAY DETAILS		Amount In Lakhs				
ITEMS		CAPITAL	RECURRING	TOTAL		
3.1	Milk chilling facilities					
3.2	Milk Testing Laboratories					
3.3	Certification and Accreditation					
3.4	Information and Communication Technology Networking					
3.5	Training					
3.6	Awareness					
3.7	Planning and Monitoring					
3.8	Research and Development					
Grand Total						
4.0 Financial Requirement		Amount In Lakh				
		Year wise phasing of Expenditure				
		1st year	2nd year	3rd year	Total	
5.0	LOCATION OF EXISTING / PROPOSED BULK MILK COOLERS WITH CAPACITY					
6.0	LOCATION OF EXISTING / PROPOSED AMCU/DPMCU/EMAT					

7.0	LOCATION OF EXISTING / PROPOSED DAIRY PLANT LABS	
8.0	Unspent Balance as on 1st April of the current year:	
9.0	Utilisation Certificate as on 31st March of the current year:	

TLPD:----> THOUSAND LITRES PER DAY
TKgPD:-----> THOUSAND kg. PER DAY

ANNEXURE-II

NATIONAL PROGRAMME FOR DAIRY DEVELOPMENT

ESTIMATES OF MILK PRODUCTION IN THE DISTRICT IDENTIFIED FOR DAIRY DEVELOPMENT PROJECT					
(YEAR -----)					
NAME OF DISTRICTS.....					
S.NO.	PARTICULARS				
1.0	NO. OF MILCH ANIMALS				
1.1	Cows				
1.2	Buffaloes				
2.0	MILK YIELD(HERD AVERAGE)				
2.1	Cows(Liters/day)				
2.2	Buffaloes(Liters/day)				
3.0	AVERAGE LACTATION LENGTH(DAYS)				
3.1	Cows				
3.2	Buffaloes				
4.0	AVERAGE DRY PERIOD(DAYS)				
4.1	Cows				
4.2	Buffaloes				
5.0	DAILY MILK PRODUCTION(MT)				
5.1	Cows				
5.2	Buffaloes				
5.3	Total				
6.0	ANNUAL MILK PRODUCTION(MT)				
6.1	COWS				
6.2	BUFFALOES				
6.3	TOTAL				

ANNEXURE-III

NATIONAL PROGRAMME FOR DAIRY DEVELOPMENT

Key Physical Targets and Monitoring Parameters of the Project

S.NO.	PARTICULARS	BASE YEAR	YEARS OF OPERATION		
			1st	2nd	3rd (EOP)
1.0	KEY PHYSICAL TARGETS				
1.1	NUMBER OF FUNCTIONAL DCS *				
1.2	PRODUCERS MEMBERS(000) *				
1.3	CHILLING CAPACITY(TLPD) #				
1.3.1	CHILLING PLANT CAPACITY (TLPD)				
1.3.2	BULK MILK COOLERS (TLPD)				
1.4	DAIRY PLANT CAPACITY(TLPD) #				
1.5	AVERAGE DAILY MILK PROCUREMENT(TKgPD)				
1.6	AVERAGE DAILY MILK MARKETING(TLPD) **				
1.7	NUMBER OF VILLAGE LEVEL LAB STRENGTHENED				
1.7.1	AUTOMATIC MILK COLLECTION UNITS				
1.7.2	DATA PROCESSING AND MILK COLLECTION UNIT				
1.7.3	ELECTRONIC ADULTERATION TESTING MACHINE				
1.8	NUMBER OF STATE/DISTRICT LEVEL LAB STRENGTHENED				
1.9	AVERAGE NO. OF SAMPLES TESTED FOR MILK ADULTERATION				
1.10	AVERAGE METHYLENE BLUE REDUCTION TIME				
1.11	NO. OF VILLAGE COVERED				
2.0	MONITORING PARAMETER				
2.1	MEMBERS PER FUNCTIONAL DCS				
2.2	AVERAGE PROCUREMENT PER MEMBER(LPD)				
2.3	AVERAGE PROCUREMENT PER DCS(LPD)				

IN AND.....DISTRICTS OF
* ---->STATE

** ----> IN.....AND.....TOWNS.

----> PLEASE INDICATE THE LOCATION OF THE PLANT ALSO VIS-
À-VIS THEIR CAPACITIES.

