

GOVERNMENT OF INDIA
 MINISTRY OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
 DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING
 LOK SABHA
 UNSTARRED QUESTION NO. 3706
 TO BE ANSWERED ON 12TH AUGUST 2025

ASSISTANCE TO FARMERS FOR DAIRY

3706. Shri Kaushalendra Kumar:

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

- (a) the assistance provided by the Government to farmers for running and promoting dairy;
- (b) the amount of funds released to farmers during the last five years and State-wise;
- (c) the number of farmers provided with assistance during the last five years, year and State-wise;
- (d) whether any interest is being charged from farmers on the loan given under the scheme;
- (e) whether the Government proposes to set-up milk processing plants in rural areas that produce more milk; and
- (f) if so, the details thereof and the rate of interest being charged from the farmer?

ANSWER

THE MINISTER OF STATE FOR FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
(PROF. S.P. SINGH BAGHEL)

- (a), (b) and (c) Department of Animal Husbandry and Dairying (DAHD), Government of India is implementing the following schemes across the country to complement and supplement the efforts of State Governments for development of milk production and milk processing infrastructure:
1. **Rashtriya Gokul Mission (RGM):** RGM is implemented for development and conservation of indigenous breeds, genetic upgradation of bovine population and enhancement of milk production and productivity of bovines.
 2. **National Programme for Dairy Development (NPDD):** NPDD is implemented with following 2 components:
 - (i) **Component "A"** of NPDD focuses on creating/ strengthening of infrastructure for quality milk testing equipment as well as primary chilling facilities for State Cooperative Dairy Federations/ District Cooperative Milk Producers' Union/ Self Help Groups (SHGs)/ Milk Producer Companies/ Farmer Producer Organizations.
 - (ii) **Component "B"** of the NPDD scheme "Dairying through Cooperatives" Japan International Cooperation Agency (JICA) assisted, aims to increase sale of milk and dairy products by increasing farmer's access to organized market, upgrading dairy processing facilities and marketing infrastructure and enhancing the capacity of producer owned institutions.
 3. **Supporting Dairy Cooperatives & Farmer Producer Organisations engaged in dairy activities (SDCFPO):** To assist the State Dairy Cooperative Federations by providing interest subvention (regular 2% and additional 2% on prompt repayment) with respect to soft working capital loan to tide over the crisis on account severely adverse market conditions or natural calamities.
 4. **Animal Husbandry Infrastructure Development Fund (AHIDF):** AHIDF provides interest subvention at the rate 3% per annum for creation/ strengthening of livestock product processing and diversification infrastructure thereby providing greater access for unorganized producer members to organized market.
 5. **National Livestock Mission (NLM):** To bring sharp focus on entrepreneurship development and breed improvement in poultry, sheep, goat, piggery and fodder by providing the incentivization

to the individual, FPOs, SHGs, Section 8 companies (for entrepreneurship development) and also to the State Government for breed improvement infrastructure

6. **Livestock Health and Disease Control Programme (LHDCP):** to provide for prophylactic vaccination against animal diseases, capacity building of veterinary services, disease surveillance, and strengthening veterinary infrastructure. Also, a new component of Pashu Aushadhi is added under the scheme to ensure availability of affordable generic veterinary medicine across the country through Pradhan Mantri Kisan Samridhi Kendras (PM-KSK) and Cooperative Societies.

This will create an ecosystem for Generic Medicine which will be affordable and of good quality. These schemes are helping in improving milk productivity of bovines, expanding network of dairy cooperatives, strengthening of dairy infrastructure, working capital requirement, enhancing availability of feed and fodder and providing animal health services. These interventions help to reduce the cost of milk production and also help to enhance income of milk producer from dairy farming.

However, no direct funds are provided to farmers under these schemes; support is extended through infrastructure and service-based interventions to promote dairy farming as stated above.

- (d) and (e) DAHD is implementing Animal Husbandry Infrastructure Development Fund (AHIDF) under the Prime Minister's Atma Nirbhar Bharat Abhiyan stimulus package for incentivizing investments in dairy and livestock sector by individual entrepreneurs, private companies, MSME, Farmers Producers Organizations (FPOs) and Section 8 companies to establish:

- i. Dairy processing and value addition infrastructure,
- ii. Meat processing and value addition infrastructure,
- iii. Animal Feed Plant,
- iv. Breed Improvement Technology and Breed Multiplication Farm
- v. Animal Waste to Wealth Management (Agri Waste Management)
- vi. 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. Interest subvention of 3% for all Eligible Entities on loan availed, the rate of interest on the loan varies from bank to bank.
- iii. Maximum repayment Period: 8 years inclusive of moratorium of 2 years on principal amount.

In addition to the above, under NPDD Component B, loan has been provided to Milk Unions/ Multi-state Dairy Cooperatives/ State Dairy Federations/ Milk Producer Companies and SHG Cluster Federations created by State Rural Livelihood Missions at a subsidized rate of 1.5% per annum 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. This scheme is being implemented in 9 states namely Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan, Punjab, Uttarakhand, Telangana, Andhra Pradesh & West Bengal.

- (f) Does not arise in view of (d) and (e) above
