

Guidelines on Establishment of Goat Rearing Clusters

Goat rearing is widely recognized as a sustainable and profitable livelihood option for rural communities. Goats provide a reliable source of income, especially for small and marginal farmers, landless labourers, and women. They offer multiple products like meat, milk, skin, fibre, and manure and require relatively low investment and maintenance, making them ideal for cluster-based promotion. Also in rural economies, goats play a significant role, especially in dryland and rain-fed areas, making it a viable enterprise.

I. Objectives

- a. To assist small, marginal and landless SHG members to take up goat rearing as a profitable livelihood activity.
- b. To support SHG women members by providing them with training, technical assistance, infrastructure and financial support for taking up goat rearing on a collective approach.
- c. Reduces the cost of rearing goats by bulk procuring of feed materials and increases the profit through collective marketing of goat.

II. Selection of Districts

- a. All districts have been selected based on the significant presence of traditional goat rearing practices, particularly in rural and semi-arid regions.
- b. The climatic conditions in most parts of the state especially in dryland and rain-fed area are well-suited for low-cost, open or semi-shed goat rearing models. The manageable weather helps reduce disease risk and supports year-round operations.

- c. Districts with established local or regional demand for goat meat and milk, along with proximity to marketplaces, urban centres or shandies will be prioritized to ensure income viability for SHG members.

III. Selection of Panchayats

i) Selection Committee

For establishment of goat rearing cluster in the district, **a district-level selection committee** will be formed to choose the most suitable panchayat. The committee will include:

- a. Project Director, Mathi
- b. Assistant Project Officer (Livelihood)
- c. District Resource Person (Farm)
- d. Block Mission Managers
- e. Representative from Animal Husbandry department.

ii) Selection Criteria of Panchayats

- a. Panchayats where SHGs are **already engaged in goat farming**, as they will have the necessary skills and knowledge on goat rearing.
- b. Panchayats where SHGs are already familiar with income-generating activities related to livestock and show interest and **willingness to engage in goat farming** and are open to forming goat rearing clusters for collective farming.
- c. Panchayats that are **close to urban centres, markets, or large retail hubs** to ensure that the goat products (meat, skin, blood, etc.) can be easily sold.
- d. Panchayats having **accessibility of roads and transportation systems** to ensure that the products can reach the markets efficiently without excessive costs.

- e. Panchayats that are **near to veterinary hospitals or clinics** to ensure that the goat rearing clusters have ready access to animal health services

IV. Selection of Beneficiaries

- a. A **meeting** will be conducted **at the panchayat level** involving representatives from PLF and Community Resource Person (Farm),
 - i. To explain the project objectives, guidelines, and expected outcomes of the goat rearing cluster initiative.
 - ii. To highlight the benefits of goat rearing cluster as a viable income-generating activity.
 - iii. To encourage participation and address queries or concerns from potential beneficiaries.
- b. Once the meeting is conducted, application needs to be obtained from the SHG members interested in taking goat rearing cluster as livelihood activity.
- c. The PLF will keep the list of interested members and **approve in the PLF meeting.**
- d. For each cluster, select **20 women farmers** who are interested in goat rearing cluster from the same panchayat or from neighbouring panchayats in the area.
- e. The details of selected beneficiaries to be placed in Grama Sabha and got approved.

i) General criteria for selection of Beneficiaries:

- a. Should be SHG member for **at least two years.**
- b. The beneficiary **should not have NPA / overdue in any NRLM fund** support.
- c. The beneficiary **should not be the President, Secretary, Joint Secretary or Treasurer of PLF / BLF.**

- d. The beneficiary **preferably not be book keeper, CST, CBC, DRP, BRP, BMM, BC or any other CRP.**
- e. There **should not be repetition of beneficiaries** under various farm livelihood schemes in the last five years.
- f. **Priority** may be given for those **SHG members who are destitute, widow, SC, ST and poor and very poor in PIP list.**

ii) Specific Criteria for selection of Beneficiaries

- a. **20 SHG women members** preferably with minimum 10 cents own/lease land will be identified from each selected panchayat. If land is not available beneficiary has to make **own arrangement** like **tie up with fodder growing cluster members or farmers**, purchase of fodder, grazing etc.,
- b. SHG members who are having **minimum of 150 sq.ft space** nearby the house or surroundings for construction of goat shed should be selected
- c. Selected members should be willing to contribute minimum **Rs.1000/- as membership fee**. The amount collected as member contribution may be used for administrative reasons which may be decided by the Cluster.
- d. Selected members must be willing to undergo structured training and adopt modern goat farming techniques to improve meat yield and quality, and profitability.
- e. In case of more women expressing interest for establishment of goat rearing cluster, priority should be given to those SHG members with prior experience in goat farming.