PLEASE ENCLOSE A MAP SHOWING THE LOCATION & CAPACITIES OF
PLANTS ON MILK ROUTES.

Annexure-IV

Proposal for EMAT/AMCU/DPMCU Installation under NPDD

State: _____

Name of State Implementing

Agency: _____

Districts proposed to be covered: _____

Physical & Financial targets of the project:-

S. No.	Name of EIA/Milk Union	Name of District	Name of the Taluka/ Block			Total number of DCS/SHG	No. of DCS/SHG in which EMAT/AMCU/DPMCU is installed			No. of DCS/SHG where EMAT/AMCU/DPMCU not installed (Gap)	No. of DCS/SHG Proposed for EMAT/AMCU/DPMCU installation				
							EMAT	AMCU	DPMCU		EMAT	AMCU	DPMCU	Total	
1		1.1	1.1.1												
			1.1.2												
		1.2	1.2.1												
			1.2.2												
		Sub-total													
		2		2.1	2.1.1										
2.1.2															
2.2	2.2.1														
	2.2.2														
Sub-total															
Grand Total															

*Detailed Specifications and component wise cost breakup needs to be provided separately in DPR

Annexure-IV (Contd/..)

List of Dairy Cooperative Societies proposed to be covered (Separate Sheet for each district)

S. No.	Name of District	Name of Taluka/Block	Name of DCS/SHG proposed for EMAT/AMCU/DPMCU installation	Is DCS/SHG is registered/Unregistered	EMAT/AMCU/DPMCU proposed to be installed	Average Daily Milk Procurement (LPD) (2020-21)	No. of Milk Producer enrolled with DCS/SHG	Present milk testing facility available at the proposed DCS

Annexure-V

Proposal for BMC Installation under NPDD

State: _____

Name of State Implementing Agency: _____

Districts proposed to be covered: _____

Physical & Financial targets of the project:-

S. No.	Name of EIA/Milk Union	Name of District	Name of the Taluka/Block			Total number of DCS	No. of DCS/SHG in which BMC is installed#					No. of DCS/SHG where BMC not installed (Gap)	No. of DCS/SHG Proposed for BMC installation							
							No.	Capacity (KL)					Total Capacity (KL)	No.	Capacity (KL)				Total Capacity (KL)	
								0.5	1	2	5				0.5	1	2	5		
1		1.1	1.1.1																	
			1.1.2																	
		1.2	1.2.1																	
			1.2.2																	
		Sub-total																		
		2		2.1	2.1.1															
2.1.2																				
2.2	2.2.1																			
	2.2.2																			
Sub-total																				
Grand Total																				

Separate Sheet providing list of DCS/SHG where BMC is installed with capacity and Present level of milk procurement.

*Detailed Specifications and component wise cost breakup needs to be provided separately in DPR

Annexure-V (Contd/..)

List of Dairy Cooperative Societies proposed to be covered
(Separate Sheet for each district)

S. No.	Name of District	Name of Taluka/Block	Name of DCS/SHG proposed for BMC installation	Is DCS/SHG proposed for BMC is registered/ Unregistered	Name of Cluster DCS/SHG associated with proposed BMC DCS	Average Daily Milk Procurement (LPD) (2020-21) at Cluster DCS/SHG and BMC DCS	No. of Milk Producer enrolled with Cluster DCS/SHG& BMC DCS	Present milk testing facility available at the Cluster DCS/SHG and BMC DCS/SHG

NATIONAL PROGRAMME FOR DAIRY DEVELOPMENT

Estimated Cost of theDairy Project

Name of the District:-

(Rs. in Lakh)

