



**GOVERNMENT OF KERALA  
DEPARTMENT OF DAIRY DEVELOPMENT**

**Proposals for Strengthening, modernizing & automation of Dairy Co-operative Societies so as to enable them to ensure the food security and comply with the provisions included in food safety and standard Act 2006**

**Under the State Plan (2023-24)**

**PART A : ASSISTANCE TO DAIRY CO-OPERATIVE SOCIETIES (ON-GOING SCHEME COMPONENTS)**

**(2404-00-195-94) – Rs. 1016.900 LAKH**

**&**

**PART B : INVESTMENT IN DAIRY CO-OPERATIVES**

**(ON-GOING SCHEME COMPONENTS)**

**(4404-00-195-98) – Rs. 400.00 LAKHS**

**TOTAL PLAN FUND: Rs 1416.90 LAKHS**





## ABSTRACT

During 2023-24 an amount of ₹ **3498.00 Lakhs** has been earmarked to the Department under State Plan (Head of Account: 2404-00-195-94 & 4404-00-195-98) ASSISTANCE TO DAIRY CO-OPERATIVES & INVESTMENT IF DAIRY CO-OPERATIVES with the following breakups.

<b>ASSISTANCE TO DAIRY CO-OPERATIVES : 2023-24</b>	
<b>SCHEME AND HEAD OF ACCOUNT</b>	<b>AMOUNT (Rs in Lakh)</b>
ASSISTANCE TO DCS (2404-00-195-94-00-34-00-P-V)	2993.500
ASSISTANCE TO DCS (2404-00-195-94-00-02-04-P-V-Consolidated Pay)	3.75
ASSISTANCE TO DCS (2404-00-195-94-00-02-05-P-V-Daily Wages)	0.75
<b>SUB TOTAL - ASSISTANCE TO DCS (2404-00-195-94)</b>	<b>2998.00</b>
<b>INVESTMENT IN DAIRY CO-OPERATIVES (4404-00-195-98)</b>	<b>400.00</b>
<b>GRAND TOTAL - ASSISTANCE TO DCS</b>	<b>3398.00</b>

The scheme envisages to strengthen, modernize, automate and computerize the Dairy Co-operative Societies and to enable them to ensure the food security and comply with the provisions included in the food safety and standard Act 2006.

The on-going scheme components under the scheme: Assistance to DCS (2404-00-195-94) with a plan outlay of Rs.1016.900 lakh will be covered as Part A of this DPR. An amount of Rs.140 Lakhs is earmarked for the scheme components which are physically achieved during the year 2022-23, yet not encashed during the year 2022-23. Administrative sanction has already been issued for meeting the expenditure pertaining to such components amounting to Rs 0.140 lakh as per vide proceedings NO. DDDKER/1233/2023-D3 dated 12.04.2023 (Queue bills of 2022-23 met from the budget provisions of 2023-24)

All the scheme components under the Scheme: INVESTMENT IN DAIRY CO-OPERATIVES with H.O.A 4404-00-195-98, are on-going in nature with no change in sub components and financial structure. The scheme components under the

**PART A & B – ASSISTANCE TO DCS & INVESTMENT IN DCS – 2023-24**

Scheme: Investment in Dairy Co-operatives with a plan outlay of Rs 400.00 will be covered as Part B of this DPR.

The on-going scheme components covered under the scheme Assistance to DCS (2404-00-195-94) & the scheme Investment in DCS (4404-00-195-98) is as detailed below

<b>PART A – ASSISTANCE TO DCS (2404-00-195-94) ON-GOING SCHEME COMPONENTS</b>	
<b>SCHEME AND HEAD OF ACCOUNT</b>	<b>AMOUNT (Rs in Lakh)</b>
ASSISTANCE TO DCS (2404-00-195-94-34-OC-03 Other Items) - ONGOING	1012.400
ASSISTANCE TO DCS (2404-00-195-94-02 Wages - 4 -Consolidated Pay)	3.75
ASSISTANCE TO DCS (2404-00-195-94-02 Wages - 5 Daily Wages)	0.75
<b>SUB TOTAL - ASSISTANCE TO DCS - ONGOING (2404-00-195-94)</b>	<b>1016.900</b>

<b>PART B – INVESTMENT IN DAIRY CO-OPERATIVES (4404-00-195-98) ON-GOING SCHEME COMPONENTS</b>	
<b>SCHEME AND HEAD OF ACCOUNT</b>	<b>AMOUNT (Rs in Lakh)</b>
INVESTMENT IN DAIRY CO-OPERATIVES-ONGOING - (4404-00-195-98)	400.00

**PART A & B – ASSISTANCE TO DCS & INVESTMENT IN DCS – 2023-24**

Sl No.	Description	Page No.
<b>PART # A</b>		
<b>ASSISTANCE TO DAIRY CO-OPERATIVES</b>		
1	Introduction	1
2	Objectives	8
A.03.	Financial Outlay	10
A.04	Scheme Proper	11
A.04.01	Assistance to Dairy Co-operatives For Enactment of FSSA Norms	11
A.04.02	Assistance For Registration Of New Dairy Co-operatives	12
A.04.03	Need Based Assistance To Dairy Co-operatives	13
A.04.04	Assistance to Dairy Co-Operatives For Purchase of Own Land	14
A.04.05	Unified Software for DCS	16
A.04.06	Assistance for Functioning of Various Consortium, Assistance for Review Meetings at Various Levels (DESU/ District/ Directorate), Documentation And Data Bank Creation,etc	31
A.04.07	Transportation Assistance To Dairy Co-Operatives for Want of Milk Route By Regional Unions	35
A.04.08	Dr. Varghese Kurien Award	36
A.04.09	Operational Cost	37
A.04.10	Implementation, Monitoring & Documentation Charges	38
A.04.11	Provision for Scheme Components of 2022-23, Physically Achieved Yet No Encashed During 2022-23	38
A.05.	Consolidated Pay & Daily Wages	38
A.06	Implementation, Monitoring & Evaluation	39
A.07	Calendar of Activities	39
A.08	Conclusion	40
<b>PART # B</b>		
<b>INVESTMENT DAIRY CO-OPERATIVES</b>		
B.01	Abstract	45
B.02	Objectives	46
B.03	Financial Outlay	47
B.04	Scheme Proper	48
B.04.01	Establishing Hygienic Milk Collection Room / Storage Room for Cattle Feed	48
B.04.02	Establishing Farmer Facilitation Centre / Smart DCS	50
B.04.03	Assistance to Dairy Co-Operative Societies as Corpus Fund for Improving Cold Chain Facilities, Chilling, Processing, Packing Units, Cattle Feed Units, ISO Certification	51
B.04.04	Energy Conservation System to Dairy Co-operatives -Installation of Solar Panel	55
B.04.05	Establishing Effluent Treatment Plant in Dairy Co-operatives	56
B.04.06	Implementation, Monitoring & Documentation Charges	57
B.04.07	Provision for Scheme Components of 2022-23, Physically Achieved Yet No Encashed During 2022-23	58
B.05	Implementation, Monitoring & Evaluation	58
B.06	Road Map	58
B.07	Completion Cum Valuation Certificate	59
B.08	Conclusion	59





# **PART A**

**ASSISTANCE TO DAIRY CO-OPERATIVES  
(ON-GOING SCHEME COMPONENTS)  
(2404-00-195-94)**

**PLAN OUTLAY – Rs 1016.900 LAKH**







## 01. Introduction

The livestock sector contributes in numerous ways to the socioeconomic development of rural households. As the distribution of livestock is more equitable than that of land, livestock production has a positive effect on farm income and, as a result, helps poverty alleviation in rural areas. It is one of the major sources of income for most farmers, provides key inputs to agriculture, contributes to the health and nutrition of the households, and enhances welfare options for the rural economy. The livestock sector is among the most promising in the agriculture and allied sectors. The Government provides substantial allocations to improve the sector's performance in terms of productivity enhancement, disease control, fodder production, value addition, and adoption of scientific breeding practices. India's livestock sector is one of the largest in the world.

Dairy Development in India has played a key role in up-liftment of Indian Economy especially the rural economy of the country. Dairying has been a significant part of rural Indian household since ages, generating a steady source of income and providing nourishment to the family. The Dairy Co-operative movement of India, spearheading our country to become global leader in milk production, is a role model worldwide. The growth and development of dairy industry in the country can be further escalated with up scaling of dairy education and innovative research approaches.

### 1.1 Dairy Sector – National Scenario

Unlike the developed countries, small and marginal farmers have been the driving force of the dairy sector in India. In an era of declining farm income and drop in employment opportunities, dairying and animal husbandry has emerged as an important subsector of India's Agriculture. Further the complementarity of co-operatives and private organizations in the industry has aided in bringing sophistication and efficiency in the entire value chain. Owing to the increasing demand for dairy products driven by the growing population, higher purchasing power of the customers, increased focus on nutrition and growing aversion for unbranded and loose products, milk production in India is set to reach approximately 628 MMT in the next 25 years (ie. Till 2047). The dairy sector plays a vital role in achieving Sustainable Development Goals – especially SDG-1, SDG-3, SDG-5, SDG-8 and SDG-10 thereby plays a significant role in transforming lives of agrarian sector.

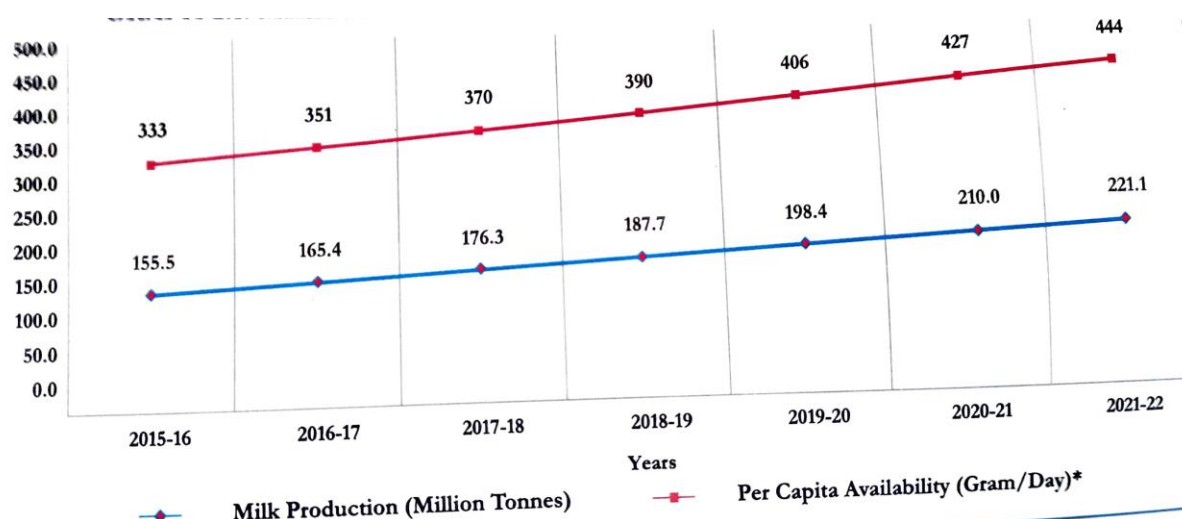
India has been the leading producer and consumer of dairy products worldwide since 1998 with a sustained growth in the availability of milk and milk products. Dairy activities form an essential part of the rural Indian economy, serving as an important source of employment and income. India also has the largest bovine population in the world. However, the milk production per animal is significantly low as compared to the other major dairy producers. Moreover, nearly all of the dairy produce in India is consumed domestically, with the majority of it being sold as fluid milk. On account of this, the Indian dairy industry holds tremendous potential for value-addition and overall development.



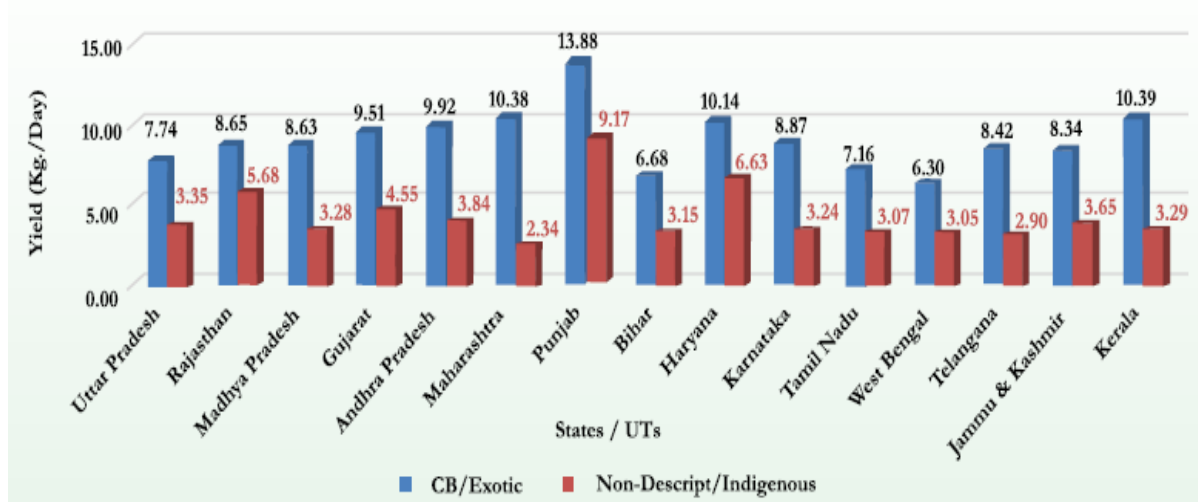
India is ranked 1st in milk production contributing 24 % of global milk production. There is a consistent increase in milk production of the country over the last few years. The milk production has increased from 209.96 MT in 2020-21 to 221.06 MT in 2021-22 registering a growth of 5.29 %. There has been a steady increase in per capita availability of milk since 2015-16. The per capita availability has increased from 333 gms per day in 2015-16 to 444 gms per day in 2021-22. The milk production from exotic / cross bred cattle has increased by 6.16 % and indigenous / non-descript cattle has increased by 6.13 % when compared to previous year. The milk production of buffaloes increased by 4.44 % when compared to previous year

The highest five milk-producing states in India in 2021-22 were Rajasthan (15.05 per cent), Uttar Pradesh (14.93 per cent), Madhya Pradesh (8.60 per cent), Gujarat (7.56 per cent), and Andhra Pradesh (6.97 per cent), which together contributed 53.11 per cent of total milk production in the country (Basic AH Statistics 2022 by DAHD, GOI). Kerala ranks 15th among the milk-producing states in India. The per capita availability of milk has been increasing in India over the years and is estimated at 444 grams/day in 2021-22 (Basic AH Statistics 2022 by DAHD, GOI). The highest per capita availability is in Punjab (1,271 grams per day) followed by Rajasthan (1150 grams per day). Kerala's per capita availability is 197 grams per day (Basic AH statistics 2022, DAHD, GOI). The species-wise milk production in the country shows that nearly 33 per cent of total milk production is contributed by indigenous buffaloes, followed by cross-bred cattle (nearly 30 per cent). The indigenous cattle contribute 8.82 per cent of the total milk production in the country. Goat milk contributes 2.98 per cent of the total milk production (provisional figures [www.indiastat.com](http://www.indiastat.com)).