V. Formation of Cluster

- a. **A group of 20 SHG women farmers** interested / experienced in goat rearing from same panchayat will be integrated to form a Goat rearing cluster.
- b. The selected SHG members shall be formed into clusters for better access to resources, knowledge and market opportunities.

- c. Secretary and Treasurer to be elected by all 20 members of cluster to manage administrative, technical and accounting works of the cluster.
- d. A bank account to be opened in the **nearby Indian Bank** in the name '**Panchayat Name as prefix - TNSRLM Goat Rearing Cluster 2025.**'
(Ex.Kattur TNSRLM Goat Rearing Cluster 2025)

VI. Implementation Strategy

- a. Goats should be chosen **from local breeds** that are specifically suited to the region's climate, feed availability, and disease resistance. This ensures that the goats are more adaptable to local conditions, reducing mortality rates and increasing productivity.
- b. Members who have land must **collectively cultivate fodder crops** for goat feeding. This can include grasses, legumes, and other plants suitable for goat nutrition. Fodder cultivation will reduce dependency on external suppliers and ensure a steady, low-cost supply of feed.
- c. The cluster will **purchase concentrated feed in bulk**, ensuring all members have access to high-quality feed at a reasonable cost. This feed will be distributed equitably among the members based on the number of goats in their care.
- d. To protect against financial loss due to disease, accidents, or other unforeseen events, all goats within the cluster must be insured.
- e. Members will receive training on modern goat-rearing techniques through the DRP Farm and CFS trainer or SPARK already identified by VKP in coordination with the Animal Husbandry Department / KVKs. This training will include best practices for feeding, breeding, health care, and farm management, enabling members to increase productivity and profitability.
- f. Ensure that goats are **housed in clean environments** to promote healthy living conditions, and that the incubation space is maintained at optimum hygiene to reduce contamination risks.

- g. **Vaccination and other necessary veterinary practices** will be carried out **collectively** for all goats within the cluster. This approach ensures that all animals are protected against common diseases, promoting the overall health and productivity of the herd.
- h. The cluster should focus on **selling goats in bulk** to traders or at local markets, ensuring that the animals are sold at profitable prices. By collectively selling in bulk, members can negotiate better prices and secure better deals than they would individually.
- i. **Goat droppings should not go to waste.** Instead, it should be **converted into organic manure**. This manure can then be sold for additional income or used for members' own farming purposes, promoting a circular economy within the cluster.

VII. Registers to Be Maintained

1. Resolution Book
2. Cash Book
3. Loan and Loan Recovery Register
4. Goat Purchase and sales register
5. Vaccination Register
6. Asset Inventory Register
7. Visitor Register

VIII. Fund Allocation

Each Goat rearing cluster will receive Rs.20 lakhs with following breakup

S. No.	Description	Amount (in Rs.)
	Working capital (Revolving Fund -To be repaid)	
1	Purchase of 9 female + 1 male goat (₹45,000 per member*20 members) and for payment of insurance ((Rs.250*10 goats *20 members)	9,50,000
2	Cultivation of Fodder – own land / on lease by the cluster @ Rs.12000- x 20 members	2,40,000
3	Purchase of feed (Rs.2275 per member * 20 members for 5 months – 2 months of breeding season and 3 months during transition phase)	1,89,500
4	Provision for shed with dimension of 150 sq.ft @Rs.30,000 * 20 members)	6,00,000
5	Training & exposure visits (Need not be repaid)	20,000
6	Registers (Need not be repaid)	500
	Total	20,00,000

**Out of Rs.20 lakhs, a sum of Rs.19.75 Lakhs to be repaid*

j. Fund Release

- The amount shall be released from SMMU to DMMU.
- The **CRP-Farm** will verify and confirm the selection of office bearers and the opening of cluster's bank account.
- On receipt of fund from SMMU, **an implementation team** of APO (LH), BC LH and BMM concerned should visit the panchayat and ensure

formation of cluster with **20 women as per eligibility**, opening of bank account, availability of space for goat shed, land for fodder cultivation, readiness of all women, etc., and submit report to PD, Mathi in the format specified in annexure 2 and 3.