	COMPONENT-WISE ALLOCATIONS	Physical Target	Unit price/cost	Years of Implementation			Total Cost
				1st	2nd	3rd	
		EOP					
1.0	Milk Chilling facilities (at village/block/district level)						
	Capital Expenditure						
1.1	Civil works, Equipment for bulk milk coolers						
1.2	Equipment for bulk milk coolers						
	Sub-total (Capital)						
2	Construction/Establishment of Milk and Milk Product Testing Laboratories						
2.1	Capital Expenditure						
2.1.1	DCS/village level laboratories/ at Bulk Milk Cooler (BMC) centers						
2.1.1.1	Data Processing and Milk Collection Units						
2.1.1.2	Automatic Milk Collection Unit						
2.1.1.3	Electronic Milk Adulteration Testing Machine						
2.1.1.4	Purchase of laboratory furniture						
2.1.1.5	Any other equipment (Details to be provided separately)						
2.1.2	Dairy Plant Level/State Level						
2.1.2.1	Purchase of laboratory equipments (for chemical/microbial (only for union/state level) analysis of milk and milk products) (Details to be provided separately)						

2.1.2.2	System for quality assurance (HACCP/ISO) including equipment/computer hardware and software etc						
	Sub-total (Capital)						
3	Certification and Accreditation						
3.1	Recurring Expenditure						
3.1.1	Accreditation and certification of dairy establishments under HACCP/ISO						
	Sub-total (Recurring)						
4	Information and Communication Technology Networking						
4.1	Capital Expenditure						
4.1.1	Purchase of Computers/handheld terminals with accessories						
4.1.2	Purchase of Server System						
4.1.3	Purchase/installation of Software systems (block chain, SAP, ERP for developing traceability, quality network etc)						
	Sub-total (Capital)						
5	Training						
5.1	Recurring Expenditure						
5.1.1	Training of farmers in good hygienic practices/ good manufacturing practices						
5.1.2	Training of Dairy Personnel/milk tester (including Plant and Marketing staff)						
5.1.3	Training on Quality management systems.						
5.1.4	Training of DCS staff/ BMC/ chilling centre/ AMCU/ DPMCU on operations and quality management						
	Sub-total (Recurring)						
6	Awareness Generation						
6.1	Recurring Expenditure						

7	Planning and Monitoring						
	Recurring Expenditure						
7.1	Pre-project Baseline survey (by independent agency) and preparation of project report						
7.2	Concurrent evaluation and in-depth independent evaluation of the project and Post- project impact assessment survey (including success stories, outcomes etc.)						
7.3	Field level inspections, review meetings etc.						
	Sub-total (Recurring)						
8	Research and Development						
	Total Capital Expenditure						
	Total Recurring Expenditure						
	Grand Total						

COMPONENT B

A. Background:

- I. In consonance with the mandate of the Government for the doubling the farmers income, this Department had initiated Japan International Cooperation Agency (JICA) ODA Loan assistance proposal for "Dairying through Cooperatives" (Also Known as "Project for Dairy Development in JICA's Document")
- II. The scheme is envisaged with a total Outlay of Rs. 1568.28 crore in the form of Loan of Rs.924.56 crore (JPY 14,978 million) by JICA and remaining amount of Rs.475.54 crore as Grant by Govt. of India and Participating Institutes' share of Rs. 168.18 crore.
- III. A tripartite agreement namely Minutes of Discussion (MOD) has been signed on pilot project by DAHD,GOI, JICA and NDDDB on 24.09.2018.
- IV. Exchange of Note and Loan Agreement for project for Dairy Development have been signed on 21.12.2018 between Department of Economic Affairs (DEA), Government of India and Government of Japan and JICA respectively.

B. Objectives:

To increase sales of milk and dairy products by increasing farmers' access to organised market, upgrading dairy processing facilities and marketing infrastructure and enhancing the capacity of producer owned institutions, thereby contributing to increase in return to milk producers in the project area.

C. Project Components:

- I. Strengthening Milk Procurement Infrastructure
- II. Milk processing facilities and manufacturing facilities (milk & milk products and cattle feed)
- III. Support for Marketing infrastructure
- IV. Support for ICT Infrastructure
- V. Productivity Enhancement
- VI. Project Monitoring and Studies
- VII. Training and capacity development

D. Project Area:

The states namely, Bihar and Uttar Pradesh shall be covered on priority. However, any addition of state shall be in compliance to the loan agreement between Government of India and Government of Japan.