### Milk Production & Per Capita availability of milk

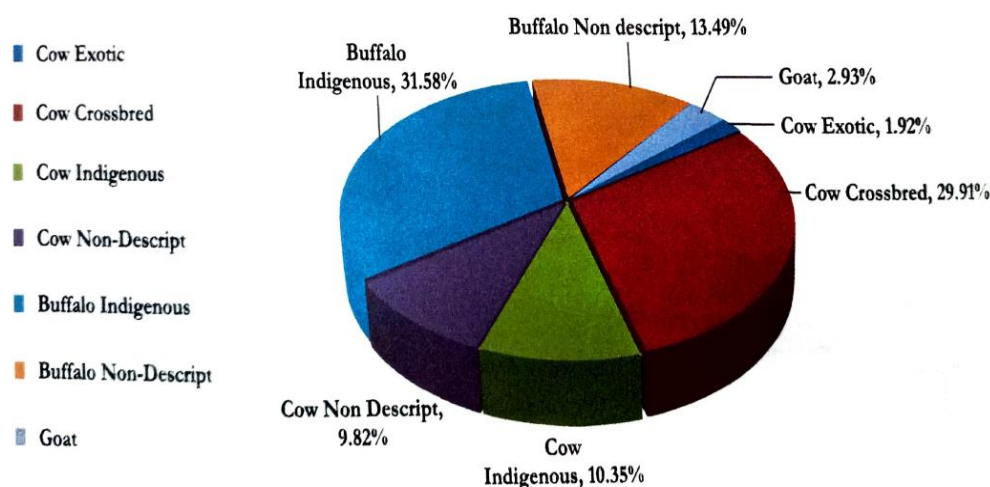


### Milk Productivity of CB/Exotic and Non-Descript/Indigenous



Out of the total milk produced in the country, about 46 per cent of milk is either consumed at the producer-level or sold to non-producers in the rural area. The balance 54 per cent of the milk is the marketable surplus available for sale to consumers in urban areas. The total size of dairy market was about ₹11.35 lakh crore in 2020. The dairy market has been growing at about 15 per cent per annum in last 15 years and is expected to reach a market size of about ₹26 lakh crore by 2026 as per IMARC (International Market Analysis Research and Consulting Group) 2021 report. The liquid milk market represents about half of the total dairy market in the country. Of the total liquid milk market, the share of organised sector has increased from 32 per cent to 41 per cent in last three years. It is estimated that the share of organised sector would reach to 54 per cent by 2026 (Annual Report 2021-22, Department of Animal Husbandry and Dairying, GoI).

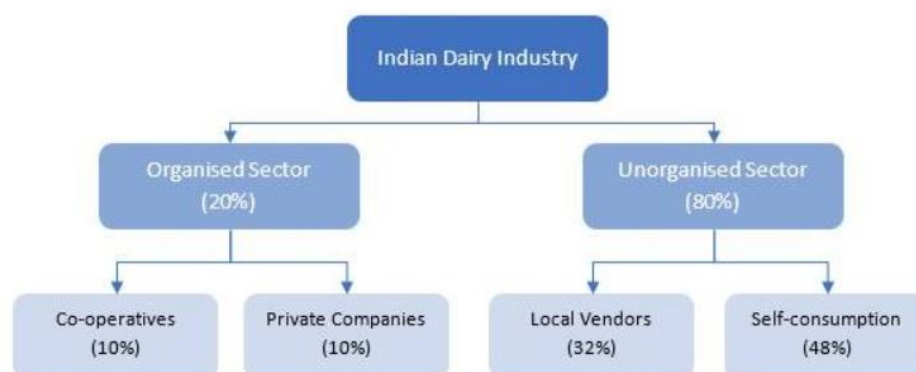
**Species wise share to total milk production of the country**





Above graph shows the contribution of milk production by cattle, buffalo and goat. Nearly 31.58 % of the total milk production in the country is contributed by indigenous buffaloes followed by 29.91 % by cross bred cattle. The indigenous cattle contribute 0.53 % of the total milk production in the country whereas non-descript buffalo contribute 13.49 % of the total milk production in India. Goat milk share is 2.93 %. Exotic cow contributes 1.92 % of the total milk production.

The Indian dairy industry is divided into the organized and unorganized segments. The unorganized segment consists of traditional milkmen, vendors and self-consumption at home, and the organized segment consists of cooperatives and private dairies. As per the Annual Report for FY19 of Dept. of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture & Farmers Welfare, GOI, co-operatives & private dairies still procure only about 20% of the milk produced in the country, while 32% is sold in the unorganized market and about 48% is consumed locally. About 40% of the milk sold is handled by the organised sector and the remaining 60% by the unorganised sector. However, in most of the developed nations, 90% of the surplus milk is processed through organized sector. With the increase in population, rise in per capita income, changing lifestyle, affordable aspirational food habits, export opportunities etc., the demand for milk is expected to rise. As per the Department of animal husbandry and dairying, it is estimated that the demand for milk would be in the range of 200 - 210 million tonnes by FY22.



During the last five to ten years, India has seen dramatic shift towards consumption of value-added products such as cheese, yoghurt, UHT (ultra-heat treatment) milk, flavored milk, and whey. To tap the advantages of the changing consumer food preferences, most organized players are expanding product portfolios in the value-added segment. This segment offers high growth potential and better margins versus the liquid milk and Skimmed Milk Powder (SMP) segment. The value-added products overall contribute to ~35-40% of the total dairy market in India and commodity products together contribute to almost ~65% of market share. Furthermore, within the value-added segment, largest product category is ghee, having a market share of about 15-18% in the overall dairy market. While loose packets of curd is available locally, a key characteristic of emerging value-added products like UHT milk, flavoured milk, low-fat curd/yogurt, cheese and whey is that 100% of these products are sold through organized market. The value-added products market is under-



penetrated, thus having tremendous scope for the growth and is expected to grow at much faster rate as compared with the commodity market.

The dairy industry in India is the largest globally, accounting for 24% of global milk production. The industry contributes 5% to the national economy and directly supports more than 8 crore farmers. India's dairy industry has grown significantly over the past 10 years, supported by various initiatives taken by the government. The nation's milk production increased at a CAGR of 6.2% from 146.31 million tonnes (MT) in 2014-15 to 209.96 MT in 2020-21.

The major production area of dairy products in India is Uttar Pradesh, Maharashtra, Himachal Pradesh, Madhya Pradesh, Punjab, Rajasthan and Tamil Nadu. Competition in the Indian dairy industry has always been robust. Amul, Mother Dairy, Orissa State Cooperative Milk Producers Federation, Dudhsagar Dairy, Aavin, and Kwality Limited are some of the major players in the dairy industry in India.

Rural women play a significant role in animal rearing and are involved in operations such as, feeding, breeding, management, and health care. The livestock sector has emerged as one which generates employment and income security to women through micro enterprises. Women constitute 71 per cent of the labour force in livestock farming. In dairying, 75 million women are engaged as against 15 million men, while in the case of small ruminants, the sharing of work with men is almost equal. The need for technology up gradation and skill enhancement through capacity building programmes are felt across the sector.

## **1.2 Dairy Development in Kerala**

As per the estimates of National Accounts Statistics (NAS) 2022, the contribution of livestock in total agriculture and allied sector GVA (at constant prices) increased from 29.33 per cent in 2019-20 to 30.13 per cent (2020-21). The contribution of the livestock sector was 4.90 per cent of total GVA in 2020-21.

In Kerala, the livestock sector is one of the fastest growing sectors of the rural economy. The contribution of livestock sector in total agriculture and allied sector GSVA (constant prices 2011-12), was 26.44 per cent (Quick estimates) (DES, 2021- 22). The share in the total GSVA of the State was 2.35 per cent in 2021-22. In real terms, GSVA in the Livestock sector at constant prices (2011-12), marginally increased from ₹11,701.86 crore in 2020-21 to ₹11,714.01 crore in 2021-22.

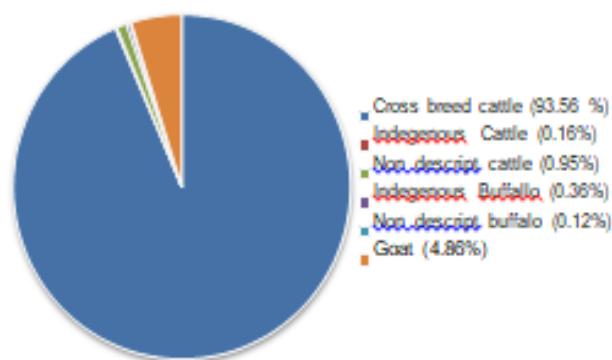




Source: Kerala State Animal Husbandry Department, GoK 2022

The total milk requirement in Kerala in 2021- 22 was 33.51 lakh metric tonnes. But the annual production was only 25.32 lakh metric tonnes, which resulted in an average outside purchase of 1.34 lakh litres of milk per day. Out of 25.32 lakh MT of milk produced in the State, a major share was produced by cross bred cattle (93.56 per cent). Indigenous cattle produced only 0.04 MT of milk (0.16 per cent). The contribution of non-descript cattle was 0.24 MT (0.95 per cent). The milk production from goats was 1.23 MT (4.86 per cent). Indigenous and non-descript buffaloes contributed the rest (Department of Animal Husbandry).

**Details of species-wise milk production in Kerala in 2021-22 is provided as below**



Source : Economic Review 2022

Cross breed cattle (93.56 %) Indigenous Cattle (0.16%) Non-descript cattle (0.95%) Indigenous Buffalo (0.36%) Non-descript buffalo (0.12%) Goat (4.86%). Even though the herd sizes are low compared to major milk-producing states, cattle productivity in Kerala is higher than the national average. The average milk yield per animal in India in 2021-22 for exotic and crossbred cattle is



11.1kg per day and 6.98kg per day, respectively. For indigenous cattle and non-descript cattle, it is 3.08kg per day and 2.7kg per day, respectively (indiastat.com). The average yield from crossbred cattle in Kerala is 10.39 kg per day, the third highest among the Indian states after Chandigarh (11.98 kg per day) and Punjab (13.88 kg per day). This advantage for Kerala was due to high per cent of exotic and crossbred animals in the population compared to other states.

5.94 Lakh Metric Tonnes of Milk (16.27 Lakh Litre per Day) was procured through Dairy Co-operatives during the year 2016-17, whereas 7.39 lakh Metric Tonnes of Milk (20.25 lakh litres per day) is the corresponding figure for the year 2022-23. This hike is a positive indicator as far as the Animal Husbandry and Dairy Development activities of the state is concerned and is a narration of the various development activities undertaken by the Government to nurture the Sector.

### **1.3 Dairy Co-operative sector in Kerala as the back bone of dairying activities**

The Dairy Co-operatives are the backbone of the Dairy industry in the country and situation is not different in Kerala with the DCS providing a ready market and steady price to the Dairy farmers. As on date, there are 3618 DCS in the state which collects milk twice a day from their farmers and pays the milk value based on the quality (fat% and SNF %). Out of the total registered 3618 DCS, 3372 DCS are functional and remaining 288 DCS are dormant.

In Kerala, 5 lakh out of 70 lakh families are dependent solely on livestock for their livelihood, while another 5 lakh depend on livestock as a subsidiary means for supporting their livelihood. More than 55 per cent of bovine keepers maintain 2-3 cow units, while about 32 per cent maintain one-cow units. More than 60 per cent of livelihood enterprises set up by Kudumbasree are in the Animal Husbandry sector. Out of 37 lakh women in the suburbs of the poverty line, 70 per cent opted for enterprises in the animal husbandry sector, as the major basis of livelihood. It indicates that further progress in the livestock sector would directly be reflected in the balanced development and up-liftment of the rural economy. The Kerala Dairy Co-operative sector has declared self-sufficient by the end of the year 2020-21.

The state which was importing around 6 lakh litre per day during the year 2015-16, instead, is presently procuring on an average 1.5 lakh litre per day milk through road milk tankers from neighbouring dairy co-operatives. It is highly significant to note that there was around 30% hike in milk procurement during the period from 12<sup>th</sup> FYP to 13<sup>th</sup> FYP. It is also noteworthy that annually around Rs 3000.00 crore is being distributed as price of milk alone to dairy farmers in the Kerala Dairy Co-operative Sector. Around 10.2 lakh man-days of employment generation is being created every year in the Kerala Dairy Co-operative Sector. During the last five years 134 Dairy Co-operatives have been newly registered and 133 dormant Dairy Co-operatives have been revived and made functional.



DAIRY DEVELOPMENT DEPARTMENT - STATUS OF REGISTERED , FUNCTIONAL & DORMANT DCS - AS ON OCT, 2022									
DISTRICTS	REGISTERED DCS			DORMANT DCS			FUNCTIONING DCS		
	APCOS	Non APCOS	Total	APCOS	Non APCOS	Total	APCOS	Non APCOS	Total
<b>THIRUVANANTHAPURAM</b>	371	55	<b>426</b>	31	28	<b>59</b>	340	27	<b>367</b>
<b>KOLLAM</b>	293	56	<b>349</b>	18	9	<b>27</b>	275	47	<b>322</b>
<b>PATHANAMTHITTA</b>	191	15	<b>206</b>	31	1	<b>32</b>	160	14	<b>174</b>
<b>ALAPPUZHA</b>	243	16	<b>259</b>	13	1	<b>14</b>	230	15	<b>245</b>
<b>KOTTAYAM</b>	241	21	<b>262</b>	17	0	<b>17</b>	224	21	<b>245</b>
<b>IDUKKI</b>	199	11	<b>210</b>	17	3	<b>20</b>	182	8	<b>190</b>
<b>ERNAKULAM</b>	321	10	<b>331</b>	11	1	<b>12</b>	310	9	<b>319</b>
<b>THRISSUR</b>	211	53	<b>264</b>	14	4	<b>18</b>	197	49	<b>246</b>
<b>PALAKKAD</b>	317	22	<b>339</b>	4	3	<b>7</b>	313	19	<b>332</b>
<b>MALAPPURAM</b>	272	15	<b>287</b>	28	7	<b>35</b>	244	8	<b>252</b>
<b>KOZHIKODE</b>	244	12	<b>256</b>	2	0	<b>2</b>	242	12	<b>254</b>
<b>WAYANAD</b>	55	1	<b>56</b>	0	0	<b>0</b>	55	1	<b>56</b>
<b>KANNUR</b>	168	54	<b>222</b>	1	1	<b>2</b>	167	53	<b>220</b>
<b>KASARGOD</b>	146	5	<b>151</b>	1	0	<b>1</b>	145	5	<b>150</b>
<b>GRAND TOTAL</b>	<b>3272</b>	<b>346</b>	<b>3618</b>	<b>188</b>	<b>58</b>	<b>246</b>	<b>3084</b>	<b>288</b>	<b>3372</b>

Out of the total registered 3618 DCS, 3372 DCS are functional and remaining 288 DCS are dormant.

Strengthening of Dairy Co-operatives through automation will help in improving the procurement and marketing facilities of these societies, thereby making the transaction transparent, handling of milk more hygienic and ensure accuracy in weighing and testing of milk poured by the producer members.

