

Dairy development schemes

July 10, 2019

Source: Press Information Bureau

Dairy development schemes and assistance to farmers

Dairy Division has been supplementing efforts of the State Governments to develop dairy infrastructure across the country by providing financial support through following Dairy Development Schemes to increase the income of farmers;

National Program for Dairy Development (NPDD):

- A restructured scheme titled “National Programme for Bovine Breeding and Dairy Development” (NPBB&DD) was launched in Feb-2014 with budgetary provision of 1800 Crore for implementation during 12th Plan, by merging of four ongoing schemes namely;

1. Integrated Dairy Development Programme (IDDP)
 2. Strengthening Infrastructure for Quality & Clean Milk Production (SIQ-CMP)
 3. Assistance to Cooperatives and (A to C)
 4. National Project for Cattle & Buffalo Breeding (NPCBB).
- NPBB&DD have two components

(a) National Programme for Bovine Breeding (NPBB) and

(b) National Programme for Dairy Development (NPDD).

- The IDDP, CMP and A to C has been discontinued from April, 2017.
- The NPDD focuses on creating/strengthening of infrastructure for Production of quality milk, Procurement, Processing and Marketing of Milk & Milk Products by the State Implementing Agency (SIA) i.e. State Cooperative Dairy Federations/ District Cooperative Milk Producers’ Union.

Dairy Entrepreneurship Development Scheme (DEDS):

- The Department is implementing DEDS since September, 2010 through NABARD with the objective of providing self-employment opportunities and promoting entrepreneurship in dairy sector, especially in rural areas.
- Under the programme, back ended capital subsidy is provided to eligible end borrowers under bankable projects as per norms of the scheme.
- Subsidy to the tune of 25% of the project cost is provided to general category beneficiaries & 33.33% to SC/ST category beneficiaries.

National Dairy Plan-I (NDP-I):

- The National Dairy Plan-I started in March, 2012 with the Crore World Bank Assistance, is being implemented by National Dairy Development Board with the aim to increase productivity of milch animals and thereby increase milk production to meet the rapidly growing demand for milk and to help to provide rural milk producers with greater access to the organized milk processing sector.
- Initially, 14 major milk producing States were identified in 2012; further 4 new States namely Telangana, Jharkhand Chhattisgarh & Uttrakhand were added in 2015-16.
- The financial assistance is provided to State Dairy Federations/District Milk Unions as per the norms of the scheme.
- NDP Phase – I is going to close in November, 2019. NDP-I scheme has been discontinued w.r.t. release of fund during 2019-20.

Dairy Processing and Infrastructure Development Fund (DIDF):

- In order to accelerate Dairy Development in the country,

in 2017, a new scheme Dairy Processing and Infrastructure Development Fund (DIDF) has been launched in December, 2017 by this Department.

- The scheme aims to benefit 95 lakh milk producers in 50000 villages.
- Further, it will create employment directly or indirectly for skilled, semi-skilled and unskilled workers.
- This scheme will have total corpus of around ten thousand Crore under which milk cooperatives will be provided financial assistance at the interest rate of 6.5% in the form of financial assistance loan of Rs. 8004 Crore, to be returned over a period of 10 years.
- Government of India has also provided the provision of interest subsidy on loan.

Supporting Dairy Cooperatives and Farmer Producer Organizations engaged in dairy activities

It is a Central Sector Scheme which was launched in 2016 with a corpus fund of Rs. 300 Crore to be kept in perpetuity with National Dairy Development Board (NDDB) to be used for providing soft loan for working capital to enable State Dairy Cooperative Federations to provide a stable market access to farmers.

The scheme is being implemented by NDDB with the objectives:

- To assist the State Dairy Cooperative Federations by providing soft working capital loan to tide over the crisis on account of severely adverse market conditions or natural calamities
- To provide stable market access to the dairy farmers
- To enable State Cooperative Dairy Federations to continue to make timely payment of dues to the farmers
- To enable the cooperatives to procure milk at a remunerative price from the farmers, even during the flush season