As per loan agreement the location for projects is as below:

“Two States selected from following States. Number of States is expandable up to five States. Bihar, Uttar Pradesh, Madhya Pradesh, West Bengal, Andhra Pradesh, Rajasthan, Telangana, Uttarakhand, Punjab”

The scheme will cover all the districts in the State of Uttar Pradesh and Bihar. The priority will be given to socially and economically backward districts having dairying potential (includes all 21 aspirational districts).

E. Eligible Participating Institutions (PIs)/ Producer owned Institutions (POIs)

Milk Unions/ Multi-state Milk Cooperatives/ State Dairy Federations/ Milk Producer Companies

F. Eligibility criteria

(i) Eligibility criteria for PIs Institutional/ Governance Criteria

1. PIs should have a duly constituted Governing Body such as Board of Directors/Management Committee as applicable to the legal form of the PI.
2. PIs should have a full time Chief Executive/Managing Director (or equivalent) and adequate number of qualified technical and managerial personnel at key positions.
3. PIs should be willing to amend Bye-laws.
4. PIs should have fixed/ Undisturbed tenure for senior/ key management personnel including Managing Director/Chief Executive.
5. Board of the PI should nominate one expert each in the field of finance, Dairy Technology and marketing as independent directors.

(ii) Financial Criteria

(i) General Financial Criteria (applicable for all PIs)

1. Audit of accounts should be up-to-date and the auditor's observations should not contain any adverse opinion or disclaimer.
2. PIs should not have any over-dues to any financial institution.
3. PI should not be in a default to any bank/financial institution.
4. PI needs to contribute its share in the Project. However, in case PI does not have adequate resources to contribute its share, State Government may offer necessary grant.

(ii) Additional Financial Criteria (applicable for PIs availing loan under the project)

1. PI should have positive net worth.
2. All outstanding dues to producer members should not exceed four payment periods.
3. The financial returns of the project: Project will have uniform rate of Return on Investment (ROI) of 10%(minimum) and Debt Service Coverage Ratio (DSCR) of 1.5 times (minimum) for all sub projects.
4. The loan should be secured through collateral security, which should be minimum 1.5 times of the loan amount in terms of mortgage of immovable assets and hypothecation of movable assets. In case of shortfall, State Government guarantee will be required.

(iii) Technical Criteria : Component wise

A. Strengthening of Milk Procurement Infrastructure:

1. PI should have its own milk processing facilities or have a forward linkage with an existing milk processing facility.
2. PI should have the land/ premises for setting up DCS building and housing Bulk Milk Coolers free from any encumbrances.
3. Preference will be given to PIs that already have in place IT based reporting and monitoring systems.
4. PI should be capable in organising producers' institutions, maintaining transparency in the processes of milk

collection at village level, milk quality testing, timely payments to milk producers and grievance redressal system in place.

B. Strengthening of Processing Infrastructure

1. PI should have required environmental/ statutory clearances for setting up of plants.
2. PI should have its own land/ long term lease, free from encumbrances, in case of setting up of new plant or expansion of existing plant. In case of lease, requisite No Objection Certificate from the concerned authority for mortgage to NDDDB would have to be obtained.

C. Strengthening of Marketing Infrastructure

1. PI should have own milk processing facility and marketing network for sale of liquid milk & milk products.

D. Support for ICT Infrastructure

1. PI should have its own milk processing facilities or have a forward linkage with an existing milk processing facility.
2. PI should have competent manpower to manage ICT Infrastructure and applications.

E. Productivity Enhancement

E1- Sub Component:- Nutritional Interventions for PE

1. PIs which will identify/recruit technical manpower exclusively for the project will be considered.
2. PIs must have their own plants for manufacturing and supply of cattle feed (pregnancy feed, calf starter & calf growth meal), mineral mixture and fertility supplement or have an assured tie up for sourcing these products.
3. Preference will be given to the PIs which have implemented animal nutrition activities (Ration Balancing Programme (RBP)/Fodder Development) under NDP I successfully.
4. PIs which will create corpus from the beginning for sustainability of the activity, will be given preference.

E2 Sub Component -: Fodder Development

E2.1 - Fodder seed production and distribution/fodder conservation and green fodder enhancement and fodder technology demonstration

1. PIs should have a network of village level farmers organisations such as Village Dairy Cooperative Societies, Milk Producers' Institutions and Self Help Groups (SHGs) and have an experience in conducting demonstrations for technology transfer at field level.
2. PIs should have capacity to formulate and implement a sound plan for demonstrations.
3. Preference will be given to PIs that have prior experience in this area.