Consequent to the implementation of FSSA 2006, stringent measures are to be taken to ensure at most hygiene at the production, transportation, processing and distribution of food products. Microbial count in milk doubles every half an hour and thus as the gap between milking time and chilling time increases, the microbial count increases significantly.

So this year the department's activities are focused to provide adequate infrastructures facilities to enable DCS for procuring, handling, storing and processing quality milk and also to ensure food security & food safety.

## 02. Objectives

- Improve the effectiveness and efficiency of Dairy Co-operative Societies; thereby ensuring Dairy farmers' prosperity.
- Improve milk quality and its compliance with the newly introduced Food safety and Standard Act 2006.
- Sustain the DCS to produce and market value added products.
- To automate milk collection at society level so as to bring significant benefits to farmers and local Dairy Co-operatives.
- To speed up the entire milk collection process, thereby reducing the spoilage of milk; wait time for farmers at the collection centers greatly reduced.





- To provide assistance for automation programme of Dairy Co-operatives
- To provide assistance to Dairy Co-operatives for ensuring cold chain maintenance from farm to fork level
- To increase efficiency, transparency and fairness, and speedy payment of milk price at the Dairy Co-operative societies by introducing a UNIFIED SOFTWARE for DCS throughout the state.
- To assist upgradation of Ksheerasree portal
- To undertake special drive through Dairy Co-operatives for detection and control of antibiotic residues in milk, milk products and also aflatoxin residues in milk and cattle feed sample.
- To reduce the chance of errors and fraud in milk collection, testing, recording and value payment.
- To establish a common communication channel between Dairy Development Department and DCS.
- Certified Milk – Assistance for QA Certification at DCS level
- To help milk Co-operatives become more efficient and productive and to bring more accountability to the entire Dairy Co-operative sector in the state.
- Assistance to Dairy Co-operatives for implementation of special care package to cows in late pregnancy to early lactation period (Pilot Scheme – 50 DCS)
- To provide transportation assistance to those Dairy Co-operatives where milk route of regional unions are presently not available
- To extend Dr. V. Kurien award to the best APCOS and NON-APCOS
- Make the DCS as a village knowledge center.



### 03. Financial Outlay

<b>ASSISTANCE TO DAIRY CO-OPERATIVE SOCIETIES : 2023-24 (2404-00-195-94) - ONGOING SCHEME COMPONENTS</b>					
<b>SCHEME COMPONENT</b>	<b>2023-24</b>				
	<b>NO OF UNITS</b>	<b>UNIT COST</b>	<b>UNIT SUBSIDY</b>	<b>TOTAL COST</b>	<b>TOTAL SUBSIDY</b>
		<b>(Rs)</b>	<b>(Rs)</b>	<b>( Rs Lakhs)</b>	<b>(Rs Lakhs)</b>
Assistance to DCS for inactment of FSSA Norms	460	60000	45000	276.000	<b>207.000</b>
Assistance for registration of new DCS	30	82000	61500	24.600	<b>18.450</b>
Need Based Assistance to DCS	460	200000	120000	920.000	<b>552.000</b>
Assistance to DCS for purchase of own land	9	1000000	300000	90.000	<b>27.000</b>
Unified Software for DCS	1	Lumpsum	Lumpsum	75.000	<b>75.000</b>
Assistance for functioning of consortium, Assistance for review meetings at various levels (DESU/District/Directorate), Documentation/Data Bank Creation etc	1	Lumpsum	Lumpsum	75.000	<b>75.000</b>
Transportation assistance to DCS for want of milk route	100	35000	35000	35.000	<b>35.000</b>
Dr. VARGHESE KURIEN AWARD for best APCOS & Non APCOS	2	300000	300000	3.000	<b>3.000</b>
Operational Cost	1	Lumpsum	Lumpsum	15.000	<b>15.000</b>
Implementation, Monitoring and Documentation Charges	1	Lumpsum	Lumpsum	4.810	<b>4.810</b>
Provision of scheme components of 2022-23, physically achieved yet not encashed during 2022- 23	1	Lumpsum	Lumpsum	0.140	<b>0.140</b>
<b>SUB TOTAL - ASSISTANCE TO DCS - OC 2404-00-195-94-34-OC-03 Other Items</b>				<b>1518.550</b>	<b>1012.400</b>
Documentation & Data Bank Creation 2404-00-195-94-02 Wages -4-Consolidated Pay	1	Lumpsum	Lumpsum	3.75	<b>3.75</b>
Documentation & Data Bank Creation 2404-00-195-94-02 Wages -5 Daily Wages	1	Lumpsum	Lumpsum	0.75	<b>0.75</b>
<b>GRAND TOTAL - ASSISTANCE TO DCS 2404-00-195-94</b>				<b>1523.050</b>	<b>1016.900</b>

***Savings in any scheme component shall be utilized for meeting the expenses  
pertaining to any other component listed above***



*In case of scheme component Documentation and Data Bank Creation (SI.NO 06), Out of the total plan fund of Rs 24.5 lakhs, the allocation under various sub heads shall be*

- *Rs 20 lakh under the sub head 2404-00-195-94-00-34-00-P-V,*
- *Rs 3.75 lakh under the sub 2404-00-195-94-00-02-04-P-V-Consolidated Pay*
- *Rs 0.75 lakh under the sub head 2404-00-109-95-00-02-05-P-V-Daily Wages*

## **A.04 SCHEME PROPER**

### **A. 04.01 ASSISTANCE TO DAIRY CO-OPERATIVES FOR ENACTMENT OF FSSA NORMS Plan Outlay – Rs 207.00 Lakh**

To get a license for DCS as per the Food Safety Act 2006, the organization may submit the documents which details the management system established in their sector. And also to meet the requirements specified in Food Safety and Standards (Licensing and Registration of Food Businesses), Regulations 2011.

It is the responsibility of the Department to assist the farmer-oriented Dairy Co-operative Societies in ensuring, checking and monitoring the quality of milk they collect and sell to the local customers in the nearest pockets. In tune with the FARM TO FORK concept of the FSSA 2006, the testing of milk at society level may be strengthened which will help to reduce the spoilage of milk thereby enabling compliance with the FSSA requirements .

This scheme envisages documentation to confirm the FSSA requirements and extend assistance to set up/upgrade the societies labs to purchase / repair existing / new equipment / utensils / Testing & cleaning chemicals to meet the food safety requirements and ensure quality & safety of milk. Any activity that directly or indirectly favours hygienic milk collection, handling, storage, processing at DCS level can be taken up under this head.

***The total cost for one unit is estimated to be Rs 60,000. Subsidy shall limited to Rs 45,000/- or 75% of the actual cost whichever is less.*** This year around 10 % of DCS may be covered, and based on the rate of successful implementation; the scheme may be extended and thereby fully implemented within 5 Years. ***Maximum units that can be allotted to a particular DCS are one.***

***Registration Fees – Rs. 170 per beneficiary DCS***



### Financial Outlay

NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
	(Rs)	(Rs)	(Rs in lakhs)	(Rs in lakhs)
460	60000	45000	276	207

### A. 04.02 ASSISTANCE FOR REGISTRATION OF NEW DAIRY CO-OPERATIVES

#### Plan Outlay – Rs 18.450 Lakh

The assistance may be sanctioned on need based requirement in any or whole component of the scheme. The assistance once availed in part or whole will never be granted subsequently, but the society is eligible to apply for un availed component of the project on request in the case of partial implementation. A bank account shall be opened jointly in favour of The Secretary of the DCS and Dairy Extension Officer of the concerned Dairy Extension Service Unit and the sanctioned amount shall be deposited in the Joint Account.

Components	Total out lay minimum (Rs)	DCS Contribution minimum (Rs)	Plan Assistance maximum (Rs)
Training to 2 DCS personnel (5 days x 2 No.s x Rs 300)	3,000	750	2,250
Establishment grant for DCS personnel for 3 months @ Rs 3000/month	9,000	2,250	6,750
Equipment, registers, chemicals , furniture, fixtures or stationary etc.	20,000	5,000	15,000
Assistance to reduce milk value due	50,000	12,500	37,500
<b>Grand Total</b>	<b>82,000</b>	<b>20,500</b>	<b>61,500</b>

**\*Any saving on the above component may be utilized for any other component**  
The total assistance eligible to a Dairy Co-operative Societies is Rs 61,500/- or 75% of the actual cost whichever is less. The application for operational support in prescribed format may be submitted to the concerned DESU and the District Dairy Development Officer shall be the sanctioning authority.

**Registration Fees – Rs 170 per beneficiary DCS**



### Financial Outlay

NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
	(Rs)	(Rs)	(Rs in lakhs)	(Rs in lakhs)
30	82000	61500	24.600	18.450

### A. 04.03 NEED BASED ASSISTANCE TO DAIRY CO-OPERATIVES Plan Outlay – Rs 552.00 Lakh

The DCS in the state are functioning with the meagre margin they realise through the sales of milk procured from farmers. Quite often they find it difficult to invest in improving the hygiene and aesthetic aspects of the DCS due to the lack of funds. This scheme envisages assisting the DCS to improve the infrastructure based on their immediate requirements to handle milk hygienically and to provide an aesthetic appearance to the Dairy Cooperative Societies.

The scheme envisages, giving assistance to 414 Dairy Co-operative Societies, according to their needs. **Assistance of 60% of the total estimated cost subject to a maximum of Rs 1,20,000 per DCS shall be provided. The total subsidy for one project is limited to Rs 1.2 lakhs or 60% of the expended amount.** The subsidies remaining from those beneficiaries who have completed the scheme below the expected outlay shall be pooled and can be utilized to extend the scheme to another beneficiary so that the concerned district / Unit can utilize the whole subsidy amount as per their target. The concerned Implementing Officer shall have the authority to divide total subsidy cost he/she received (regardless of no of units) thereby extending the benefit to more number of DCS. Also the last year purchased items for the purpose mentioned below can be give assistance.

Assistance can be given to the following items:

- a. Computer , Printer , Analyser, weighing Balance, Broadband connection and accessories or the missing component of AMCU
- c. Purchase & installation of pump
- d. Construction of Bore well / open well/ set up facilities for rain water harvesting.
- e. Purchase of office furniture.
- f. Construction/ repair of compound wall, extension/repair of existing building.
- g. Go-down / Store Room/collection centres and/offices etc.
- h. Rewiring / Electrical repairs
- i. Solar water heater/Can Washers /scrubbers.



- j. Milk cans and/or Milk product making or marketing equipment/vehicles.
- k. Generator/ Installation of Solar System
- l. ETP and other Pollution Control Activities.
- m. Vehicles for milk collection / Hood for vehicles – temperature control
- n. Rain Water Harvesting Systems
- o. Cream Separator and/or Deep Freezer
- p. Calibration of lab equipment's
- q. Milko-Bike (with Milking Machine attachment)
- r. Repair of any existing equipment/devices/vinyl flooring for milk collection rooms of rented building of DCS.

Any item / items based on the project report submitted by the DCS, duly recommended by the Dairy Extension Officer and further approved by the concerned Deputy Director of Dairy Development Department.

The society can choose any item or a combination of items from the above list, as per their requirements but the subsidy amount shall be limited as indicated in DPR. During a particular financial year, the maximum number of Need Based Assistance units permissible to a single DCS is one.

**Registration Fees – Rs. 170 per beneficiary DCS**

### **Financial Outlay**

NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
	(Rs)	(Rs)	(Rs in lakhs)	(Rs in lakhs)
460	200000	120000	920.000	552.000

### **A. 04.04 ASSISTANCE TO DAIRY CO-OPERATIVES FOR PURCHASE OF OWN LAND**

**Plan Outlay – Rs 27.00 Lakh**

There are 3618 registered Dairy Co-operatives in the state. The following is the statistics of DCS in regard to ownership of own land and building



DISTRICT	NO. OF DCS FUNCTIONING IN OWN BUILDING	NO. OF DCS WITH NO OWNERSHIP OF LAND AND BUILDING
THIRUVANATHAPURAM	228	59
KOLLAM	190	27
PATHANAMTHITTA	58	10
ALAPPUZHA	165	5
KOTTAYAM	128	21
IDUKKI	122	11
ERNAKULAM	233	38
THRISSUR	166	10
PALAKKAD	202	31
MALAPPURAM	95	9
KOZHIKODE	54	0
WAYANAD	108	15
KANNUR	152	15
KASARGOD	72	21

The availability of own land and an own building is instrumental in the development of any institution

The scheme envisages giving financial support to 6 Dairy Co-operatives for purchase of own land. **The plan assistance shall be 30% of cost of newly purchased land subject to a maximum of Rs 3 lakh per Dairy Co-operative. Depending upon the availability of plan fund, the assistance shall be extended to more number of Dairy Co-operatives.**

- ④ The plan assistance shall be 30% of cost of newly purchased land subject to a maximum of Rs 3 lakh per Dairy Co-operative.
- ④ Those DCS which are already having land and are purchasing additional land for developmental activities shall also be eligible for plan assistance under this scheme.
- ④ Application from DCS shall be in prescribed format.
- ④ Resolution of B.O.D shall be attached along with the application form.
- ④ Only those Dairy Co-operatives which have been functional for the last 3 years shall be eligible for submitting the application.
- ④ The DCS shall be in profit for the last three years (2020-21, 2021-22 and 2022-23)
- ④ Only those Dairy Co-operatives, which have purchased land during the period from 01.04.2022 to 31.03.2024 shall be eligible for placing application under this category.
- ④ The plan assistance shall be a re-imbusement for the amount already spent by the Dairy Co-operative for purchasing own land.
- ④ No advance payment of plan fund shall be extended to Dairy Co-operatives for purchasing new/own land.
- ④ The newly purchased land shall be under the joint ownership of The President and The Secretary of the concerned DCS





- The value of the purchased land shall be in tune with the District Level Land Value Assessment Committee constituted as per the Government Order (S.R.O No. 83/2020 dated 27.01.2020)
- Only those purchase of own land by DCS, approved by The Deputy Director, Dairy Development Department shall be eligible for placing application for financial assistance under this scheme component.
- Existing rates and government norms shall be followed by DCS which is purchasing own land for the Dairy Co-operative.
- Attested copy of land purchase documents (including copy of Deed) shall be attached along with the application form.
- The beneficiary DCS shall execute an agreement with the Dairy Development to the extent that the DCS will not sell or lease the purchased new land, for which they have applied for financial assistance.

UNITS	NO OF UNITS	UNIT COST (Rs)	UNIT SUBSIDY (Rs)	TOTAL COST (Rs in lakhs)	TOTAL SUBSIDY (Rs in lakhs)
<b>No's</b>	<b>9</b>	<b>1000000</b>	<b>300000</b>	<b>90.00</b>	<b>27.00</b>

**The Registration Fees shall be Rs 500 per beneficiary DCS.**

#### **A. 04.05. UNIFIED SOFTWARE FOR DCS**

**Plan Outlay – Rs 75.00 Lakh**

##### **A. 04.05.01 UNIFIED SOFTWARE FOR DCS- KSEERASREE PORTAL**

Dairy Co-operatives form the backbone of dairy sector in the state. Dairy Co-operatives provide ready market and steady price to the dairy producers. Societies play a vital role in rural economy through the procurement of milk from farmers at their doorsteps. The milk procurement, quality testing, pricing, milk value distribution, supply of inputs like cattle feed are all done by Dairy Co-operatives. There are 3618 Dairy Co-operative societies spread across Kerala. All Dairy Co-operative societies are functioning in a similar pattern. In order to function effectively, the societies shall have an enterprise software solution so as to carry out all the functions in a transparent, effective, efficient and accurate manner. There are around 3.97 lakh dairy farmers pouring milk in societies that comes under the organised sector. The farmers also purchase various inputs like cattle feed from these societies. This generates large volume of data. The management of accounts and data in a Dairy Co-operative becomes a herculean task. There is also an urgent need to bring in uniformity across the system.