- d) On receipt of recommendation, DMMU should release 100% of fund allocated for Goat rearing cluster **to BLF within 7 days.**
- e) BLF should release the fund to Goat rearing cluster within 7 days, following the **execution of a tripartite agreement** between BLF (agreement model given in annexure – 4), Cluster and the Beneficiary which consists clause stating
 1. Shall utilize the funds for Goat rearing in the designated village.
 2. To follow cluster approach for procurement of feed, and other inputs and aggregation, marketing in the Goat rearing cluster.
 3. To repay the loan **with 6% interest**, starting **from the fourth month.**
- f) Only the actual cost incurred for Goat rearing will be provided as a loan. If the incurred cost is less than the sanctioned amount, only the actual cost will be disbursed. Any additional cost beyond the sanctioned loan amount shall be borne by the beneficiary.
- g) Under this scheme **Rs.98,500/-** will be provided to each member as revolving fund for goat farming

IX. Training

A two-day hands-on training program will be organized for all identified 20 SHG members, covering the following key areas by DRP Farm and CFS trainer or SPARK already identified by VKP, in coordination with Animal Husbandry department or KVKs (suggestive topics) at an outlay of **Rs.20,000/- per cluster.**

- a. Breed selection suitable for their panchayat
- b. Housing and shed management
- c. Feeding practices and nutrition
- d. Disease prevention and health care
- e. Breeding techniques
- f. Waste management and hygienic practices
- g. Handling and care of new born kids.

S. No.	Activity	Unit cost	No of units	Amount
1	Resource person fee to DRP Farm for 2 day	1500	2	3000
2	Food & Refreshments	250	44	11000
3	Van charges			5000
4	Stationery, Projector, leaflets	50	20	1000
	Total			20,000

X. Marketing Strategy

- a. **DSMS Manager** facilitate tie ups with Butchers, Meat shops, Restaurant, Hotels, Caterers for bulk purchase. Form B2B partnerships to sell live goats or processed meat directly.
- b. **DRP Farm** to facilitate partnership with small meat processors and cold chain suppliers.

XI. Loan Repayment

- a. Loan repayment should be made at **6% interest rate** and deposited to the cluster bank account.

- b. A sum of **Rs.19.795 lakhs** should be repaid to the goat rearing cluster except the sum of Rs.20,500/- spent for training, exposure visit and registers.
- c. A **moratorium period of 3 months** is fixed during which only interest is to be repaid.
- d. Following the moratorium, repayments should be made in monthly instalments. The repayment amount, along with the applicable interest, should be paid on or **before the 5th of every month** to the cluster account.
- e. Repayments should be recorded in a cash Book and proper receipts should be given to the beneficiary. Repaid amount should be deposited promptly into the Cluster's bank account.
- f. From the Cluster account, **the due amount (principal & interest) for that month should be transferred to the BLF Farm Cluster Account through ECS**
- g. **Repayment period may be upto a maximum of 18 months** after the moratorium period.
- h. Repaid loan amount may be used as working capital for next year/season for the existing members up to **two more repayment cycles**.
- i. If existing members are **not willing to continue goat rearing** in the next season or for expansion, **eligible new members** who are interested in joining the cluster may be included after verification by the **team consisting of BC (LH), BMM and APO (LH)**
- j. If no SHG member in the panchayat is willing to take up goat rearing in later year or after two more repayment cycles ,BMMU with the approval from DMMU, should release the funds to a **new cluster** willing to take up goat rearing as a cluster activity.

XII. Monitoring & Evaluation

- a. **CRP (Farm)** will visit the cluster to monitor the maintenance of goats in good health and ensure **timely loan repayments** by the SHG members and deposit into the cluster's bank account.
- b. The name of the cluster, year, beneficiary details, internal loan given details, no. of goats procured, etc., is to be **maintained by the PLF in the Livelihood register**.
- c. **BMM, BC LH and zonal BC will inspect the cluster**, ensure regular meeting, and oversee the expenditure made, and income generated besides maintenance of registers.
- d. BLF also to maintain a register with the cluster name and year.
- e. **District Resource Person (Farm)** shall visit the cluster and offer **technical guidance**, assess health of the goat, breeding time etc.
- f. **Assistant Project Officer LH** shall conduct monthly inspections of the cluster for verification of registers and documents, **review of fund utilization** and repayment status and to ensure the revolving fund mechanism is functioning properly
- g. The Project Director, Mathi, shall randomly visit the operational cluster.
- h. **The PD, Mathi** should conduct **monthly review** on functioning, repayment and earnings of the Goat rearing cluster with APO (LH), DRP Farm, BMM and BC LH.
- i. **Once in six months** the cluster progress is to be reviewed in the **convergence meeting** with line departments chaired by the **District Collector**.

XIII. Expected Outcomes:

- a. By participating in goat rearing, SHG women will have consistent access to a source of income through the sale of goats, goat products (milk, meat, fiber), and related by-products (manure).
- b. The availability of goat products for meat and milk will contribute to better food security and nutritional balance at the household level, especially in areas with limited access to alternative sources of protein and dairy.
- c. With bulk production, the cluster can engage in collective sales of goats, ensuring better pricing and market reach through negotiated sales. This cooperative model will provide better bargaining power for SHG women.