E2.2 - Crop residue management

1. PIs must have the capacity to formulate and implement a sound plan for crop residue enrichment and densification.
2. Preference will be given to PIs that have prior experience in this area.
3. PIs should have land (free of encumbrances) for setting up the units.
4. Availability of surplus crop residues in the operational area of PI in large quantity from cereal /cash /fodder crops.
5. PIs should have network of village level farmers organisations such as Village Dairy Cooperative Societies, Milk Producers' Institutions and SHGs for implementation work.

G. DURATION OF THE PROJECT:

The scheme will be implemented during 2021-22 to 2025-26 and will continue till 2027-28.

H. Funding Pattern and fund flow:

The fund under the scheme is classified into loan component and grant component. While the loan component has been signed with Government of Japan by Government of India (D/O Economic Affairs) on 21st December 2018, the grant component shall be funded under on-going programme 'National Dairy Development Programme' (NPDD).

a) Funding Pattern:

- i. Strengthening of processing infrastructure component and feed manufacturing Facilities will be funded as interest bearing loan (90% of the project cost as Loan and rest 10% as State Government/POI's contribution).
- ii. Building for village level Producers' institution and capital cost on BMC and AMCU/DPMCU shall be funded as 50% ODA loan and 50% Grant-in-aid,
- iii. The activities such as Productivity Enhancement, milk collection accessories, all milk testing equipment at village level, Dairy Cooperative Society (DCS) establishment will be funded as 90% grant-in-aid and 10% as State Government/POI's contribution.
- iv. ICT and Marketing infrastructure shall be funded as 80% ODA Loan and 20% Grant-in-aid by Government of India
- v. Project Management & Learning shall be 100% Grant basis. 90% of the fund to be transferred to NDDDB for conducting trainings, overseas exposure, concurrent evaluation, impact studies, appointment of auditors for audit of accounts etc. The rest 10% of the fund shall be retained at DAHD for creating and managing PCMC-cell at DAHD in the form of suitable budget provision under the appropriate head of scheme.

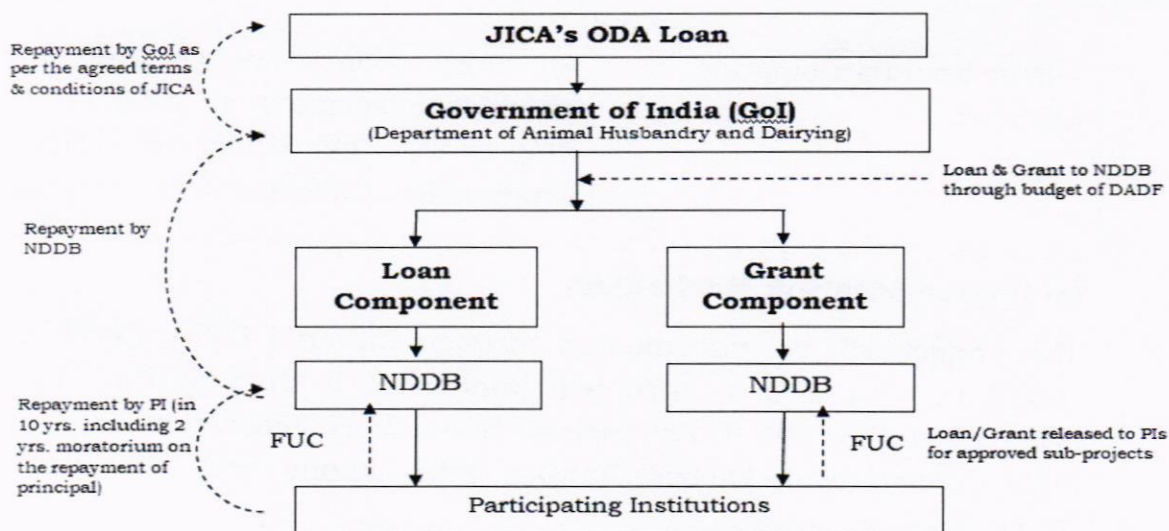
b) Fund Flow mechanism of Component-B (JICA) of NPDD:

The Government of India will bear the hedging cost arising out of currency difference in Yen and Rupee. As per Government Finance Rules and JICA procedure, the ODA loan is to be transferred by JICA in two/three tranches to the consolidated fund of India with RBI. The Budget Division, D/O Economic Affairs (DEA) will keep suitable budget provision based on the approved programme and as proposed by DAHD year on year basis. Subsequently, D/O Expenditure will allocate budget to DAHD under the scheme. DAHD in turn will release the fund to NDDDB based on the action plan approved by CPSC and progress made under the programme. Preferably, such releases shall be made in two instalments in a financial year.

GoI will receive the ODA loan from JICA at about 0.85% p.a. and transfer fund to National Dairy Development Board (NDDDB) for onward disbursement to the Producer owned Institutions (POIs) @ 1.5 % p.a. NDDDB shall retain a margin of 0.5-0.65% p.a. as cost of fund management and loan default risk. The period of reimbursement to

JICA is 20 years by GOI (Repayment period of JICA ODA loan is 15 years with 5 years grace period). The period of reimbursement by Producer owned organisation (Cooperatives and Producer Companies) to NDDDB shall be maximum 10 years, of which first 2 years (maximum) shall be moratorium on payment of principal amount.

Fund Flow arrangement



I. JICA Procurement Guideline with Japanese ODA Loans

Procurement of goods and services covered by Japanese ODA Loans should be implemented in accordance with "Guidelines for Procurement under Japanese ODA Loans", dated April 2012. Employment of consultants should be implemented in accordance with "Guidelines for Employment of Consultants under Japanese ODA Loans", dated April 2012. "Principles of Procurement under the Project"

J. Institutional Arrangement:

NPDD	Component B
	Cooperative Sector
Recommending authority (for submission of proposals)	Implementation and Monitoring Cell (IMC) of National Dairy Development Board (NDDDB)
State Implementing Agencies/ Implementing Agencies	NDDDB - Nodal agency for project implementation and monitoring

End Implementing Agencies/PIs/POs	All State Dairy Federations and their constituent District/Taluka Level Milk Unions and farmer producer organisations, Government dairy/other registered Cooperative Unions (like dairy cooperatives registered under Multi State Coop. Act and Mutually Aided Cooperative Society Act etc.).
Village level Participating Agencies	All dairy cooperative societies and other agencies associated or affiliated to above SIAs or EIAs like village level NGOs, SHGs, Universities, Colleges, ICAR Institutes etc.

(a) Implementation Mechanism

The project will be implemented through National Dairy Development Board (NDDB) who in turn will implement it through the Producer oriented Institutions (POIs) such as State Dairy Federation, Multi State Milk Cooperatives, District/Taluka Milk Unions and Milk Producer Companies.

(b) Monitoring and policy decisions

(i) Central Project Steering Committee (CPSC)-

At the apex level, there will be a Central Project Steering Committee (CPSC), headed by Secretary (AHD), GoI, which will provide policy and strategic support to the project, monitor the progress of approved projects of NPDD component B, consider annual action plans, give policy directions and shall have the authority to re-appropriate component-wise fund requirement in approved programmes, change the eligibility conditions and other terms & conditions of the agreements between stakeholders, implementation arrangement and can change the composition of committees viz. CPSC, PSC and IMC.

Secretary, DAHD	Chairperson
Financial Advisor, DAHD	Member
Animal Husbandry Commissioner, DAHD	Member
Deputy Director General (Animal Sciences), ICAR	Member
Principal Secretary/ Secretary, Department of Animal Husbandry and Dairy of States (one each from North, South, East and West)	Member
MDs of State Dairy Federations (one each from North, South, East and West)	Member
Chairman, NDDB or his nominee	Member
Managing Director/ Executive Director, NDDB	Member
Group Head (FPS), NDDB	Member

Director NDRI Karnal	Member
NRLM-Representative	Member
Representative from JICA as an observer	Member
Joint Secretary (CDD), DAHD	Member Secretary

(ii) Project Sanctioning Committee (PSC)