In the dairy sector there is a growing demand for information exchange at all levels viz: state, district, block and in the grass root level and even at individual level. The Dairy Development Department is the administrative department of all Dairy Co-operatives as per Kerala Cooperative Societies Act





1969. The different offices of the department also need to collect a lot of data in the form of reports from Dairy Co-operatives at various levels as mentioned above.

## **01. NEED OF THE HOUR**

In order to extend the benefits of Information Technology for all rural dairy farmers, all Dairy Co-operatives shall necessarily be brought under the ICT umbrella. All Dairy Co-operatives shall be installed with a common unified web based software solution to meet the demands of all stakeholders like Dairy farmers, Dairy Co-operatives, Dairy Development Department, Regional Unions, Government and all other agencies associated with the sector. Manual processes like recording of milk collection details, financial accounting operations and quality based price fixation for a Dairy Co-operative society with many members is time consuming and is easily prone to errors and manipulations. It increases the establishment cost involved and finally becomes a burden upon farmers. As per Kerala Cooperative Societies Act, it is mandatory to close the books of accounts within 3 months from the closing of financial year and the General Body has to be conducted within a period of 6 months. The delay in preparing final accounts may adversely affect the management of the committee and computerisation can solve many such problems. It is also difficult to trace transactions from large number of registers and bill books. When mistakes become frequent, there will be erosion of trust and reliability which will invariably lead to the overall inefficiency and ineffectiveness of Dairy Co-operatives. In the era of e governance, it is high time that we adopt the information technology methods to make the work smarter and easier to ensure transparency and reliability.

Dairy co-operatives receive price from unions based on the approved price chart. The Co-operatives are governed by elected committees and the functions shall be in accordance with the Kerala Cooperative Societies Act 1969. The three tier dairy cooperative structure consists of primary level dairy Co-operatives, regional level milk cooperative unions and top most level apex federation. The administrative control of dairy Co-operatives vests with the Dairy Development Department and the Director of Dairy Development Department is the Registrar of dairy Co-operatives. Dairy Development Department also implements several schemes for the benefit of dairy farmers through dairy Co-operatives. It ensures that the benefits reach the right beneficiary who pours milk at dairy Co-operatives. The auditing of dairy Co-operatives is done by Cooperative Department. This portal for unified software project is currently named ksheerasree portal.

Ksheerasree portal bagged State e-Governance award and also got national recognition by winning Digital India Awards 2022.

## **02. SCOPE OF THE UNIFIED SOFTWARE PROJECT**

The Objectives of the proposed e-Governance solution necessarily include all but not limited to the following aspects. The scope of the project is to design and develop a web based centralized application with the following objectives:



1. To capture real-time data regarding procurement of milk (consisting of quantity and quality) from dairy farmers and selling of milk to consumers in Dairy Co-operatives, to computerize and automate all activities undertaken by any dairy cooperative society and its sub-centre in the state including but not limited to milk, cattle feed and mineral mixture transactions and any other authorized transactions undertaken by society and thus to establish an effective unified accounting system in dairy Co-operatives. The data from the input machines shall be captured by the newly developed application software.
2. To ensure standardization of system and processes across societies and implement a uniform system across the state.
3. To generate all registers and records in dairy Co-operatives as per Kerala Cooperative societies Act and as per department regulations. The membership, nominal membership, active membership, election and voters list and procedure for issuing all types membership and all activities as per KCS Act shall be taken care of.
4. To ensure data capture in offline mode in dairy Co-operatives where there is no internet. The system shall ensure data synch in case of internet failure and procurement of milk shall not be delayed due to issues in connectivity.
5. To ensure that the dairy farmers receive fair, accurate and immediate payment for the milk poured in society based on authorised price chart and relevant pricing policies. The pricing for farmers shall be centralized. A unique ID for farmers based on Aadhaar/DBT may be provided in consultation with the department.
6. To provide an interface (mobile based and App based system) to all stakeholders including farmers and DCS for meeting contingencies and as a grievance redressal mechanism for any issue like improper pricing, delayed payment, poor quality of feed, non-availability of feed, improper timing etc. The grievance redressal module shall have an interface for department officials to enquire and post updates. To develop all kinds of Mobile Apps useful for public and for stakeholders to cater to the needs of the sector.
7. To enable MIS report generation. Department shall be able to generate all kinds of reports, statements and accounts including but not limited to Kerala Cooperative Societies Act, 1969. The reports required in each log in are different. For eg: in a society login for president and secretary, reports of that particular society will be enough. But in DESU login the reports of all societies in block individually and consolidated data shall appear as reports. Separate reports for traditional and APCOS societies shall appear. The software shall enable filtering of data and report generation at all levels including that of APCOS society and non Apcos society



(traditional). The report formats for DD login and Director login also will be different based on jurisdiction. This should provide a decision support system to the department officials. To enable information flow among all identified stakeholders and to Capture information once and at the source. Government machinery shall be able to access real time information through MIS reports.

8. To provide accurate data to Kerala Dairy Farmers Welfare Fund Board (KDFWF) and to have an effective interface with the application developed by Kerala Dairy Farmers welfare Fund Board for effective distribution of pensions and welfare funds through KDFWF. Later when sufficient data is available activities of KDFWF can be made onboard into the system.
9. To enable integration with applications existing in related agencies like KDFWF, Animal Husbandry department, Kerala Cooperative Milk marketing federation (Milma), Kerala Livestock development Board and the application so developed shall have interoperability with any other application including audit application of Cooperative Department. While implementing subsidy schemes integration with Revenue software (ReLIS), Civil Supplies Software (e-PDS), Treasury integration and any other relevant departmental application shall also be done wherever necessary.
10. To provide an interface for the geo mapping application developed by department. There should be interoperability with all other applications developed by the department.
11. The subsidy schemes of department like Ksheeragraamam, Milk Shed Development programme, Fodder, RDE and AS, Strengthening Quality, Assistance to DCS etc have to be made online and applicants shall be able to submit applications online. The eligibility and priority criteria shall be strictly in accordance with the approved DPR of respective schemes. This will help to effectively implement subsidy schemes of the department in an efficient and transparent manner and benefits will reach right beneficiary. Ksheeragramam scheme was successfully implemented online during 2021-22 and other subsidy schemes like Milk Incentive, Milk Shed Development programme, Fodder, Strengthening Quality were successfully implemented during 2022-23. The Stock Verification for the financial year ending on 31.03.2023 was also made online through ksheerasree portal. The inputs shall be taken from this for implementing plan schemes during 2023-24.
12. To enable a module for reporting data with respect to cooperation for offices within department as mentioned in the current Blue-Book. All blue book entries shall be captured in DEO log in level. In this module, those data which can be consolidated from society level shall get auto-populated and appear automatically. Blue Book has been provided to NIC.
13. To ensure data migration from existing source (automatic milk collection stations /existing applications in DCS) to the newly developed system and



to ensure offline data capture. Integration with all analyser companies in the sector is also envisaged.

14. To be rolled out in all dairy Co-operatives in the state and building an internet working environment for information flow among Dairy Department, DCS and others identified stakeholders including audit wing of cooperative department.

The scope is not limited but include any other item which later appears to be essential for the smooth functioning of department and dairy Co-operatives.

The Software offers a total automation solution to Dairy Co-operative societies for their milk procurement operations. The software solution includes automatic milk collection systems specifically made to meet the needs of Rural Dairy Co-operatives

A government level Steering Committee headed by the Principal Secretary of Agriculture (Dairy) Department consisting of members from NIC, Kerala State IT mission, IT Department, State e-Governance Mission team, IIITM-K and ICFOSS take relevant decisions at appropriate times, issues directions to department and monitors the project on a regular basis. The Department have already constituted a state level committee with technocrats from Dairy Dept, regional unions, state federation, audit wing, IT experts, KSITM, SeMT and KDFWFB representatives etc. The Dairy Department IT Cell headed by the Director will be implementing the Unified Software in dairy Co-operatives in compliance with the decisions taken by the government steering committee.

As per the direction from the department of Electronics and Information Technology, Agriculture (Dairy) Department vide letter No: 135/D1/2018/DD dated 21.12.2018 has directed the department of Dairy Development to prepare a comprehensive requirement formulation document. Department of Electronics and Information Technology have also directed to float a non-committal Expression of Interest to assess the availability of options other than NIC. Department floated the Expression of Interest to which 5 companies responded. Department directed the companies to conduct a presentation on the project which was evaluated by the core technical committee. The recommendations of core technical committee were then forwarded to the government seeking permission to proceed with RFP. But then subsequently Govt conducted a meeting with NIC and technical committee officials and released G O (Rt) No 116/2019/DD dated 03.10.2019 of Agriculture (Dairy) Department.

As per the government order G O (Rt) No 116/2019/DD dated 03.10.2019 of Agriculture (Dairy) Department, the unified software project for dairy cooperatives is entrusted to NIC. Government level Steering Committee headed by the Principal Secretary of Agriculture (Dairy) Department consisting of members from NIC, Kerala State IT mission, IT Department, State e-Governance Mission team, IIITM-K and ICFOSS take relevant decisions at appropriate times, issues directions to department and monitors the project on a regular basis. Review meetings are conducted at regular intervals and minutes are circulated to stakeholders for necessary action.



As per GO (Rt) No: 63/2020/DD dated 14.09.2020, MoU (along with Annexure) for the unified software project was approved by Govt. Subsequently MoU was signed between the Director, Department of Dairy development and State Informatics Officer, NIC on September 23<sup>rd</sup> , 2020 in the presence of Hon. Minister for Dairying. Then request was forwarded to the government for release of first instalment of funds to NIC based on the Administrative Sanction received. Finance Department also approved the release of funds as per GO (Rt) No: 76/020/DD dated 04.11.2020. As per mutually signed MoU first instalment of funds released as per proceedings No: DDDKER/10047/2020-D1 dated 14/12/2020 of the Director. Subsequent instalment of 25 percent of funds was released to NIC as per proceedings No: DDDKER/10047/2020-D1 dated 15/10/2022. NIC had submitted Software Requirements Specifications (SRS) and following related documents to department on January 30th.

1. Software Requirements Specifications (SRS)
2. Technical Requirements Specifications (TRS)
3. Functional Requirements Specifications (FRS)
4. Project Management Plan (PMP)
5. Use Case diagram
6. Use Case Specification
7. Entity Relationship –Diagram (ER Diagram)
8. Input Output Screen diagram
9. Test-Plan Document

A workshop of all stakeholders was conducted on March 2<sup>nd</sup>, 2021 from 10.30 am to 4 pm inviting suggestions from all stakeholders. The documents were reviewed by department and submitted back to NIC with review comments and suggestions. The design and development was started by NIC on June 1<sup>st</sup> 2021. Ksheerasree portal was inaugurated by Hon. Minister for Animal Husbandry and Dairying on December 1<sup>st</sup> 2021 and ksheeragramam scheme was launched. During 2022-23 several schemes including Milk Incentive, Milk Shed Development programme, Fodder, Strengthening Quality were successfully implemented during 2022-23. The Stock Verification for the financial year ending on 31.03.2023 was also made online through ksheerasree portal.

Stakeholders of the project include:

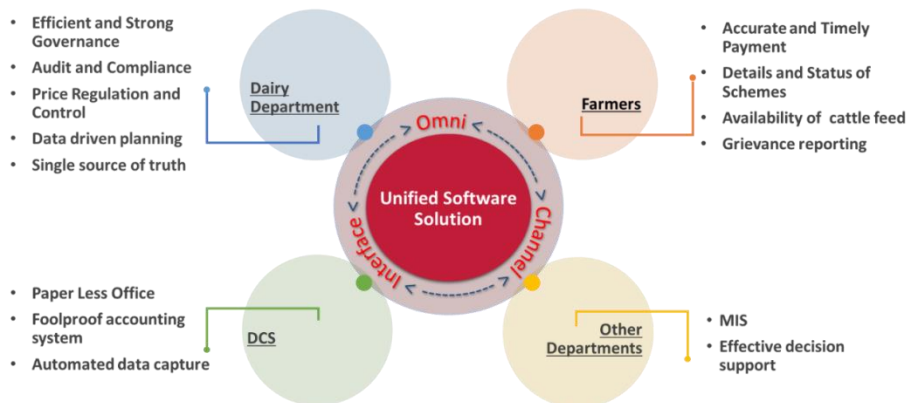
- All Dairy Farmers
- All Dairy Cooperatives
- Dairy Development Department
- Government Steering Committee
- Kerala Cooperative Milk marketing Federation
- Regional Unions, Dairies
- Kerala Dairy Farmers Welfare Fund Board
- National Informatics Centre
- Other Govt. Departments





- PSUs

### A diagrammatic representation of the total e-Governance Solution



The proposed solution is a complete software application for managing the functionalities of Dairy Co-operative Societies. The core functional modules include:

#### The Modules of project include:

1. Membership module
2. Dairy farmer Profile module
3. Dairy farmer Interface
4. Procurement module
5. Dairy Co-operative Society Profile
6. Dairy Cooperative Society Interface
7. Sales module
8. Department officials module
9. Govt. Subsidy Schemes' module
10. Election
11. Stock and Inventory
12. Co-operative Accounting Double-Entry
13. Grievance Redressal
14. Bulletin Boards
15. Committee meetings
16. General Body meeting
17. MIS Reports and Analytics
18. Sub Centre Module
19. Interfaces for KDFWF, Milma, Audit wing, Other Departments
20. Termination or Expulsion of a member
21. Pay Roll and HR Module
22. Audit and Audit Rectification Module



**03. User Requirements, Functional requirements and Non-functional requirements approved by the core technical committee were forwarded to NIC by the Department:**

**Stakeholder Requirements include:**

Stakeholder	Requirements
<b>Dairy farmer/ Producer</b>	Dairy farmer profile shall be available in system. Farmer Registration capturing Demographic data, Land details, Cowshed and other infrastructure details, animal details shall be done with edit and update options.
	Dairy farmer/ Producer shall have a unique ID in consultation with the department.
	A member in society and non-member shall be identified with the unique numbering system.
	Dairy farmers shall receive fair, accurate and immediate payment for the milk poured in society based on the relevant pricing policies in a fair and transparent manner.
	The pricing for farmers shall be centralized. He shall be able to receive sms/alerts about the quality and quantity of milk poured by him in DCS immediately after pouring milk in DCS. This happens daily in the morning and evening as of now.
	Dairy farmer shall get alerts regarding the cattle feed stock in society ie when stock is available he shall be able to know.
	Payments due to the farmer and outstanding payments to the farmer shall be visible to the farmer by means of a mobile App
	To provide an interface (mobile based and App based system) to farmers for a grievance-redressal mechanism for any issue like improper pricing, delayed payment, poor quality of feed, non-availability of feed, improper timing etc.
	MIS Reports shall be generated for the farmer regarding the milk poured in society for a particular period. Trends in quantity and quality may be available. Reports like cattle feed purchase and payment due to him and payment outstanding shall be available.
	An interactive portal for farmers for accessing the details regarding government subsidy schemes of the department which includes submission of application for subsidy, uploading documents to prove eligibility and an approval process. End to end work flow shall be enabled online.
Portal and Apps or mobile friendly applications shall also be developed for submitting applications to subsidy schemes of department and for ensuring end to end work flow of processes involved.	



