

GOVERNMENT OF INDIA  
MINISTRY OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING  
DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING  
RAJYA SABHA  
UNSTARRED QUESTION NO.1819  
TO BE ANSWERED ON 11<sup>TH</sup> DECEMBER 2024

**DAIRY BUSINESS**

1819. SHRI IRANNA KADADI:

Will the Minister of FISHERIES, ANIMAL HUSBANDRY AND DAIRYING be pleased to state:

- (a) the assistance being provided by Government to farmers to run and develop dairy business;
- (b) the number of farmers who have been provided assistance along with the amount of funds released to them during each of the last five years, State-wise;
- (c) whether interest on the loans sanctioned under the said scheme is also being charged from the farmers and if so, the details thereof;
- (d) whether Government propose to set up milk processing plants in rural areas which are producing milk in large quantities; and
- (e) if so, the details thereof and the amount of interest being charged from the farmers?

**ANSWER**

THE MINISTER FOR FISHERIES, ANIMAL HUSBANDRY AND DAIRYING  
(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

(a) & (b) Department of Animal Husbandry & Dairying (DAHD), GoI is implementing the following Dairy Development schemes across the country to supplement the efforts for milk production and milk processing infrastructure made by the State Government:

- (i) National Programme for Dairy Development (NPDD)
- (ii) Supporting Dairy Cooperatives & Farmer Producer Organizations engaged in dairy activities (SDCFPO)
- (iii) Animal Husbandry Infrastructure Development Fund (AHIDF)
- (iv) Rashtriya Gokul Mission (RGM)
- (v) National Livestock Mission (NLM)
- (vi) Livestock Health and Disease Control Programme (LHDCP)

These schemes are helping in improving milk productivity of bovines, strengthening of dairy infrastructure, enhancing availability of feed and fodder and providing animal health services. These interventions help to reduce the cost of milk production, increase the animal productivity and thereby help to enhance income from dairy farming. However, no fund has been released directly to farmers.

(c) Does not arise in view of (a) & (b) above,

(d) & (e) Department of Animal Husbandry and Dairying, GoI is implementing Animal Husbandry Infrastructure Development Fund (AHIDF) is a Central Sector Scheme under the Prime Minister's Atma Nirbhar Bharat Abhiyan stimulus package for incentivizing investments

in dairy sector by individual entrepreneurs, private companies, MSME, Farmers Producers Organizations (FPOs) and Section 8 companies to establish:

- 1) Dairy processing and value addition infrastructure,
- 2) Meat processing and value addition infrastructure,
- 3) Animal Feed Plant,
- 4) Breed Improvement Technology and Breed Multiplication Farm
- 5) Animal Waste to Wealth Management (Agri Waste Management)
- 6) Setting up of Veterinary Vaccine and Drugs Manufacturing facilities

Key benefits available under the scheme

- i. Loan up to 90% of the estimated /actual project cost from the Scheduled Bank based on submission of viable projects by eligible beneficiaries.
- ii. Maximum repayment Period: 8 years inclusive of moratorium of 2 years on principal amount.
- iii. Interest subvention of 3% for all Eligible Entities

The rate of interest on the loan varies from bank to bank. The Department provides an interest subvention of 3% per annum.

In addition to the above scheme, the Department of Animal Husbandry and Dairying, GoI is also providing the support for setting up of Milk Processing Infrastructure under the National Program for Dairy Development, Component B. This scheme is being implemented in 9 states namely Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan, Punjab, Uttarakhand, Telangana, Andhra Pradesh & West Bengal. The total outlays under the NPDD Component is Rs 1568.28 Cr out of which Rs 924.56 Cr is towards loan, Rs 475.54 Cr is towards grant and balance Rs 168.18 Cr is participating agency contribution.

The beneficiaries of NPDD Component B are Milk Unions/ Multi-state Dairy Cooperatives/ State Dairy Federations/ Milk Producer Companies and SHG Cluster Federations created by State Rural Livelihood Missions. The beneficiary gets the loan at a subsidy rate of 1.5% per annum. The same is being implemented through the National Dairy Development Board.

The support is provided for Strengthening Milk Procurement Infrastructure, Milk Processing Facilities and Manufacturing Facilities (milk & milk products and cattle feed), Support for Marketing Infrastructure, Support for ICT Infrastructure & Productivity Enhancement.

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