Project Sanctioning Committee (PSC) will be headed by Secretary AHD, GoI and will have the authority to sanction projects, appraised and recommended by (IMC), NDDDB for Component B. PSC will have power for re-appropriation of funds within the components, change norms and change unit cost of items of the project. PSC will also have power to re-appropriate funds within the approved sub projects of same POIs/IAs and decide the loan security mechanism for sub- projects (w.r.t component B). The PSC will meet quarterly or as frequently as necessary to ensure that proposals received from POIs/IAs are considered without unreasonable delay. The composition of PSC will be as under:

- I. Secretary, AHD, GoI –Chairman of the Committee
- II. Financial Advisor, DAHD
- III. Joint Secretary (Dairy Development), DAHD
- IV. Chairman, NDDDB or his nominee not below the rank of Executive Director (ED)
- V. Executive Director / Group Head (FPS), NDDDB
- VI. A representative from the concerned State Government and the State Dairy Federation would be an invitee while discussing the proposals pertaining to that particular state.
- VII. Representative from ICAR
- VIII. Representative from Rural Development
- IX. Representative from NRLM/concerned SRLM
- X. Deputy Commissioner (DD) / Assistant Commissioner(DD) , GoI – Member Convener

(iii) Programme Coordination Management Cell (PCMC)

A Programme Coordination Management Cell (PCMC) shall be created to provide Secretariat support to CPSC and PSC. PCMC will be responsible for analysis and placement of projects sent by IMC of NDDDB to PSC, as well as for providing inputs to CPSC for successful implementation of the project as per the objectives. PCMC shall be headed by Joint Secretary (CDD). Project Management Consultant (PMC) under the Project Consultancy component will assist PCMC and IMC in the implementation of the project activities.

(iv) State Level Technical Management Committee (SLTMC)

At the State level, there will be a State Level Technical Management Committee (SLTMC), which will be headed by Additional Chief Secretary/Principal Secretary/Secretary/Commissioner of the State, comprising representative of DAHD, SRLM, State Dairy Federation and NDDDB as members for effective implementation and to have synergy among the similar dairy development programmes implemented in the State. SLTMC shall oversee state-level monitoring of the projects, the land availability for village level institutions like, primary dairy societies, bulk milk cooling centres and cattle feed plants, statutory requirements, co-ordination among PIs and NDDDB, policy support etc. All PoIs/SIAs shall be the member of the committee. For the SHG-run private dairies/producer companies, project proposals shall be submitted to the concerned SLTMC for recommending the same to Govt. of India. The composition of SLTMC will be as follows:

- i. Additional Chief Secretary/ Principal Secretary/Secretary/Commissioner of DADF of the State Government – Chairman of the Committee
- ii. Representatives from Dairy Development/ Animal Husbandry Department of the State Government.
- iii. Representatives from Department of Animal Husbandry and Dairying, Government of India.
- iv. Representative from Department of Finance and Planning of the State Government
- v. District Magistrate of Scheme Districts or his representative.
- vi. CEO, State Livestock Board
- vii. Representative of SRLM
- viii. Managing Director, State Dairy Federation/Milk Producer Company – Member convener (for projects under Component A)
- ix. Representative of NDDDB (nominated by Chairman, NDDDB), Member convener (for projects under Component B)

(v) Implementation & Monitoring Cell (IMC)

An Implementation and Monitoring Cell (IMC) located at NDDDB, Anand, will appraise the project proposals and screen them based on merit and manage the implementation and monitoring of day-to-day project activities. IMC will forward the appraised project to PSC for consideration. IMC will be supported by various Technical Groups within NDDDB during implementation of the scheme and PMC. IMC will be headed by Managing Director/ Executive Director, NDDDB. IMC will

conduct due diligence with respect to re-appropriate the funds within the approved sub-components of the approved project and the securitization arrangements of loan component for sub-projects subject to concurrence of PSC. IMC shall identify necessary changes required in the programme for effective implementation and prepare policy proposals for decision of CPSC. It will also prepare annual action plan, comprehensive loan drawl plan (quarterly/half yearly/annually) as per reimbursement procedure as mentioned in schedule 6 and technical appraisal note/ document required for smooth implementation of the programme for consideration of CPSC.