Stakeholder	Requirements
	Provision of milk value advance to farmers shall be addressed in the accounting system
<b>Dairy Cooperative Society/Sub- centre</b>	a) President: President shall be able to view the reports pertaining to the society
	b) Secretary: He is the chief executive officer of the society and any requirements for the society shall be the requirements for the secretary
	There are Anand pattern Cooperative Societies and Traditional Societies in the state. The software shall meet the needs of both types of societies. Also there are cluster societies with or without sub-centres and Bulk Milk Chilling centre societies.
	Society shall be a paperless office automating all transactions including milk, cattle feed, mineral mixture and other approved transactions
	All basic data with respect to a farmer in accordance to KCS Act shall be captured and available in the software.
	Society Profile shall be captured and updated. General Details, FSSA licence details, Infrastructure details, Bank Account details, Opening cash balance, Daily bank transactions, Bank deposit and other deposit details, Share in Milma and other institutions, Asset management, Elections, Audit, Sub-centre details shall be captured with edit and update provisions.
	Non-member to a nominal member conversion with prescribed fee as nominal fee and nominal member to a member conversion as per eligibility criteria (shall pour milk for 90 days out of 120 days) shall be taken care of by the system. The criteria shall be changed in accordance with amendment if any.
	Software shall provide an Accounting system in cooperative societies, in BMC societies, cluster societies and its sub-centers. Accounting system shall be based on cooperative accounting principles. Maintenance of Ledgers and Subsidiary Ledgers, Daybook Maintenance, Receipts and Disbursement statement preparation, Final A/c statement preparation (Trading, P&L, Balance Sheet), All financial records needed as per KCS Act 1969 to facilitate audit and real time view of all accounts at Society level. The profit and loss account statements and Balance sheet shall be generated from the accounting system.
	Regarding the accounting system the features mentioned in the requirements submitted to SIO, NIC as per letter no D1/16035/2017 dated 06.12.2017 from the Director of Dairy Development may be referred to. The local sales bills to be generated with cash and credit provisions,





<b>Stakeholder</b>	<b>Requirements</b>
	<p>Anganwadis, schools etc require credit bills which the system shall support. The Local sale bills are to be generated for each sale of milk at DCS level. Cattle feed credit sales shall be possible in compliance with the department directions. Average fat and SNF of milk purchased shall be recorded.</p>
	<p>Software shall support recording of minutes of board meetings and General Body meetings with provisions to capture attendance, date, details, attendance, agenda, and decisions. SMS alerts should be enabled wherever necessary.</p>
	<p>The existing data residing in societies shall be able to be ported to the new system.</p>
	<p>All data entries and data capture shall happen real time. Society shall be able to procure milk from farmers and record input data from the automatic milk collection stations, milco testers both quantity, quality (Fat &amp; SNF) and other quality parameters like MBRT</p>
	<p>Application shall generate all registers and records in dairy cooperative as per KCS Act and as per department regulations. Membership register, non-membership register, purchase register, payment register, local sales register, dairy register, liability register, Stock/ Inventory register, In/out Stock. Sales register, Diversified Activity Register, Input Outstanding Registers, Fixed Asset register, Other activities register, Bonus/Incentive register, Milma Incentive details, cash book, and General Ledger, Receipts and Disbursement register, Receipt Book, Vouchers, Periodic Invoices, MIS Report, Adjustment entries, Direct entries shall be possible. Bills shall be generated for all transactions.</p>
	<p>NIC can develop accounting module taking inputs of Financial Accounting from legacy software openlypsaa which may be analysed and shortfalls may be rectified in consultation with DDD</p>
	<p>Society shall be able to capture details of milk sold to consumers and all types of payment modes shall be enabled.</p>
	<p>The membership, nominal membership, active membership, election and voters list and procedure for issuing all types of membership and activities as per KCS Act shall be taken care of.</p>
	<p>HR module for society personnel may be enabled in the unified software system.</p>



Stakeholder	Requirements
	<p>To ensure data capture in offline mode in dairy Co-operatives where there is no internet. The system shall ensure data synch in case of internet failure or machine failure and procurement of milk shall not be delayed due to issues in connectivity. The offline data entry will not be encouraged except for genuine reasons and will be permitted only for limited instances.</p> <p>DCS shall be able to view the circulars and government orders related to the cooperative societies which are uploaded by relevant officials in their login.</p> <p>An interactive portal for DCS for accessing the details regarding subsidy schemes of the department for the societies which includes submission of application, uploading documents to prove eligibility and an approval process. End to end work flow shall be enabled. Query based reports may be provided by NIC.</p> <p>Apps or mobile-friendly applications shall also be developed for all stake holders and for any identified purposes</p> <p>Death or retirement of a member shall be able to be captured in the system</p> <p>Profit Division as per Bye-law shall be done by software</p>
<p><b>Dairy Extension Service Unit-DEO</b></p>	<p>The grievance redressal module shall have an interface for department officials to enquire and post updates</p> <p>MIS Reports for DESU. The department shall be able to generate all kinds of reports, statements and accounts including but not limited to Kerala Cooperative Societies Act, 1969.</p> <p>In DESU login the reports of all societies in the block individually and consolidated data shall appear as reports. Separate reports for traditional and APCOs societies shall appear. The software shall enable filtering of data and report generation at all levels including that of APCOS' society and non APCOS society (traditional).</p> <p>An interactive portal for DESU for approving the applications received online from farmers/DCS regarding subsidy schemes of the department based on the eligibility criteria published. End to end work flow shall be enabled.</p> <p>Apps or mobile-friendly applications shall also be developed for any identified purposes.</p>



Stakeholder	Requirements
	A portal for reporting all types of data residing in DESU like details of entries in Cooperative Blue Book used for reporting in department. To enable a module for reporting data with respect to cooperation for offices within the department. All blue book entries shall be captured in DEO log in level. In this module, those data which can be consolidated from society level shall get auto-populated and appear automatically. Blue Book will be provided to NIC
<b>Deputy Director at district level</b>	The Deputy Director shall be able to view MIS reports pertaining to his jurisdiction for all modules in software.
	Deputy Director shall be able to upload related circulars/ directions in his login which shall be viewed by DCS in his jurisdiction.
	An interactive portal for department subsidy schemes where Deputy Directors shall be able to approve or reject the applications based on the eligibility criteria and norms mentioned in the govt. approved Detailed Project Report.
<b>Director</b>	To ensure standardization of system and processes across societies and implement a uniform system across the state.
	A dairy farmer and a dairy cooperative society shall be uniquely identified with a scientific unique numbering system.
	MIS reports of all types shall be available in the Director login.
	The cooperative accounting system shall be implemented in societies without any flaws.
	Also there shall be provision to upload letters, circulars and Govt orders in the login which shall be able to be viewed by all lower-level roles.
	To enable information flow among all identified stakeholders and to Capture information once and at the source. Government machinery shall be able to access real-time information through MIS reports
	The Director shall be able to upload the circulars. Govt orders and govt. approved DPR and the applications so submitted by farmers/ DCS shall be able to be viewed by Director. In certain cases where approval of Director is required, it shall appear in the Director's log in also.
<b>Kerala Dairy Farmers welfare Fund Board-</b>	The real time accurate data regarding milk collection shall be shared with Kerala dairy farmer Welfare Fund Board to ensure amshadayam remittance.



<b>Stakeholder</b>	<b>Requirements</b>
<b>Chief Executive Officer</b>	Both the systems ie unified software and KDFWF systems (ksheerajalakam) can share data useful for both. Later when sufficient data is available with unified software on-boarding of KDFWF activities can be done.
	Unified software shall be able to access the details regarding assistance offered to dairy farmers through ksheerajalakam - the software system at KDFWF.
	To provide accurate data to Kerala Dairy Farmers Welfare Fund Board (KDFWF) and to have an effective interface with the application developed by Kerala Dairy Farmers welfare Fund Board for effective distribution of pensions and welfare funds through KDFWF
<b>Other Applications developed by department like geo-mapping</b>	To provide an interface for the geo-mapping application developed by the department.
	There should be interoperability with all other applications developed by the department.
	Web services may be developed to access any data from the applications developed by the department.
<b>Audit wing of Cooperative Department</b>	The accounting system in dairy Co-operatives shall be followed and the reports needed for audit purposes shall be generated by the system.
	In APCOS accounting, milk purchase is equal to milk dues. In audit the auditors are verifying the correctness of milk purchase by comparing it with milk dues. The system should support this.
<b>Kerala Cooperative Milk Marketing Federation/ Regional Milk Unions</b>	Payment cycle for the societies needs to be flexible and to the maximum possible extent, realtime payment shall be possible.
	Provision to enter/update of price chart of dairy Co-operatives based on which dairy to society and society to farmer pricing happens.
	Facility to review the Milk Value Payment Cycle
<b>Sister concerns like Animal husbandry, Kerala Livestock Development Board , MRDF</b>	To enable integration with applications existing in related agencies like KDFWF, Animal Husbandry Department, Kerala Cooperative Milk marketing federation (Milma), Kerala Livestock development board and the application so developed shall have interoperability with any other application including audit application of Cooperative Department.

**It is expected that Process Re-engineering provisions shall be discussed and approved before finalizing the module development design.**



#### 04. Financial outlay – PHASE II

Scheme Component	Total Outlay (Phase II)	Plan Outlay (Phase II)
Implementation of UNIFIED DCS SOFTWARE in all dairy Co-operatives in a phased manner. First phase requirement for piloting project in selected districts.	Rs 75 Lakh	Rs 75 Lakh

The fund shall be utilized for any aspects related to the design and development and implementation of unified software project which include but not limited to:

- to undertake Analysis study so as to ensure perfection and utility of the present software in different district level DCS
- For undertaking software design and development in tune with the requirements specifications approved by department
- For purchase of systems and work stations as per the requirement from NIC and as per requirement of IT Cell of department which implements the scheme.
- For Annual Maintenance Cost for the project
- For undertaking any activity involved with the development and implementation of software with the approval of Steering Committee
- For meeting expenses pertaining to TRAINING OF MASTER TRAINERS for different district consortiums in regard to software operations, configuration aspects, installation aspects, breakdown maintenance aspects, routine maintenance aspects etc.
- For preparation of handbooks, leaflets, video tutorials and other training materials for implementation of Unified DCS Software in districts.
- For meeting necessary requirements for the implementation of Unified DCS Software.
- For meeting training expenses for department officials/ DCS personnel in regard to implementation of Unified DCS Software.
- For compensating any other expense incurred by district offices that directly or indirectly favours the implementation of Unified DCS Software
- For appointing testing team personnel on contract basis
- For appointing system administrator for software at department level on contract basis
- For conducting workshops of various stakeholders in the project

It is expected that with the advent of Unified Software solution, the entire milk collection process becomes faster thereby reducing the spoilage of milk and the waiting time of farmers at the collection centres will be greatly reduced. Efficient, transparent, fair and speedy payment of milk price at the dairy co-operative societies can be ensured and there will be reduced chance of errors and frauds during the milk collection process.



## 05. FINANCIAL BREAKUP

<b>Cost Component Details</b>		
<b>Sl No</b>	<b>Item of Expenditure</b>	<b>Expected Amount in lakhs</b>
1	For conducting detailed As-Is and To-Be Study before developing modules	Rs 75 lakh
2	Seeking consultancy support from private agencies and agencies like Kerala State IT Mission/SeMT	
3	Setting up a Project monitoring Unit/State level Monitoring Units at Directorate and district level PMUs	
4	Design and Development of 22 modules of web based unified software solution	
5	For purchase of computers, printers and other related IT equipment and work stations as per the requirement from NIC and as per requirement of IT Cell of department for the implementation of project.	
6	IT Infrastructure Creation and availing server services wherever needed for replacement to avoid downtime	
7	Cost of procuring SMS services and sufficient SMS balance for portal	
8	Cost of developing all kinds of Mobile Apps useful for public and for stakeholders to cater to the needs of the sector	
9	Cost of integrating and implementing payment gateway with the portal	
10	Annual Maintenance Cost for the project	
11	Cost involved for user acceptance testing, test hosting in any internal environment, cost of performance audit, Security Audit and any other relevant testing charges	
12	Data migration cost and data entry expenses.	
13	Third Party Acceptance Testing and cost involved for conducting meetings, seminars, workshops and training sessions including Training of master trainers	
14	Engaging Testing team and Data Entry Operators for the project on contract basis	
15	Engaging qualified system administrator for ksheerasree portal and qualified handhold support engineer for society modules through NICS	
16	For preparation of handbooks, leaflets, video tutorials and other training materials for implementation of Unified DCS Software in districts	
17	Providing Assistance for minimal electronic hardware support to Dairy Co-operatives to ensure compliance of software with the existing hardware like procurement of electronic equipments like	





	port converters and other accessories and any other expenses for ensuring hardware integration.	
18	Cost of conducting workshops and meets of stakeholders and Experts.	
19	Cost of piloting in selected societies including travelling expenses for implementation.	
20	Implementation/Installation of Software in all Dairy Co-operatives: travel cost, manpower cost.	
21	Training and Capacity Building to all stakeholders including Department officials, Dairy Co-operative staff, BOD of societies, stakeholders from other agencies	
22	Expected Annual Maintenance Cost	
23	Internet support charges for Dairy Co-operatives	
24	Any other cost involved directly or indirectly for implementing unified software in dairy cooperatives	
	<b>GRAND TOTAL (PHASE II continued)</b>	<b>Rs 75 Lakh</b>

The implementation can be done in a phase wise manner and an estimated cost of Rs 75 lakh is expected.

**NB: The project is proposed to be implemented in phases and the approximate estimate of this phase is Rs 75 lakhs.**

**The fund can utilised for the development of “Ksheerasree” portal (as developmental cost, implementation charges and recurring expense)**

Savings in any component mentioned above can be utilised for meeting the expenses pertaining to any other component mentioned above. Any expenditure in connection with implementation of Unified Software shall be included as project expenses with the approval of the Director.

#### **A. 04. 06 ASSISTANCE FOR FUNCTIONING OF VARIOUS CONSORTIUM, ASSISTANCE FOR REVIEW MEETINGS AT VARIOUS LEVELS (DESU/DISTRICT/DIRECTORATE/OTHER STATE LEVEL), DOCUMENTATION, DATA BANK CREATION ETC**

**Plan Outlay – Rs 75.00 Lakh**

##### **A. 04.06.01 ASSISTANCE FOR FUNCTIONING OF CONSORTIUM**

The Department started complete automation of the Dairy sector with great expectations, and aims at reaching all levels by the end of this Five Year Plan. This MIS system aims to centralize the daily milk procurement and unifying its corresponding transactions under one umbrella.