XIV. Way Forward

- a. To encourage more SHG members to take up goat rearing as a viable income-generating activity, thereby promoting local employment and economic resilience in rural areas
- b. To promote inclusion of new members in the goat rearing cluster in the village with assured income.

Annexure -1 - District-Wise Targets

S. No.	District	Target No. of Clusters
1	Ariyalur	2
2	Chengalpattu	2
3	Coimbatore	2
4	Cuddalore	2
5	Dharmapuri	2
6	Dindigul	2
7	Erode	2
8	Kallakuruchi	2
9	Kanchipuram	2
10	Kanyakumari	2
11	Karur	2
12	Krishnagiri	2
13	Madurai	2
14	Mayiladuthurai	2
15	Nagapattinam	2
16	Namakkal	2
17	Nilgiris	2
18	Perambalur	2
19	Pudukkottai	2
20	Ramanathapuram	2
21	Ranipet	2
22	Salem	2
23	Sivagangai	2
24	Tanjore	2
25	Tenkasi	2
26	Theni	2
27	Thoothukudi	2
28	Tirunelveli	2
29	Tirupathur	2
30	Tiruppur	2
31	Tiruvallur	2
32	Tiruvannamalai	2

33	Tiruvarur	2
34	Trichy	2
35	Vellore	2
36	Villupuram	2
37	Virudhunagar	2
Total		74

Annexure - 2

Format for recommendation for fund release from DMMU to BLF

S. No.	Particulars	Details
1	Name of the Block	
2	Name of the Cluster	
3	Name of the Panchayat	
4	Grama Sabha approval date of selected Beneficiaries	
5	Date of Account opening	
6	Bank Name	
7	Branch Name and IFSC code	
8	Account Name as per bank passbook	
9	Account Number	
10	Secretary Name and Mobile Number	
11	Treasurer Name and Mobile Number	
12	Beneficiary eligibility (Sub format enclosed) for number of Beneficiaries whether verified	
13	Per member contribution in (Rs.)	
14	Conduct of Regular meeting	
15	Name of the Register Maintained	

16	Nearby markets (mentioned name and distance)	
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Cluster formation and selection of beneficiaries are verified as per guidelines and recommended for release of funds to the_____cluster of _____PLF in _____Block through BLF.

Block Coordinator
(LH)

Block Mission
Manager

Asst. Project Officer
(LH)

Annexure -3

Sub Format for Eligibility of Beneficiary Identified***

S. No.	Particulars	Details
1	Name of the Beneficiary	
2	Name of the Husband/ Guardian	
3	Address	
4	Date of Birth/Age	
5	Mobile Number	
6	Name of the SHG	
7	Number of years as an SHG member	
8	NRLM member ID No.	
9	Community(SC/ST/MBC/BC/Others)	
10	Whether comes under Special Category (Diff. abled / Widows/Destitute widows)	
11	Aadhar card Number	
12	Smart card Number	
13	Do you have MGNREGA card? If yes, provide card number	
14	PIP Number and Category	

15	Total area of Land owned / leased(Acres)	
16	Whether the member presently rearing goat rearing?	
17	Experience in Goat rearing	
18	Area of land proposed for rearing goat (in cents)	
19	Any loan availed under livelihood activities a. Name of the scheme: b. Loan amount availed in Rs.	
20	Any overdue / NPA in Rs.	

I declare that the above details are correct and in line with my consensus.

Date:

Beneficiary Signature

Place:

The above details were verified by me and found correct

Name of the CRP(Farm):

CRP(Farm) Mobile Number:

Signature of CRP(Farm):

Attachment:

1. Aadhar Card Xerox Copy
2. Smart Card Xerox Copy
3. MGNREGA Xerox card
4. SHG Resolution copy for the number of years as an SHG member
5. SHG Resolution copy not to be a office bearer in BLF/PLF

6. SHG Resolution copy for No overdue or NPA in any Bank/institution
7. Patta copy/Lease agreement copy
8. Selected Member Grama saba approval copy

******* This format to be collected for each beneficiary separately and attached to the Annexure-1 for fund release to BLF.

