

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF ANIMAL HUSBANDRY, DAIRYING & FISHERIES
LOK SABHA
UNSTARRED QUESTION NO. 2778
TO BE ANSWERED ON 13TH MARCH, 2018

MODERNIZATION OF DAIRY COOPERATIVES

2778. ADV. M. UDHAYAKUMAR:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री be pleased to state:

be pleased to state:

- (a) Whether it is a fact that the dairy processing infrastructure of cooperatives needs modernization and capacity enhancement and with most cooperatives sharing their profits with milk producers, there is a need to provide support and if so, the details thereof;
- (b) Whether the Government had approved a plan in this regard and if so, the details thereof; and
- (c) Whether it is also true that the Government has prepared/approved the operational guidelines to disburse the funds and if so, the details thereof?

Answer

THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS WELFARE

(SHRIMATI KRISHNA RAJ)

(a) to (c) Yes Madam, The Department of Animals Husbandry, Dairying & Fisheries Government of India has initiated a new Central Sector Scheme “Dairy processing & Infrastructure Development Fund (DIDF)” in December, 2017 with a corpus of Rs 8004 crore with National Bank for Agriculture and Rural Development (NABARD), to help dairy Co-operative Milk Unions, State Co-operative Dairy Federations, Multi State Milk Co-operatives, Milk Producers Companies and NDDB Subsidiaries to expand and modernize infrastructure for dairy processing and value added products.

DIDF is targeted to create additional milk processing capacity of 12.6 Million liters per day in the co-operative sector during the project period. 39 profit making milk unions shall be covered initially. However, other Milk Cooperatives shall be eligible subject to fulfilment of eligibility criteria. The department has issued the administrative approval and operational guidelines on 21st December, 2017. Salient features of the scheme is annexed.

Annexure in reference to Reply to part (a) to (c) of the un-starred Question No 2778 due for answer on 13.03.2018.

Salient features of Dairy processing & Infrastructure Development Fund (DIDF):

- 1) The approved outlay of DIDF is Rs. 10881 crore (which consists of Rs. 8004 crore as interest bearing loan, Rs. 2001 crore as contribution from Milk Cooperatives, Rs. 864 crore as interest subvention through budgetary support from DADF. NDDDB & NCDC will contribute Rs. 12 crore for Project Management & Learning Support) for three years i.e 2017-18 to 2019-20.
- 2) Dairy processing & Infrastructure Development Fund (DIDF) envisages focusing on creation/ modernization/expansion of processing infrastructure and manufacturing facilities for Value Added Products for the Milk Cooperatives. The scheme will also support in building an efficient milk procurement system by setting up of chilling infrastructure & installation of electronic milk adulteration testing equipments at village level.
- 3) NABARD raises the fund from market and passes to NDDDB/NCDC. NDDDB and NCDC are the Nodal Loaning Entities under DIDF. NDDDB/NCDC shall provide the loans @6.5 % to Eligible End Borrowers (Co-operative Milk Unions, State Cooperative Dairy Federations, Multi-State Milk Cooperatives, Milk Producer Companies and NDDDB subsidiaries.)
- 4) The major components proposed under the scheme are given below:
 - A. Modernization & creation of - milk processing facilities and manufacturing facilities for Value added Products
 - B. Creation of village level chilling infrastructure
 - C. Setting up of electronic milk adulteration testing equipment at BMC location
 - D. Project Management and Learning
- 5) With this investment, 95,00,000 farmers in about 50,000 villages would be benefitted. Additional Milk processing capacity of 126 lakh litre per day, milk drying capacity of 210 MT per day, milk chilling capacity of 140 lakh litre per day, installation of 28000 Bulk Milk Coolers (BMCs) along with electronic milk adulteration testing equipment and value added products manufacturing capacity of 59.78 lakh litre per day of milk equivalent shall be created.