AMCU and computer with internet facilities are the primary input hardware to be kept at the Dairy cooperative societies to enter the data and to monitor the data; computers are required at all concerned Dairy Extension Service Units and District Deputy Director's office and Quality Control Offices.

Presently a good percentage of DCS are using AMC unit with different software and also one of the problem experienced is the failure in hardware or software. To unify the accounting systems and networking of the department offices, steps have been initiated using a portion of fund granted under ACA 2012-13 to roll out the software developed by the Wayanad district consortium with help of NIC.

During the year 2023-24, the unified DCS Accounting Software will be implemented in all the DCS. The software part will be finalised and released at Directorate level. As per the system a state level Technical committee have already been constituted and that Technical Committee shall provide the inputs for further modification on the software. The UNIFIED ACCOUNTING DCS SOFTWARE shall be installed in each DCS with help of the consortium. The Department shall only provide the software to all the DCS through their consortium. Networking and Hardware support services shall be the responsibly of the concerned Consortium.

The scheme envisages providing assistance to district level consortium of Dairy cooperative societies to ensure the network and hardware supports to DCS and/or department offices. Any activity that directly or indirectly favours the automation programme of the department can be taken up by the consortium.

By providing assistance the maintenance activities of the concerned Dairy Extension Units and District Deputy Director's office and Quality Control Offices also can be carried out. The assistance shall be utilized to obtain service of Network Operator/Administrator, purchase of Hardware (Stand by), equipment / tools, conducting meeting, Tender expenses, documentation, training expenses etc. A fixed contribution shall also be collected from the member DCS for the effective functioning of the Consortium. The amount may be deposited in the Joint Account of the Chairman & the Convener. But 25% of the total cost of every activities (above mentioned expenses) shall always be met by the consortium own fund (contribution of member DCS). The consortium shall be responsible for monitoring and evaluating the effectiveness of the automation and networking system

PROJECT NAME	UNITS	2022-23				
		NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
			(Rs)	(Rs)	(Rs Lakhs)	(Rs Lakhs)
Assistance to District wise consortium to monitor and maintain the automation & networking system	Number	14	200000	200000	<b>28.000</b>	<b>28.000</b>





#### **A.04.06.02 ASSISTANCE FOR REVIEW MEETINGS AT VARIOUS LEVELS (DESU/DISTRICT/DIRECTORATE/OTHER MEETINGS)**

Review meetings may be conducted with all the secretaries/presidents/representatives of DCS at each DESU, where DCS are functioning actively to discuss on the issues pertaining to the administration of the dairy co-operative society, audit etc. It also provides ideal platform for fruitful discussions of the local problems faced by the farmers through interactions among DCS secretaries/representatives and evolving possible solutions. The meeting may be of half day duration, conducted at Dairy Extension Service Unit level / District office level in any DCS or in it's nearest place. The plan assistance may be used for the conduct of the meeting and for providing light refreshment to the participants. It is envisaged that four review meetings each may be organized by 162 Dairy Extension Service Units during the year 2023-24 and review meetings in 14 District Head Quarters. The review meetings at district HQ shall be for the department level officers working in different units and any agenda that is directly or indirectly concerned with the development activities of the DCS shall be taken for discussion. The plan component for providing assistance to each review meeting is Rs 1500/ review meeting (for quarterly meetings at DESU) and Rs 12,000 for review meeting at District Headquarters. Presence of the representative of the Dairy Directorate may be ensured as far as possible in the district level meeting. Minutes of meeting, Attendance, action plan, achievements may be documented for all DESU/District level meetings. Rs 3.6 lakh is benchmarked for meeting the expenses pertaining to Directorate level review meetings (taken up either directly, through DTC's or through other department level or other training centres)

- |  |                         |
|--|-------------------------|
| <b>(a) 4 Review meetings per DESU per year X Rs 1500 per meeting X 162 DESUs</b> | <b>= Rs 9.72 Lakhs.</b> |
| <b>(b) Rs 12,000 each for 14 district level review meetings</b>                  | <b>= Rs 1.68 lakhs</b>  |
| <b>(c) Review Meeting at Directorate Level</b>                                   | <b>= Rs 3.60 lakhs</b>  |
| <b>(d) Other state level meetings / trainings</b>                                | <b>= Rs 11.50 lakhs</b> |

**(Savings in any one component can be utilised for the implementation of other components)**

**Note :** *In case of DESU level review meetings, within the total financial allocation to the district and based on the number of DCS in the DESU's of a particular district, the Deputy Director holds the discretion to reallocate the amount within different DESU'S.*



SCHEME COMPONENT	NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
		(Rs)	(Rs)	(Rs in lakhs)	(Rs in lakhs)
ASSISTANCE FOR REVIEW MEETINGS FOR DCS PERSONNEL AND OFFICIALS AT DESU LEVEL / DISTRICT LEVEL / DIRECTORATE LEVEL AND OTHER MEETINGS	LUMPSUM	LUMPSUM	LUMPSUM	26.5	26.5

#### A.04.06.03 DOCUMENTATION & DATA BANK CREATION

Dairy Co-operative societies are the platform for dairy farmers to sell their milk. There are 3618 number of Primary Dairy Co-operatives registered in our state to ensure the fair price for their produce and so to sustain this sector, strengthening of these Dairy Co-operatives are very essential. With the help of CDAC, software has been developed for the Information Centres. All the Dairy Extension Service Units have already been raised as Farmer Facilitation Centres. Further the Department has started disbursing assistance to beneficiaries in **Direct Benefit Transfer Mode**. The development and updating of M.I.S is mandatory for the department level automation programme. The data regarding the DCS, beneficiaries, and officers has to be uploaded to the website and has to be maintained, upgraded and made available to the end users. So this project envisages to enter the available data at various offices of the Department, details of DCS, stock details of department offices / DCS, Board members, audit objection, arbitration, election, monthly progress reports, procurement details etc. of DCS, DCS administration, KDFWF, Scheme implementation, file movement, complaint redressal, beneficiary list, office details etc of DESU, District Offices & Dairy Directorate will be available in this information centres. It is very difficult to enter the initial details by the department officers and need external help / outsourcing. In this scheme fund is benchmarked for meeting software development charges for department automation/MIS development, meeting data entry charges, wages for data entry operators at various levels of office and maintenance. The fund shall be met for engaging a System / DB Administrator on contract basis for one year at Directorate level who shall manage, co-ordinate the IT activities of the department at various levels especially Directorate, Dairy Training Centre, State Dairy Lab, Tvm district and quality control office, Tvm . The proposed System Administrator shall synchronise the software development activities, automation activities, DBT activities, networking activities, routine hardware/software maintenance and also breakdown hardware and software maintenance. He shall supervise and co-ordinate the IT related training activities of the department for department staff as per instructions from concerned officials. The wages for system administrator on contract basis shall be Rs 30,000/month. In case if system administrator is not available on contract basis, then competent personnel can be engaged on daily wages (rates applicable as per latest government orders for engaging personnel on daily wages at various Government Institutions). The fund can also be utilised for providing hardware like Desk Top, Laptop etc., for meeting data entry charges and wages to contract staff engaged for data entry and other infrastructure facilities at different department offices to facilitate Data Bank Creation and Documentation



### Financial Outlay

SI.NO	PARTICULARS	H.O.A	TOTAL COST	PLAN ASSISTANCE
			(Rs in lakhs)	(Rs in lakhs)
1	Data entry - DBT (UIC data entry + milk pouring details)	2404-00-195-94-34-OC	10	10
2	Data Entry / DBT activities at District HQ (Data Bank Creation / Documentation at DD office)	2404-00-195-94-34-OC	3	3
3	Software development charges for MIS development / Data Entry / Documentation / MIS activities at Directorate / Other automation charges	2404-00-195-94-34-OC	7.5	7.5
<b>Sub Total - 2404-00-195-94-34-OC</b>			<b>20.5</b>	<b>20.5</b>

### A. 04.07 TRANSPORTATION ASSISTANCE TO DAIRY CO-OPERATIVES FOR WANT OF MILK ROUTE BY REGIONAL UNIONS

#### Plan Outlay – Rs 35.00 Lakh

Most of the Primary Dairy co-operatives in our state are functioning in remote areas. Milk routes for collecting milk from primary DCS to regional unions for processing are operating through main roads/ pukka roads. Some of the DCS functioning in the remote area may not be able to utilise the service of the route vehicle since the contractors may not be willing to operate their vehicle through gutter roads. Thus the DCS functioning in those areas will be spending huge overhead expenses to bring milk collected by the DCS to the milk route operated by regional unions.

This scheme envisages assisting the transportation cost incurred by DCS for bringing the milk collected by DCS up to the milk route. An amount of Rs.3500/- shall be given as assistance for one DCS per month. Maximum assistance given to one DCS during this financial year shall be Rs 35,000/- (Assistance for 10 months). 100 DCS will be assisted during the year for which an amount of Rs. 35.00 lakh is earmarked to meet the assistance.

During the last 7 years, this project was implemented very effectively and has helped to reduce the spoilage loss.



### **Financial Outlay**

<b>UNITS</b>	<b>NO OF UNITS</b>	<b>UNIT COST (Rs)</b>	<b>UNIT SUBSIDY (Rs)</b>	<b>TOTAL COST (Rs in lakhs)</b>	<b>TOTAL SUBSIDY (Rs in lakhs)</b>
<b>No's</b>	<b>100</b>	<b>35000</b>	<b>35000</b>	<b>35.00</b>	<b>35.00</b>

**Registration Fees – Rs 170 per beneficiary DCS**

### **A. 04.08 DR. VARGHESE KURIEN AWARD**

**Plan Outlay – Rs. 3.00 Lakhs**

The Government had decided to institute awards for the best primary Dairy Co-operatives in the state as a gesture for honouring the memory of Dr. Varghese Kurien, the milk man of India and the Father of White Revolution. Rs 1 lakh each shall be the award amount for the Best Apcos and Best Non-Apcos

There are 3618 registered primary Dairy Co-operatives in the state of which 3272 are APCOS and the remaining 346 are Non-APCOS. Since the bye law of the APCOS and the Non APCOS are different the activities and the functioning of these DCS are also different. Since their performance cannot be measured using the same yard stick the scheme envisages giving separate awards to the best DCS in the two categories. The selected DCS from each category will be given a cash award of Rs. 1 Lakh at a state level function organised for the purpose. The District Deputy Directors shall select the best APCOS and Non APCOS DCS in their District based on the guidelines and criteria forwarded by the Director. A Directorate level committee for scrutinizing the list obtained from the districts and for selecting the winners from each category will be constituted by the Director of Dairy Development. The scrutinising committee shall submit the list of the award winning DCS (both Apcos & Non-Apcos) to the Director and the Director will then convene the state level committee for finalising the winners.

A State Level Committee constituted by the Director, Dairy Development with the approval of the Government shall be responsible for selecting the Best Apcos and Best Non-Apcos from among the nominations received from the district offices.



Item	Amount (Rs Lakhs)
State First ( APCOS)	1.00
State First ( NON- APCOS)	1.00
Expenditure for Conducting Award distribution Ceremony ( Hall rent, Refreshment, TA to Farmers and two of their dependants, PA system, Hall arrangement Etc.)	1.00
<b>TOTAL ( Rs in Lakh)</b>	<b>3.00</b>

### Financial Outlay

UNITS	TOTAL COST ( Rs in Lakh)	TOTAL SUBSIDY (Rs in Lakh)
Lump sum	3.00	3.00

### A.04.09 OPERATIONAL COST

#### Plan Outlay - Rs 15.00 Lakhs

Operational cost such as cost of Tender procedures, publicity, Documentation, stationary, computer maintenance & repair, rent for hiring vehicles for inspection, repair of vehicles, fuel charges for the official vehicles utilized for inspection, any unforeseen expenses, etc. can be met under this scheme component. The amount can be utilised for promotional activities required for nurturing Dairy Co-operative Sector, for organising seminars, workshop, and presentations related to Dairying. The amount can be used for department level promotion activities. The amount can be met for the expenditure incurred from any Department level office like Directorate, District HQ, Dairy Extension Service Units, Dairy Training Centres, Quality Control Units, KSDMIC, SFF, etc. for meeting the expenditure pertaining to any activity that is directly or indirectly related to nurturing of Dairy Co-operatives of the state. The amount can also be utilised for data entry activities pertaining to the implementation of scheme component cattle feeding subsidy and also for developing new DBT software, upgrading the existing DBT software module, engaging data entry operators at various offices of the Department and for engaging manpower for implementation DBT software. The amount can be met to finically assist Dairy Co-operatives hosting special functions like Ksheerasangamams.



UNITS	TOTAL COST ( Rs in Lakh)	TOTAL SUBSIDY (Rs in Lakh)
Lump sum	15.00	15.00

#### **A. 04.10 IMPLEMENTATION, MONITORING & DOCUMENTATION CHARGES**

**Plan Outlay – Rs 4.810 Lakhs**

Rs 4.810 lakh is benchmarked for implementation, monitoring and documentation of above scheme components.

#### **A. 04.11 PROVISION FOR SCHEME COMPONENTS OF 2022-23, PHYSICALLY ACHIEVED YET NOT ENCASHED DURING 2022-23**

**Plan Outlay – Rs 0.140 Lakh**

As per the proceedings with No. DDDKER/1233/2023-D3 dated 12.04.2023 of the Director, DDD administrative sanction has already been accorded for meeting the expenditure pertaining to scheme components of Plan 2022-23, physically achieved during 2022-23 yet financially not encashed during 2022-23

#### **A.05. CONSOLIDATED PAY & DAILY WAGES**

The fund shall be met for engaging a System / DB Administrator on contract basis for one year at Directorate level who shall manage, co-ordinate the IT activities of the department at various levels especially Directorate, Dairy Training Centre, State Dairy Lab, Tvm district and quality control office, Tvm . The proposed System Administrator shall synchronise the software development activities, automation activities, DBT activities, networking activities, e office activity, routine hardware/software maintenance and also breakdown of hardware and software maintenance. He shall supervise and co-ordinate the IT related training activities of the department for department staff as per instructions from concerned officials. The wages for system administrator on contract basis shall be Rs 30,000/month. (maximum). In case of engaging System / DB Administrator on daily wages, the current daily wage rate as notified by Government shall be applicable.



SI.NO	PROJECT NAME	UNITS	2022-23				
			NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
				(Rs)	(Rs)	( Rs Lakhs)	(Rs Lakhs)
1	Documentation & Data Bank Creation 2404-00-195-94-00-02-04-P-V-Consolidated Pay	Number	1	Lumpsum	Lumpsum	3.750	3.750
2	Documentation & Data Bank Creation 2404-00-195-94-00-02-05-P-VDaily Wages	Number	1	Lumpsum	Lumpsum	0.750	0.750
<b>GRAND TOTAL - CONSOLIDATED PAY &amp; DAILY WAGES</b>			<b>GRAND TOTAL</b>		<b>4.500</b>	<b>4.500</b>	

## A. 06 IMPLEMENTATION, MONITORING & EVALUATION

The Deputy Directors shall ensure that the scheme is implemented effectively and beneficial to the interests of the Dairy farmer and the society, at large. The feedback of the scheme will be submitted to the Director for effective implementation of the scheme in the years to come. The Dairy Extension Officers shall be responsible of DESU level implementation and shall be assisted by Dairy Farm Instructors. The district level implementation, continuous evaluation cum reporting the progress of various scheme components shall be the responsibility of concerned Deputy Directors. He shall be assisted by the Assistant Directors of concerned districts. The Director shall be in charge of state wide implementation and evaluation of the programme and shall be assisted by The Joint Director (Planning), The Deputy Director (Planning) and the Planning Wing at Directorate, DDD

## A.07 CALENDAR OF ACTIVITIES

SI.NO	ACTIVITY	TIME FRAME
1	Inviting applications from DCS	Before 30.06.2023
2	Propaganda for the components	Before 15.07.2023
3	Beneficiary DCS Selection	Before 30.07.2023
4	Implementation of scheme components	Before 15.10.2023
5	Field Level Inspections	Before 20.11.2023
6	Release of Plan Fund	Before 15.12.2023
7	Documentation, Monitoring and Evaluation	Before 20.01.2024





## **A. 08. CONCLUSION**

*This project will rejuvenate the Dairy sector of the district by nurturing the Dairy Co-operative sector of the State.*

**DIRECTOR**



# **PART B**

## **INVESTMENT IN DAIRY CO-OPERATIVES (4404-00-195-98)**

**PLAN OUTLAY – Rs 400.00 LAKH**





## SCHEME COMPONENTS

<b>INVESTMENT IN DAIRY CO-OPERATIVE SOCIETIES : 2023-24 (4404-00-195-98)</b>					
<b>SCHEME COMPONENT</b>	<b>2023-24</b>				
	<b>NO OF UNITS</b>	<b>UNIT COST</b>	<b>UNIT SUBSIDY</b>	<b>TOTAL COST</b>	<b>TOTAL SUBSIDY</b>
		<b>(Rs)</b>	<b>(Rs)</b>	<b>( Rs in Lakhs)</b>	<b>(Rs in Lakhs)</b>
Establishing Hygienic Milk Collection Room / Storage room for cattle feed	23	500000	375000	<b>115.00</b>	<b>86.25</b>
Establishing Farmer Facilitation Centre /SMART DCS	22	700000	525000	<b>154.00</b>	<b>115.50</b>
Assistance to Dairy Co-operative Societies as corpus fund for improving cold chain facilities, chilling,processing, packing units, cattle feed units, ISO Certification,etc.	Lumpsum			<b>84.00</b>	<b>50.00</b>
Energy Conservation System to Dairy Co-operatives - Installation of Solar Panel	12	1066000	800000	<b>127.92</b>	<b>96.00</b>
Establishing Effluent Treatment Plant in Dairy Co-operatives	5	400000	300000	<b>20.00</b>	<b>15.00</b>
Implementation, Monitoring and Documentation Charges	Lumpsum			<b>4.18</b>	<b>4.18</b>
Provision of scheme components of 2022-23, physically achieved yet not encashed during 2022-23	Lumpsum			<b>33.07</b>	<b>33.07</b>
<b>GRAND TOTAL</b>				<b>538.170</b>	<b>400.000</b>





## B.01. ABSTRACT

During 2022-23 an amount of **Rs 3398.00 Lakhs** has been earmarked to the Department under state Plan (Head of Account: 2404-00-195-94 & 4404-00-195-98) ASSISTANCE TO DAIRY CO-OPERATIVES with the following breakups.

- |                                   |                   |
|-----------------------------------|-------------------|
| 1. Under H.O.A-2404-00-195        | – Rs 2998.00 lakh |
| 2. Under H.O.A-4404-00-195-98     |                   |
| Investment in Dairy Co-operatives | – Rs 400.00 lakh  |

---

**Total Plan Fund**

**- Rs 3398.00 lakh**

The scheme envisages to strengthen, modernize, automate and computerize the Dairy Co-operative Societies and to enable them to ensure the food security and comply with the provisions included in the food safety and standard Act 2006.

From the period of budget estimate for 2019-20 onwards, the expenditure in capital nature involved in the provision made under the Head of Account 2404-00-195-94 towards Assistance to Dairy Co-operatives has been reclassified to the newly opened capital head of account 4404-00-195-98 for its proper classification. As per the government order G.O(Rt.) No. 2564/2018/Fin dated 25.03.2018, the Director, Dairy Development Department has been notified as the controlling officer for the newly opened H.O.A

As per the Budget Outlay 2023-24 as intimated by the State Planning Board, Rs 400 lakh has been allotted for implementation of scheme components under INVESTMENT IN DAIRY CO-OPERATIVES with H.O.A – 4404-00-195-98. Out of which 33.067 Lakh is earmarked for the component which are physically completed during the financial year 2022-23, but financially not encashed during the year 2022-23. An amount of Rs. 33.067 Lakh has been sanctioned to be utilized during the financial year 2023-24 as per proceeding DDDKER/1233/2023-D3 dated 12.04.2023

In tune with the Plan Fund provisions and PLAN WRITE UP approved by G.O.K, all the Scheme Components are on-going scheme components. The Head of Department (Director, Dairy Development Department) has been delegated to accord administrative sanction for implementation of on-going scheme components.



## **B.02. OBJECTIVES**

- Improve the credibility of Dairy cooperative societies; thereby ensuring Dairy farmers' prosperity.
- To strengthen the Co-operative Dairy Umbrella
- Improve milk quality and its compliance with the newly introduced Food safety and Standard Act 2006.
- Sustain the DCS to produce and market value added products.
- To automate milk collection at society level so as to bring significant benefits to farmers and local Dairy Co-operatives.
- To speed up the entire milk collection process, thereby reducing the spoilage of milk; wait time for farmers at the collection centres greatly reduced.
- To assist construction of Dairy Co-operatives for construction of hygienic milk collection rooms / milk and or cattle feed storage rooms / milk quality analysis rooms
- To assist DCS for establishing Farmer Facilitation cum Information Centre.
- To enable DCS take up new ventures that will benefit the rural community like Village Knowledge Centres etc.
- To provide Dairy advisory & extension services to farmers using ICT tools
- To provide corpus fund to Dairy Co-operatives for ensuring cold chain, undertaking quality control measures, certification activities, installation of chilling and / or processing units, installation of packaging units, installation of cattle feed manufacturing units, ISO certification activities etc
- To undertake pollution control activities via installation of Effluent Treatment Plants (low cost ETP systems)
- To assist financially for installation of energy conservation systems in the DCS like solar energy conservation system





### B.03. FINANCIAL OUTLAY

<b>INVESTMENT IN DAIRY CO-OPERATIVE SOCIETIES : 2023-24 (4404-00-195-98)</b>					
<b>SCHEME COMPONENT</b>	<b>2023-24</b>				
	<b>NO OF UNITS</b>	<b>UNIT COST</b>	<b>UNIT SUBSIDY</b>	<b>TOTAL COST</b>	<b>TOTAL SUBSIDY</b>
		<b>(Rs)</b>	<b>(Rs)</b>	<b>( Rs in Lakhs)</b>	<b>(Rs in Lakhs)</b>
Establishing Hygienic Milk Collection Room / Storage room for cattle feed	23	500000	375000	<b>115.00</b>	<b>86.25</b>
Establishing Farmer Facilitation Centre /SMART DCS	22	700000	525000	<b>154.00</b>	<b>115.50</b>
Assistance to Dairy Co-operative Societies as corpus fund for improving cold chain facilities, chilling,processing, packing units, cattle feed units, ISO Certification,etc.	Lumpsum			<b>84.00</b>	<b>50.00</b>
Energy Conservation System to Dairy Co-operatives - Installation of Solar Panel	12	1066000	800000	<b>127.92</b>	<b>96.00</b>
Establishing Effluent Treatment Plant in Dairy Co-operatives	5	400000	300000	<b>20.00</b>	<b>15.00</b>
Implementation, Monitoring and Documentation Charges	Lumpsum			<b>4.18</b>	<b>4.18</b>
Provision of scheme components of 2022-23, physically achieved yet not encashed during 2022-23	Lumpsum			<b>33.07</b>	<b>33.07</b>
<b>GRAND TOTAL</b>				<b>538.170</b>	<b>400.000</b>

*Savings in any scheme component shall be utilized for meeting the expenses pertaining to any other scheme component listed above*



## **B.04. SCHEME PROPER**

### **B.04.01. ESTABLISHING HYGIENIC MILK COLLECTION ROOM / STORAGE ROOM FOR CATTLE FEED**

**Plan Outlay – Rs. 86.25 Lakh**

Government of India have introduced revised food law instead of existing 'Prevention of Food Adulteration Act' called 'Food Safety and Standards Act 2006. This new food law necessitates stringent measures in handling of food materials. According to this new food law all the operations of food production, procurement processing and distribution should be carried out under circumstances which will not contaminate food physically, chemically or by microbiological hazards.

#### **B.04.01.01. Objectives**

The objective of the scheme is to assist 23 number of Dairy Co-operative Societies to construct or renovate milk collection room for the hygienic milk collection / storage room for storing cattle feed, milk, milk products etc. The assistance shall be **75 % of the total cost or Rs 3,75,000/- whichever is less.**

#### **B.04.01.02. Eligibility**

Only those DCS which procures **minimum 150 litres per day** (average of 6 months prior to the date of application by DCS)

#### **B.04.01.03. Scheme**

Application shall be invited from Dairy Co-operative Societies across the state having a minimum of 3 cents of own land for assistance in the prescribed form.

The society should have an average procurement of 150 Litres per day. The milk procurement shall be taken for the last 6 months average prior to the date of submission of application. The Dairy Co-operative Societies should have introduced two axis pricing policy and implemented section 80 for the employees and also those DCS working on profit for the past 3 years shall be considered for this project. Beneficiary contribution shall be from the own fund of the DCS, but with the prior sanction of the concerned Deputy Directors. Necessary funds after the eligible subsidy may be raised by the society.



### **Application Details**

- The application shall be in prescribed format.
- The duly filled application form with mandatory recommendations shall be appended with relevant documents like project report, true copy of board resolutions, approved plan and estimate, attested copies of last audit report, tentative balance sheet as on last completed month etc.

Prior to approval, the concerned Assistant Director (Technical Assistant / Quality Control Officer as authorised by the Deputy Director) may verify the Plan & Estimate and ensure that the suggested Plan complies with the FSSA requirements. If required, necessary changes may be demanded and the final plan & estimate with the recommendations by concerned Dairy Extension Officer shall be forwarded to the Deputy Director for final approval. If required the concerned Assistant Director shall conduct a meeting with the selected DCS to communicate the requirements. The Deputy Director based on the recommendations from the Dairy Extension Officer and the report from the Assistant Director shall prioritise and rank the applications and sanction shall be given based on the availability of funds and targets as issued from the Directorate.

The assistance may be given for new construction and or renovation of existing facilities. ***The assistance shall be 75 % of the total estimated cost, limited to a maximum of Rs 3,75,000/-.***

The detailed estimate and plan prepared by PWD / LSGD / Other Govt. approved and accredited agencies like KPHCC, Nirmithi Kendra, Kerala Housing Board, etc. shall be submitted along with the application. The Implementing officers are authorised to release part subsidy to the DCS based on the stage wise completion of the civil works connected with infrastructure development activities. The part payment shall be based on stage completion cum valuation certificate from a licenced civil work engineer. However for final settlement of contingent bill / release of final subsidy portion to the beneficiary DCS, completion cum valuation certificate from Government approved as detailed in para B.07 of this DPR is mandatory. The concerned Assistant Director (TA / QCO as authorised by The Deputy Director) shall ensure the effectiveness of the project in a particular district.

The total subsidy for one project is limited to Rs 3.75 Lakh or 75% of the total cost. The plan assistance remaining from those beneficiary DCS who have completed the scheme below the expected plan outlay shall be pooled and shall be utilized to extend the scheme to another beneficiary DCS so that the concerned District/Unit can utilize the whole subsidy amount as per their



target. Also the concerned Implementing Officer can divide total subsidy cost he/she had received and thereby the benefit can be given to more DCS. In case of special situations, infrastructure development fund can also be extended to milk collection sub centers of the DCS apart from the main office.

**Registration Fees - Rs 500 per beneficiary DCS**

**B.04.01.04. Financial Outlay**

SCHEME COMPONENT	2023-24				
	NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
		(Rs)	(Rs)	(Rs in Lakhs)	(Rs in Lakhs)
Establishing Hygienic Milk Collection Room / Storage room for cattle feed	23	500000	375000	115.00	86.25
<b>GRAND TOTAL</b>				<b>115.000</b>	<b>86.250</b>

**B.04.02. ESTABLISHING FARMER FACILITATION CENTRE / SMART DCS**

**Plan Outlay – Rs. 115.50 Lakh**

More and more entrepreneurs with a variety of ideas in Dairy farming are investing in the field now days. Hi-tech, semi – mechanized or traditional – younger and fresher minds are courageous enough to invest in any system found productive and profitable.

It is essential to find a common place for both the traditional farmers as well as the younger entrepreneurs share their field experience.

Farmers often get together for their DCS General Body meetings, World Milk Day celebrations, Fodder Day Celebrations, Block/District Level Ksheera Sanghamam and Farmers' contact programs etc. Most of the time these types of programs are arranged in auditoriums or other rented building putting an additional expense on the DCS.

This Scheme aims to provide 22 Dairy Farmers' Facilitating cum information centres to host such programs and as common platform for interaction.

Totally modernized and furnished seminar hall cum information centre with audio video facilities. This hall may be rented for outside programs to meet the maintenance cost if required. The component of the scheme is a seminar hall, audio facilities, writing Boards, LCD projector with screen/LCD TV, required furniture to organize seminars.



The total cost for one unit is estimated to be Rs 7 Lakhs. **Subsidy shall be limited to Rs 5.25 lakh or 75% of the actual cost whichever is less.**

In case of civil work, detailed estimate and plan prepared by PWD / LSGD / Other Govt. approved and accredited agencies like KPHCC, Nirmithi Kendra, Kerala Housing Board, etc shall be submitted along with the application. The Implementing officers are authorised to release part subsidy to the DCS based on the stage wise completion of the civil works connected with establishment of Farmer Facilitation cum Information Centres. The part payment shall be based on stage completion cum valuation certificate from a licenced civil engineer. However for final settlement of contingent bill / release of final subsidy portion to the beneficiary DCS, completion cum valuation certificate from Government approved authority as notified by Government (authorised officers of PWD/LSGD) is mandatory. The concerned Assistant Director (TA / QCO as authorised by The Deputy Director) shall ensure the effectiveness of the project in a particular district. In case of unavoidable situations, farmer facilitation centre can also be allotted to sub centres of a DCS apart from the main office.