Annexure-4
TRIPARTITE AGREEMENT

This Tripartite Agreement is made on this ____ day of _____, 20__ at _____

Among:

1. Block Level Federation (BLF), a community-based organization constituted under the guidelines of the [Tamil Nadu State Rural Livelihoods Mission], having its office at _____, represented herein by its President/Secretary, Shri/Smt. _____, hereinafter referred to as the "First Party" (which expression shall, unless excluded by or repugnant to the subject or context, include its successors and permitted assigns);

AND

2. _____ Cluster, a collective of _____ cultivating SHG women farmers functioning under the aegis of the First Party, with its registered/recognized office at _____, represented by its Cluster Leader/Representative Selvi/Smt. _____, hereinafter referred to as the "Second Party";

AND

3. Selvi/Smt. _____, daughter/wife of _____, residing at _____, a member of the Self Help Group _____ under the jurisdiction of the above-mentioned BLF, hereinafter referred to as the "Third Party" or the "Beneficiary".

WHEREAS:

- The First Party is responsible for facilitating and overseeing Cluster initiatives at the Block level.
- The Second Party manages implementation and support at the cluster level.

- The Third Party is a beneficiary of the scheme, participating through her Self Help Group (SHG).

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS UNDER:

1. Roles and Responsibilities

1.1 First Party (Block Level Federation) Shall:

- Facilitate capacity building, training, and support services for _____(Agriculture/Horticulture/Sericulture/Animal Husbandry)
- Mobilize and release funds/grants/subsidies received under any government or non-governmental scheme to the Second and/or Third Party, as per approved norms.
- Release the _____ cluster funds Rs._____ received from the District Mission Management Unit to the Second Party's bank account within 7 days from the date of receipt of funds.
- Participate (through any one of its representatives) in the monthly meeting of the cluster and monitor the cluster activities and progress.
- Monitor the proper maintenance of registers by the cluster.
- Provide conflict resolution support and maintain oversight over operations.
- Monitor and evaluate the implementation of the project and ensure adherence to prescribed guidelines.

1.2 Second Party (_____ Cluster) Shall:

- Coordinate procurement, input supply, training, and market linkages.
- Maintain records of disbursements, training, production, and sales.
- Release of Rs._____ against activities such as to the Third Party's bank account within 7 days of receiving funds from the First Party.
- Monitor the utilization of the fund released to the Third Party for the above-mentioned purposes.
- Collect 6% interest from the Beneficiary starting from _____ month onwards and transfer the loan due amount (principal & interest) to the 1st party's Farm Cluster Bank account.

1.3 Third Party (Beneficiary) Shall:

- Utilize the funds strictly for the purposes they are meant for and shall not divert the funds for consumption or personal purposes.
- Repay the loan with 6% interest starting from the _____ month from the date of receiving funds from the Second Party and pay only interest during the _____ months.
- Properly maintain all assets acquired under the scheme and shall not sell or transfer them to outsiders without prior approval from the Second and First Parties.
- Participate in training, share production data, and allow inspections as required.
- Ensure cleanliness in _____ units, and follow standard protocols.

2. Duration

This Agreement shall remain in force till the repayment of loan unless extended by mutual consent or terminated earlier as per Clause 5.

3. Financial Terms

Disbursement and utilization of funds shall follow the installment structure detailed in Section 1.2.

All repayments with interest shall be made as per the repayment schedule.

Refer to Annexure A for repayment schedule.

4. Dispute Resolution

Disputes, if any, shall be resolved amicably at the Panchayat level first. If unresolved, they shall be escalated to the Block Level Federation under the TNSRLM.

5. Termination

This Agreement may be terminated:

- By mutual consent of all parties;
- By the First Party upon breach or non-performance by the Second or Third Party;
- By the Third Party upon return of all assets and repayment of funds as applicable, with 30 days written notice.

6. Miscellaneous

The Agreement does not constitute an employment or agency relationship.

All annexures, rules, guidelines, and communications relating to the scheme are binding components of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Signature of First Party (BLF Secretary & Treasurer)

Name: _____

Name: _____

Designation: _____

Designation: _____

Seal: _____

Seal: _____

Signature of Second Party (_____ Cluster Secretary & Treasurer)

Name: _____

Name: _____

Designation: _____

Designation: _____

Seal: _____

Seal: _____

Signature of Third Party (Beneficiary)

Name: _____

SHG Name: _____

Witnesses:

1. _____ (Name & Address)

2. _____ (Name & Address)

Annexure A: Repayment Schedule

Name of the cluster or Activity:

Name of the Beneficiary with Father or Husband Name:

Name of the SHG:

Total Loan Amount:

Interest rate:

Repayment period:

S. No.	Month	Repayment Amount (Rs.)		Total amount to be repaid
		Principal	Interest	
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				

Signature of the BLF

Secretary & Treasurer

Signature of Cluster

Secretary & Treasurer

Signature of the Beneficiary