K. PROJECT PREPARATION AND SUBMISSION OF PROPOSAL

- I. NDDB will conduct workshops for sensitization of the Project. Along with the workshop, training for strategic management, business planning and marketing strategy will be provided to potential Participating Institutions (PI).
- II. PI/PoIs with support from NDDB will prepare and submit sub-project proposal to IMC and SLTMC. IMC will conduct appraisal with support from NDDB's technical and functional groups. SLTMC after screening the sub-project will forward recommendation to GoI. In case PIs/PoIs need guarantee and/or grant to fill viability gap, SLTMC should send a commitment letter from respective state government along with recommendation to GoI. Once technical and financial assessment of the proposal is complete by IMC, a 'Note for approval' will be prepared and submitted to PSC for approval.
- III. In case environmental clearance/permissions are required to obtain, NDDB will scrutinize the compliance and inform PIs. PIs shall obtain those clearances prior to commencement of any project activities.
- IV. In order to have review from JICA, after sanctioning of sub-projects by PSC, IMC shall submit the Financing Request Format, Screening Format of each sub-project as per JICA Guidelines for Environmental and Social Considerations (April 2010) with IMC's Note for Approval.
- V. After obtaining all the required clearance, NDDB and PIs will sign Project Agreement. PIs will submit Fund Utilization Certificate (FUC) to IMC on monthly basis, and accordingly, NDDB will disburse the fund to PIs. While the sub-project will comprise

different components, NDDDB will manage and disburse fund of loan and grant separately.

- VI. IMC will monitor the progress of sub-projects including conducting field visit. IMC shall report the progress of sub-projects to DAHD, GoI with Copy to JICA.
- VII. The Project/subproject Proposals under Dairying through Cooperatives (DTC) JICA assisted project shall ensure optimal resource utilization and shall discourage avoidable expenditure and duplication/ overlap of activities.
- VIII. Special efforts must be made to re-commission idle equipment and equipment that is damaged but repairable. A list indicating condemned equipment's needs to be prepared and submitted as a part of the project. Proposal for fresh procurement shall be made only after making a realistic need assessment.
- IX. The DPR for individual projects shall be prepared based on the model Sub Project Proposal (SPP) annexed. The detailed Guideline/ procedure for preparing of a new project proposal along with model sub-project plan is available on DAHD/NDDDB website.
- X. The proposal shall include copies of FSSAI registration certificate for plant, process certification from BIS, balance sheet and a copy of income tax return of concerned POI of last financial year in the DPR.
- XI. The project proposal of PIs/PoIs duly recommended by SLTMC should be submitted to NDDDB with a copy endorsed to DAHD for consideration.
- XII. NDDDB shall submit DPR and appraisal note of all proposals received under the scheme to DAHD.
- XIII. IMC will monitor the progress of sub-projects including conducting field visit. IMC shall report the progress of sub-projects to DAHD.

L. Submission of Information:

POI shall submit following information on Quarterly basis to NDDDB with copy endorsed to DAHD (at the end of March, June, September & December):

- i) Project-wise and component-wise progress report indicating total outlay, loan and Grant assistance, PI/PoIs contribution, fund released (loan & grant) to PIs/PoIs, fund utilized by PI, unspent balance etc

ii) Physical progress vis-à-vis key parameters vis-a-vis approved physical parameters. Status of tender/ installation of dairy plant/BMC/ Cold storages/ Laboratory equipment's etc.

iii). Audited utilization certificate (duly authenticated by registered auditor and also countersigned by Administrative Secretary of concerned Department of State Government) to NDDB. NDDB shall propose release of fund based on the utilization and also for new proposal. In case of a new proposal, the progress of ongoing proposals in the state needs also be submitted.

iv) Audited report of expenditure vis-à-vis approved components/sub-components/items etc.

vi) SC/ST/Women population covered under the project.

M. Project completion report:

On completion a project, the SLTMC would review the achievements made under the project vis-a-vis targets and would submit a project completion report indicating its achievements, setbacks, operational status of Dairy plant/ BMC etc. alongwith a consolidated utilisation certificate (audited) and consolidated audited statement of expenditure, audited balance sheet of PoIs/PIs etc.

NDDB will be put up the following logo on at all facilities introduced under JICA's funding:

