

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF ANIMAL HUSBANDRY, DAIRYING AND FISHERIES  
RAJYA SABHA  
UNSTARRED QUESTION NO.1777  
TO BE ANSWERED ON 28<sup>TH</sup> DECEMBER, 2018

**ASSISTANCE FOR DAIRY SECTOR**

1777. SHRI VINAY DINU TENDULKAR:

Will the Minister of AGRICULTURE AND FARMERS WELFARE  
be pleased to state:

- (a) whether Government is providing financial assistance to various States for setting up of dairies in the country;
- (b) if so, the details thereof including the salient features of the schemes for the purpose along with the amount of assistance provided by Government to various States during the last three years and the current year, State-wise;
- (c) whether Government has any scheme for training of milk producers in the use of new techniques for developing the dairy sector with upgraded technology; and
- (d) if so, the details thereof?

**ANSWER**

**THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE**

**(SHRIMATI KRISHNA RAJ)**

(a) Yes Sir.

(b) The Department of Animal Husbandry, Dairying and Fisheries, Government of India is providing assistance to various States across of the country for dairy development activities including setting up of dairy plant under the following schemes:-

1. National Programme for Dairy Development (NPDD)
2. Dairy Processing and Infrastructure Development Fund (DIDF)

Salient features of NPDD scheme and State wise financial assistance provided during the last three years and the current year is at **Annexure I** and **II** respectively. Salient features and State-wise projects sanctioned under DIDF scheme is at **Annexure-III**.

(c) & (d) This Department supplements the efforts of State Governments to impart training and knowhow to the milk producers about the latest technology to augment the dairy production by implementing following schemes;

1. National Programme for Dairy Development
2. National Dairy Plan-I

Apart from above, ICAR-National Dairy Research Institute has informed that they have established a Business Planning Development Unit that provides, amongst others, training to milk producers to promote use of new techniques in dairy sector with upgraded technology.

\*\*\*\*

**Annexure referred to in reply to the Rajya Sabha Unstarred Question No.1777 for answer on  
28.12.2018**

**National Programme for Dairy Development (NPDD)**

NPDD launched in Feb 2014 with the following objectives:

- i) To create and strengthen infrastructure for production of quality milk including cold chain infrastructure linking the farmer to the consumer;
- ii) To create and strengthen infrastructure for procurement, processing and marketing of milk;
- iii) To create training infrastructure for training of dairy farmers;
- iv) To strengthen dairy cooperative societies/Producers Companies at village level;
- v) To increase milk production by providing technical input services like cattle-feed, and mineral mixture etc;
- vi) To assist in rehabilitation of potentially viable milk federations/unions;

**Implementing Agency:**

State Implementing Agencies (SIA):- State Dairy Federations and Milk Unions (in absence of Dairy Federations)

End Implementing Agencies (EIA):- District Milk Unions, New Generation Milk Producer Companies, District Rural Development Authority/Zila Parishad/District Mission Management Units DRDA/Zila Parishad (in respect of projects where there is no District Dairy Cooperative Unions).

**Funding pattern**

100 % Central grant: All components, except for bulk milk coolers; milk processing plants; milk powder plants; milk marketing and rehabilitation Milk Unions/ federations.

For Bulk milk coolers, milk processing plants, milk powder plants and milk marketing components:-

50% Central Grant for 18 States covered under National Dairy Plan-Phase I (NDP),  
90% Central Grant: for North Eastern States and hilly States of Jammu & Kashmir and Himachal Pradesh

For non-NDP States:-

- For profit making EIAs-i.e. EIAs with accumulated profit of Rs One crore or more in the previous financial year - 75 % grant in aid
- For other EIAs-i.e. loss making EIAs and EIAs with accumulated profit of less than Rs One crore in the previous year- 90%

**Major Components**

Milk Chilling facilities: Plants, Bulk Milk Coolers, Milk Processing & Marketing, Milk Procurement: Dairy Cooperative Society formation, Milk and Milk Product Testing Laboratories, Information and Communication Technology Networking, Manpower and Skill Development and Working Capital

**Annexure referred to in reply to the Rajya Sabha Unstarred Question No.1777 for answer on  
28.12.2018**

**State wise financial assistance provided during last three years and current year under NPDD scheme  
(2015-16 to 2018-19)**

