

GOVERNMENT OF INDIA
MINISTRY OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING
LOK SABHA
UNSTARRED QUESTION NO. 917
TO BE ANSWERED ON 25TH JULY, 2023

COOPERATIVES FOR MILK, MILK PRODUCTS AND ANIMAL FEED

917. SHRIMATI RAMA DEVI:
SHRI AJAY KUMAR MANDAL:
SHRI RAMESH CHANDER KAUSHIK:

Will the Minister of FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
मत्स्यपालन, पशुपालन और डेयरी मंत्री
be pleased to state:

- (a) whether the Government has taken any initiative on the lines of Gujarat to promote cooperatives for production of milk, other milk products and animal feed etc. to ensure additional income for the farmers in all the States including Bihar, Haryana particularly Sonipat district;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

ANSWER

**THE MINISTER FOR FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
(SHRI PARSHOTTAM RUPALA)**

(a) to(c): Department of Animal Husbandry and Dairying, Government of India is implementing “National Programme for Dairy Development (NPDD)” scheme across the country including Bihar and Haryana since Feb-2014 with an objective of creating/strengthening of infrastructure for production of quality milk, Procurement, Processing and Marketing of Milk and Milk products.

The scheme has been restructured/realigned in July 2021. The structured NPDD Scheme will be implemented from 2021-22 to 2025-26 with a total outlay of Rs.1790 crore. The restructured scheme has two components:

Component 'A' focuses toward creating/ strengthening of infrastructure for quality milk testing equipment as well as primary chilling facilities.

Component 'B' (Dairying through Cooperatives-DTC) provides financial assistance from Japan International Cooperation Agency (JICA) for creation of necessary dairy infrastructure,

providing market linkages for the produce in villages and for strengthening of capacity building of stake-holding institutions from village to State level.

Financial Progress:

Component A:

191 projects in 28 States and 2 Union Territory have been approved with the total cost of Rs.3053.03 crore (Central Share Rs. 2321.22 crore) from 2014-15 to 2022-23 (30.06.2023). A total sum of Rs.1795.60 crore has been released for implementation of these projects up to 18.07.2023. An amount of Rs. 1321.53 crore has been utilized under the approved projects.

Component B:

In total 22 projects has been approved with a total project cost of Rs 1130.64 Cr having loan component of Rs705.54 Cr, grant component of Rs 329.70 Cr and Producer Institutions (PIs) share of Rs 95.37 Cr. A total grant of Rs 9.30 Cr has been released to National Dairy Development Board for further disbursement to PIs for the implementation of the projects.

Government of India (GoI) has approved the “Dairying through Cooperatives-Key to Sustainable livelihood” project as Component B of the National Programme for Dairy Development (NPDD) scheme. The project will be implemented from 2021-22 to 2025-26 and will continue till 2027-28 with the total outlay of Rs. 1568.28 Crore comprising Rs .924.56 Crore as an Official Development Assistance (ODA)loan from Japan International Cooperation Agency (JICA), Rs.475.54 Crore as Government of India’s (GoI) contribution and Rs.168.18 Crore as State /Participating Institution’s (PI) contribution.

The major objective of the project is to increase sales of milk and dairy products by increasing farmers' access to organized market, upgrading dairy processing facilities and marketing infrastructure and enhancing the capacity of producers owned institutions, thereby contributing to increase in returns to milk producers in the project area”. The project is being implemented in 9 states namely Bihar, Uttar Pradesh, Punjab, Rajasthan, Madhya Pradesh, Andhra Pradesh, Telangana, Uttarakhand and West Bengal .The scheme supports the establishment Milk Processing Facilities and Manufacturing Facilities (milk & milk products and cattle feed).

4 projects with total outlay of Rs.58.05 Cr(Loan - Rs.19.44 Cr, Grant -Rs.34.88 Cr) has been approved for Bihar State. An amount of Rs.3.72Cr as(Loan+grant) has been released. Haryana State is not covered under DTC.

Dairy Processing & Infrastructure Development Fund (DIDF) :

Dairy Processing & Infrastructure Development Fund (DIDF) was launched in December 2017 with the major objective of creation/strengthening of Milk Processing, Value addition & chilling facilities for Dairy Co-operative, Multi State Dairy Cooperative, Milk Producer Companies (MPC), NDDDBs subsidiaries, Self Help Groups(SHGs)and Farmer Producer Organisations (FPOs) registered under State Cooperative and Companies Act with total outlay of Rs. 11,184 Crore (loan component of Rs.8,004 Crore). DIDF is to be implemented from 2018-19 to 2022-23 and repayment period upto 2030-31 with spill over to first quarter of the FY 2031-32. Under the scheme, NABARD raise the fund from market and disburse this loan to NDDDB/NCDC which is then disbursed by them to End Borrowers. GoI provide 2.5% interest subvention to NABARD apart from assisting the establishment of processing plant for milk and milk product, the scheme also assists Cattle feed/feed supplement plants.

4 projects with total outlay of Rs.420.19Cr(Loan-Rs.317.92Cr) has been approved by Department. An amount of Rs.71.35 Cr as a loan has been released in Projects in Haryana State. One project is being implemented in Bihar State with total outlay of Rs.113.27 Cr (Loan 78.80 Cr) Under DIDF scheme. Loan amount of Rs.31.372 Cr has been disbursed.

Under the Entrepreneurship Development Programme of National Livestock Mission (NLM) scheme there is a provision for establishing animal feed and fodder processing units.

In NLM-EDP, this department has approved a total of 36 projects with a project cost of Rs.31.5 Crores and subsidy of Rs.13.82 crores under the category of feed and fodder development. So far, there are no applications approved in Bihar and one project in Kurukshetra District of Haryana in feed and fodder development has been approved by the Department. The details are as under:

State Name	No of DAHD approved proposals under NLM EDP (Feed & fodder development)	Sum of Cost of Project (Rs in Cr)	Sum of Amount of Subsidy (Rs in Cr)
Haryana	1	1.13	0.50
Madhya Pradesh	29	22.92	10.37
Punjab	1	0.91	0.46
Telangana	4	4.00	2.00
Uttar Pradesh	1	2.55	0.50
Grand Total	36	31.52	13.82

Under the scheme of Animal Husbandry Infrastructure Development Fund (AHIDF) there is a provision of setting up of/upgradation of animal feed plants.

The eligible entities are FPOs, MSMEs, Individual Entrepreneurs, Private Companies and Section 8 companies.

Under the scheme eligible entities are eligible for benefit of 3% interest subvention over a period of eight years for setting up/upgradation of projects falling under any of the six approved categories. MSMEs are also eligible for availing credit guarantee coverage to the tune of 25% of the total borrowings. The scheduled banks will provide credit up to 90% to the Eligible Entities for the establishment of projects in any of the eligible categories under the Scheme.

Till date, the department has approved 95 projects of animal feed plant under the scheme with cumulative project cost of INR 1602.71 cr. and cumulative term loan of INR 1098.53
