

GOVERNMENT OF INDIA  
MINISTRY OF AGRICULTURE AND FARMERS WELFARE  
DEPARTMENT OF ANIMAL HUSBANDRY, DAIRYING AND FISHERIES  
LOK SABHA  
UNSTARRED QUESTION NO.1180  
TO BE ANSWERED ON 18<sup>TH</sup> DECEMBER, 2018

**DAIRY PROCESSING AND INFRASTRUCTURE DEVELOPMENT FUND**

1180 SHRI G. HARI:

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

- a) whether it is true that the Government has launched a fund titled Dairy Processing and Infrastructure Development Fund;
- b) If so, the details thereof;
- c) whether the said fund would provide soft loans to modernise and raise the capacity of dairy cooperatives; and
- d) If so, the details thereof?

**ANSWER**

**THE MINISTER OF STATE FOR AGRICULTURE AND FARMERS' WELFARE  
(SHRIMATI KRISHNA RAJ)**

(a) & (b): Yes Madam, Department of Animal Husbandry, Dairying & Fisheries, Govt. Of India has launched Dairy Processing and Infrastructure Development Fund on 21-12-2017 with a scheme outlay of Rs.10881 crore for implementation during 2017-18 to 2019-20. The details of the scheme are given at Annexure.

(c) & (d): Under Dairy Processing and Infrastructure Development Fund, there is a provision for setting up of a corpus Rs.8004 crore with National Bank for Agriculture and Rural Development (NABARD) to provide loans to modernise milk processing capacity, value added product processing facilities and raise the capacity of eligible dairy cooperatives as per the norms of the scheme. The details of the components along with their outlays are given at Annexure.

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**Reply to LSQ No. 1180 due for answer on 18.12.2018**

Annexure

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

Consequent to the Union Budget 2017-18 announcement, DIDF has been set up as a corpus of Rs. 8004 crore with National Bank for Agriculture and Rural Development (NABARD). The Cabinet Committee on Economic Affairs (CCEA) in its meeting dated 12.09.2017 has approved the scheme. Out of Rs.10881 crore of financial outlay for project components of DIDF, Rs. 8004 shall be loan from NABARD to National Dairy Development Board (NDDB) / National Cooperative Development Corporation (NCDC), Rs. 2001 crore shall be End Borrowers (EB) contribution, Rs. 12 crore would be NDDB/NCDC's share and Rs. 864 crore shall be contributed by Department of Animal Husbandry, Dairying and Fisheries (DADF) toward interest subvention.

2 The project will be focus on building an efficient milk procurement system by setting up of processing and chilling infrastructure & installation of electronic milk adulteration testing equipment at village level

3. The salient features of the scheme:

- I. 95 Lakh milk producers will be benefited by covering 50,000 villages.
- II. Establishment of 28000 Bulk Milk Coolers with 140 Lakh Litres per Day as additional milk chilling capacity.
- III. Providing 28000 Milk Testing Equipments to check adulteration in milk.
- IV. Creation of additional 210 Metric Ton per Day Milk Drying capacity.
- V. Modernisation, expansion and creation of Milk Processing capacity of 126 Lakh Litres per Day.
- VI. Creation of Infrastructure of 59.78 lakh Litres per Day capacity for Value-Added Dairy products to ensure remunerative prices to milk producers.

**Component -wise Sources of funding:**

No.	Component	Financial Outlays (Rs. in Crore)				
		NABARD Loan	EBs' contribution	NDDB's Contribution	NCDC's Contribution	Total Outlay
A	Modernisation & creation of new - milk processing facilities and for Value Added Products (Fund share)	5577 (80%)	1395 (20%)	0	0	6972
B	Chilling Infrastructure	2063 (80%)	515 (20%)	0	0	2578
C	Electronic Milk Adulteration Testing Equipment	364 (80%)	91 (20%)	0	0	455
D	Project Management & Learning	0	0	6 (50%)	6 (50%)	12
	<b>Total</b>	<b>8004</b>	<b>2001</b>	<b>6</b>	<b>6</b>	<b>10017</b>
	Interest subvention from DAHD&F, GoI					864 (100%)
	<b>Total Project Cost including interest subvention amount</b>					<b>10881</b>

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