Sl. No.	Name of the State/UTs	Fund released (Rs. in crore)			
		2015-16	2016-17	2017-18	2018-19 (As on 21.12.2018)
1	Andhra Pradesh	3.50	4.36	6.22	0.71
2	Arunachal Pradesh	3.72	3.07	0.00	0.00
3	Assam	0.00	4.68	0.00	0.00
4	Bihar	10.59	12.87	35.67	37.93
5	Chhattisgarh	2.04	1.75	0.00	0.00
6	Goa	0.00	0.00	7.92	0.00
7	Gujarat	0.00	0.00	10.91	43.26
8	Haryana	0.28	0.00	6.51	1.62
9	Himachal Pradesh	0.00	0.00	0.50	12.63
10	Jammu & Kashmir	0.00	5.05	1.00	15.39
11	Jharkhand	0.00	3.08	0.00	0.00
12	Karnataka	4.46	0.00	2.60	10.11
13	Kerala	1.06	13.05	5.44	23.81
14	Madhya Pradesh	3.64	1.55	3.59	20.85
15	Maharashtra	0.00	0.00	0.00	1.84
16	Manipur	0.00	0.00	2.98	0.00
17	Meghalaya	0.00	0.00	3.87	4.27
18	Mizoram	0.00	4.38	3.10	0.00
19	Nagaland	1.00	1.00	1.12	0.00
20	Odisha	10.67	12.43	0.00	8.40
21	Pondicherry	0.00	0.00	2.40	0.00
22	Punjab	20.92	17.78	10.89	3.69
23	Rajasthan	2.30	9.02	19.00	42.90
24	Sikkim	3.39	4.37	5.94	0.00
25	Tamil Nadu	2.00	6.89	11.93	7.60
26	Telangana	2.92	4.32	2.76	0.00
27	Tripura	0.00	0.00	0.00	13.37
28	Uttarakhand	0.00	7.03	11.80	0.00
29	Uttar Pradesh	1.46	3.00	12.32	20.96
30	West Bengal	0.00	0.00	1.90	0.00
	<b>TOTAL</b>	<b>73.95</b>	<b>119.67</b>	<b>170.34</b>	<b>269.34</b>

Annexure referred to in reply to the Rajya Sabha Unstarred Question No.1777 for answer on 28.12.2018

**Dairy Processing & Infrastructure Development Fund (DIDF)**

- Launched in December 2017.
- Year of implementation: 2017-18 to 2019-20 with a scheme outlay of Rs. 10881 crore.

**Objectives:**

- To modernize the milk processing plants and machinery and to create additional infrastructure for processing more milk.
- To create additional milk processing capacity for increased value addition by producing more dairy products.
- To bring efficiency in dairy processing plants/producer owned and controlled dairy institutions, thereby enabling optimum value of milk to milk producer-farmers and supply of quality milk to consumers.
- To help the producer owned and controlled institutions to increase their share of milk, thereby providing greater opportunities of ownership, management and market access to rural milk producers in the organized milk market.

**Implementing Agency and End Borrowers:**

- Implemented by National Dairy Development Board (NDDB) and National Cooperative Development Corporation (NCDC)
- End Borrowers: Milk Unions, State Dairy Federations, Multi-state Milk Cooperatives, Milk Producer Companies and NDDB subsidiaries.

**Physical Target and Source of funding under DIDF**

Component	Physical Targets	Financial Outlays (Rs. in Crore)			
		NABARD Loan	End Borrower's contribution	NDDB/NCDC's contribution	Total Outlay
Modernisation & creation of - milk processing facilities & manufacturing facilities for Value Added Products (VAP)	Processing Cap – 126 LLPD, Drying Cap – 210 MTPD VAP – 59.78 LLPD	5577	1384	0	6971
Chilling Infrastructure	140 LLPD	2063	516	0	2579
Electronic Milk Testing Equipment	28000 Nos.	364	91	0	455
Project Management & Learning		0	0	12	12
<b>Total</b>		<b>8004</b>	<b>2001</b>	<b>12</b>	<b>10017</b>
Interest subvention from DADF, GoI					864
<b>Total Project Cost including interest subvention amount</b>					<b>10881</b>

(LLPD-Lakh Litres per day, MTPD-Metric Tonnes per day)

**Details of sanctioned projects under DIDF during 2018-19 (as on 14.12.2018)**

Sanctioned projects			Proposed financial Outlay (Rs. in crore)		
S.No	State	No of proposals	Total Estimated Cost	Loan under DIDF	End Borrower's contribution
1	Karnataka	8	1626.4	941.4	685.0
2	Punjab	4	318.0	254.4	63.6
3	Haryana	6	54.2	43.4	10.8
4	Maharashtra	1	74.4	59.5	14.9
5	Gujarat	2	976.5	780.7	195.8
	<b>Total</b>	<b>21</b>	<b>3049.5</b>	<b>2079.4</b>	<b>970.1</b>

**Note:** Department has released Rs.10 crore as interest subvention to NABARD during 2018-19.