**Registration Fees – Rs 750 per beneficiary DCS**

#### **B.04.02.01. Financial Outlay**

SCHEME COMPONENT	2023-24				
	NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
		(Rs)	(Rs)	( Rs in Lakhs)	(Rs in Lakhs)
Establishing Farmer Facilitation Centre /SMART DCS	22	700000	525000	<b>154.00</b>	<b>115.50</b>
<b>GRAND TOTAL</b>				<b>154.000</b>	<b>115.500</b>

#### **B.04.03. ASSISTANCE TO DAIRY CO-OPERATIVE SOCIETIES AS CORPUS FUND FOR IMPROVING COLD CHAIN FACILITIES, CHILLING, PROCESSING, PACKING UNITS, CATTLE FEED UNITS, ISO CERTIFICATION**

**Plan Outlay – Rs 50.00 Lakh**

In Kerala during the year, around 6.00 lakh litre of milk per day is being locally sold as loose / packet milk and / or milk products by Dairy co-operative societies and is the major direct income for all Dairy co-operative societies to meet their expenses. Milk being a perishable product, if has to be converted to value added products when in excess or otherwise, require extensive chilling,



processing and storage facilities demanding a major improvement in the present day infrastructure scenario of majority of the societies.

Other than Milma, a few Co-operative organizations in the state are playing an important role in meeting the demand of milk of our state. These Co-operative organizations are collecting milk from their producers residing within their area of operation. More than 3.5 lakh farmers are supplying milk to these organizations. This organizational linking from the rural producer to the urban consumer should be strengthened further to meet the emerging market of fluid milk and milk products in the cities.

This scheme is totally focusing to upgrade/establish the existing/new processing units under DCS to strengthening infrastructure and/or mechanize/modernize sector by providing need based assistance to modify/purchase required equipment, accessories and/or machineries to produce and market value added products, chill and store the milk below 5°C.

Similarly another major requirement is the production of sufficient quantity good quality cattle feed. The scheme envisages assisting any interested DCS to set up a feed mixing unit to ensure the availability of quality cattle feeds to the farmer members.

To maintain the cold chain at primary level, assistance may be provided to setup/purchase/renovate Bulk Coolers, Chillers, Insulated vans/Tankers to market milk & Milk Products etc. Assistance may be provided to DCS owned product making units to obtain Food Safety Management System certificate.

#### **B. 04.03.01. Highlight of the Scheme:**

Any Co-operative societies can apply, this scheme provides assistance to purchase construct and/or repair the existing or new equipment, machineries, vehicles to produce and market value added products. Rural Milk marketing facilities of assisted Dairy Co-operatives will be increased. Cattle rearing will become cost effective to the farmers and thus more entrepreneurs will be attracted to this lively hood sector. Availability of quality milk in the urban areas will be assured.

Lack of infra structural facilities for processing and marketing of milk and milk products is the main hurdle in tapping these potential markets. The project envisaged here is to provide assistance for the development of infra structural facilities for processing and marketing of milk and milk products to Dairy Co- operatives where rural marketing facilities are not available.

The total cost for one unit is unlimited; **Subsidy shall be limited to 60% of the actual cost or Rs 30 lakh whichever is less.** Those DCS which has availed fund under this item during the last 3 financial years (2020-21, 2021-22 and 2022-23) under this scheme component shall not be eligible for placing new application for assistance. **The maximum assistance that can be**



*extended for civil works will be Rs 8 lakhs. The assistance for civil work shall not exceed 25 percentage of the total assistance sanctioned.*

#### **B.04.03.02. Objectives of the Project**

*The financial assistance is extended with the following objectives.*

- Ensure the availability of good quality cattle feeds for their members.
- To enhance the keeping quality of milk and also to avoid economic losses to farmers.
- For manufacturing various milk products to make it available for the domestic market.
- To install automatic fill pack machine to pack fluid milk and milk products.
- To erect machinery for the production of milk products.
- To install cream separator, steam boiler, plate chiller, homogenizer, BMC, Milk Silo etc.
- To install any other machineries/equipment for manufacturing value added milk products
- To install Bulk Milk Chilling Units in DCS especially in DCS which are identified as cluster DCS (for pooling, chilling milk from neighbouring DCS) by The Department and/or regional unions
- To set up Effluent Disposal Plants / Systems by the DCS especially in DCS where BMCC is functioning. Preference shall be given to cluster BMCC units.
- To take up activities that ensure the cold chain maintenance of DCS
- For purchase of insulated transportation vehicles for faster movement of milk from farm level to DCS level / for insulation of vehicles for ensuring cold chain while transport of raw / processed milk.
- Other related activities approved by The Director, DDD

#### **B.04.03.03. Type of Projects**

The types of milk processing projects that are normally considered for financial assistance are:

- a) Milk chilling plants:** It involves collection of milk from the villages, chilling the milk to 3-4 degree Celsius and transporting to the main Dairy for further processing and manufacture of products;
- b) Market Milk Plants:** It involves procurement of milk from the villages, chilling, pasteurization, homogenization or packing of milk of various brands (whole, standardised, toned and double toned milk) and supplying them to the consumers.





- c) Composite Milk Processing Plants:** The project involves the collection of milk and processing into market milk and products like ice cream, cheese, butter, ghee, etc.
- d) Bulk Milk Coolers:** Aimed at installation of BMCC at DCS for instant cooling of raw milk collected in DCS or from nearby DCS in case of cluster BMCC units thereby improving the physico chemical and microbial quality of milk.
- e) Effluent Treatment Plants for DCS:** This project is aimed at installation of ETP units for DCS so as to counter the environmental pollution
- f) Cattle Feed Mixing Unit:** This project is aimed to setting up small cattle feed mixing unit or Non-conventional feed chopping and marketing unit, etc.
- g) Food Safety Management System certification:** Assistance shall be provided for Infrastructural development to meet the prerequisite programs, Training, Consultancy & Certification costs etc.

**B.04.03.04. Mandatory Document to be attached along with the  
Application**

1. Covering letter of The Deputy Director with proper recommendations
2. Letter of concerned Dairy Extension Officer to The Deputy Director proposing and recommending the project
3. Duly filled application form – Assistance to DCS
4. B.O.D resolution (see the application form)
5. Detailed project report prepared by DEO with recommendations
  - a. Introduction
  - b. Dairying profile in the district
  - c. A brief note on the dairying status of the DESU
  - d. A brief note on the DCS
  - e. Milk procurement and disposal pattern of the DCS
  - f. Geographical area
  - g. Objectives of the programme
  - h. Details of beneficiaries
  - i. Details of infrastructure development / items to  
be purchased and installed
  - j. Financial details: Financial evaluation like cost analysis, payback period, bank repayment schedule if any, NPV, IRR, break-even point, social cost benefit analysis (if required)
  - k. Source of funding



- l. *Expected Benefits*
- m. *Calendar of activities*
- n. *Expected mode of implementation, evaluation and monitoring*
- o. *Conclusion*

#### **B.04.03.05. Approval of the Project:**

The Director, Dairy Development shall be the sanctioning authority. Duly filled application of the DCS in prescribed format with necessary recommendations of Dairy Extension Officer and Deputy Director along with documents detailed above shall be forwarded to the Director for final selection and sanction.

**Registration Fees – Rs 750 per beneficiary DCS**

#### **B.04.03.06. Financial Outlay**

NO OF UNITS	UNIT COST (Rs)	UNIT SUBSIDY (Rs)	TOTAL COST (Rs in Lakh)	TOTAL SUBSIDY (Rs in Lakh)
Lump sum	Lump sum		84	50

#### **B.04.04. ENERGY CONSERVATION SYSTEM TO DAIRY CO-OPERATIVES - INSTALLATION OF SOLAR PANEL**

**Plan Outlay - Rs. 96.00 Lakh**

In order to facilitate energy conservation in DCS, the Department proposes to financial assist Dairy Co-operatives for installation of Solar Energy Conservation Systems like Solar Panel, systems for tapping regenerative heat from Bulk Milk Coolers etc. **The assistance shall be 75 % of the cost with a maximum limit of Rs 8 lakh per DCS.**

SCHEME COMPONENT	2023-24				
	NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
		(Rs)	(Rs)	(Rs in Lakhs)	(Rs in Lakhs)
Energy Conservation System to Dairy Co-operatives - Installation of Solar Panel	12	1066000	800000	127.92	96.00
<b>GRAND TOTAL</b>				<b>127.920</b>	<b>96.000</b>



**B.04.04.01. Mandatory Document to be attached along with the Application**

1. Covering letter of Deputy Director with proper recommendations
2. Letter of DEO to The Deputy Director proposing and recommending the project
3. Duly filled application form – Assistance to DCS
4. B.O.D resolution (see the application form)
5. Detailed project report prepared by DEO with recommendations
  - a. *Introduction*
  - b. *Dairying profile in the district*
  - c. *A brief note on the dairying status of the DESU*
  - d. *A brief note on the DCS*
  - e. *Milk procurement and disposal pattern of the DCS*
  - f. *Geographical area*
  - g. *Objectives of the Programme*
  - h. *Details of beneficiaries*
  - i. *Details of infrastructure development / items to be purchased and installed*
  - j. *Financial details: Financial evaluation like cost analysis, payback period, bank repayment schedule if any, NPV, IRR, break-even point, social cost benefit analysis (if required)*
  - k. *Source of funding*
  - l. *Expected Benefits*
  - m. *Calendar of activities*
  - n. *Expected mode of implementation, evaluation and monitoring*
  - o. *Conclusion*

**B.04.04.02. Approval of the Project:**

The Director, Dairy Development shall be the sanctioning authority. Duly filled application of the DCS in prescribed format with necessary recommendations of Dairy Extension Officer and Deputy Director along with documents detailed above shall be forwarded to the Director for final selection and sanction. A Technical Panel at Directorate, Dairy Development constituted by The Director, Dairy Development shall scrutinize the project proposal and make necessary recommendations to the Director for making final sanction of the Project.

***Registration Fees – Rs 500 per beneficiary DCS***

**B.04.05. ESTABLISHING EFFLUENT TREATMENT PLANT IN DAIRY CO-OPERATIVES**

**Plan Outlay - Rs. 15.00 lakh**

The Biological Oxygen Demand and Chemical Oxygen Demand of Dairy Waste is often very high. The waste is mostly drained to free wastelands or at



times to natural flowing water sources of the DCS. This practice is polluting the environment and is presently raising many social concerns. There are certain DCS which act as Cluster BMCC and handles milk from more than 40-50 neighbourhood DCS. There are instances where the State Pollution Control Board has raised concerns about the quantum of waste disposed from DCS based chilling plants, Processing Plants etc.

Hence it is the need of the hour to treat the B.O.D / C.O.D rich dairy waste before being disposed. For the same, Effluent Treatment Plants have to be installed. The conventional aerobic sledge activated ETP systems requires more space and the cost is on the higher side. Hence the department proposes to assist DCS for installation of Low Cost ETP.

**Registration Fees – Rs 350 per beneficiary DCS**

**B.04.05.01. Mandatory Document to be attached along with the Application: Same as mentioned in the para B.04.04.01**

**B.04.05.02. Approval of the Project**

The District Deputy Director, Dairy Development shall be the sanctioning authority. Duly filled application of the DCS in prescribed format with necessary recommendations of Dairy Extension Officer along with documents detailed above shall be forwarded to the Director for final selection and sanction. The Deputy Director, Dairy Development shall scrutinize the project proposal and make necessary recommendations to the Director for making final sanction of the Project.

**B.04.05.03. Financial Outlay**

SCHEME COMPONENT	2023-24				
	NO OF UNITS	UNIT COST	UNIT SUBSIDY	TOTAL COST	TOTAL SUBSIDY
		(Rs)	(Rs)	( Rs in Lakhs)	(Rs in Lakhs)
Establishing Effluent Treatment Plant in Dairy Co-operatives	5	400000	300000	20.00	15.00
<b>GRAND TOTAL</b>				<b>20.000</b>	<b>15.000</b>

**B.04.06. DOCUMENTATION, MONITORING, EVALUATION AND IMPLEMENTATION**

**Plan Outlay – Rs 4.18 Lakh**

**Rs. 4.18 Lakh** is set apart for meeting documentation, monitoring, evaluation and implementation charges for above mentioned schemes.



**B.04.07. PROVISION FOR MEETING THOSE SCHEME COMPONENTS OF FY 2022-23, PHYSICALLY ACHIEVED DURING 2022-23 YET FINANCIALLY NOT ENCASHED DURING 2022-23**  
**Plan Outlay – Rs 33.07 lakh**

Administrative sanction orders vide proceedings no. DDDKER/1233/2023-D3 dated 12.04.2023 of The Director, DDD has already been issued for meeting the expenditure pertaining to those scheme components of Plan 2022-23 with a plan outlay of Rs 33.07 lakh, physically achieved during 2022-23, yet financially not encashed during FY 2022-23.

**B.05. IMPLEMENTATION, MONITORING AND EVALUATION OF SCHEMES UNDER INVESTMENT IN DAIRY CO-OPERATIVES**

The Dairy Extension Officers shall be responsible of DESU level implementation and shall be assisted by Dairy Farm Instructors. The district level progress of various scheme components shall be the responsibility of concerned Deputy Directors. He shall be assisted by the Assistant Directors of concerned districts.

**B.06. ROAD MAP**

SI.NO	ACTIVITY	TIME FRAME
1	Obtaining Administrative Sanction orders	Before 15.05.2023
2	Inviting applications from DCS	Before 15.06.2023
3	Propaganda for the components	Before 15.07.2023
4	Beneficiary Selection	Before 25.07.2023
5	Completion of purchase and civil works	Before 25.10.2023
6	Obtaining Valuation Certificates from authorities	Before 15.11.2023
7	Release of Plan Fund	Before 15.12.2023
8	Documentation, Monitoring and Evaluation	Before 20.01.2024



## **B.07. COMPLETION CUM VALUATION CERTIFICATE**

Wherever applicable, in case of **obtaining completion cum valuation certificate**, the completion cum valuation certificate from the following officials shall be valid in case of various activities coming under Assistance to DCS / Investment in DCS

1. Engineers not below the rank of Assistant Engineer of the engineering wing of
  - a. Building Division of PWD
  - b. Local Self Govt. Institutions
  - c. Irrigation Department, G.O.K
  - d. Kerala Water Authority, G.O.K
2. Chartered Engineers (registered with the institution of engineers, Kolkata)
3. Approved Valuers (having membership in the institute of Valuers, India)
4. Registered Valuers (registered under the section 34AB of the Wealth Tax Act, 1957 issued by the Principal Chief Commissioner of Income Tax, Kochi for State of Kerala)
5. Registered Architects / Engineers (registered under Rule 150 of the Kerala Municipality Buildings Rules 1999) which includes Architects, Buildings Designer A, Buildings Designer B, Engineer A, Engineer B, Town Planner A and Town Planner B
6. Competent authorities / Engineers coming under Government accredited agencies like Kerala Police Housing Construction Corporation, HLL, Kerala State Housing Board, Uralumkal Labour Contract Society, The Kerala State Nirmithi Kendra (KESNIK) etc.

## **B.08. CONCLUSION**

This project will rejuvenate the Dairy sectors of the district by upgrading, modernizing, financing and computerizing Dairy Cooperative Society. Enhance the state-wide common information system; unify the Dairy Cooperative Societies accounting and management system. The schemes aims are providing Need based Assistance to DCS, establishing Dairy Farmers Facilitation Cum Information Centres & Hygienic milk collection rooms to DCS, establishing ETP, Solar System and providing corpus fund for development activities. These components will strengthen the Dairy Co-operative Sector

**DIRECTOR**