

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3477

ANSWERED ON:11.08.2015

Loan for Animal Husbandry

Bhagat Shri Bodh Singh

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) the schemes formulated by the Government to improve the condition of Co-operative Milk Federations;
- (b) whether the Government is considering to provide bank loans to the dairy farmers at rates equivalent to the interest paid by the agricultural farmers;
- (c) if so, the details thereof;
- (d) whether the Government is also considering to provide loans for purchase of livestock on concessional interest rate as the dairy business is a complementary business to agriculture; and
- (e) if so, the final decision likely to be taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE FOR AGRICULTURE  
(SHRI MOHANBHAI KUNDARIYA)

(a) Department of Animal Husbandry, Dairying & Fisheries, Government of India has been implementing the following schemes to improve the condition of Co-operative Milk Federations across the country:

(i) National Programme for Bovine Breeding and Dairy Development (NPBBDD)

(ii) National Dairy Plan Phase -I (NDP-I)

(b)& (c) National Bank for Agriculture and Rural Development (NABARD) has informed that interest rates on loans and advances have been deregulated by Reserve Bank of India. Further, with effect from 1st July 2010, banks are required to adjust their loans with reference to their Base Rate. Interest subvention is available in the case of crop loans upto Rs. 3.00 lakh, and banks charge farmers the interest rate as stipulated by Government of India. This is not available to dairy farmers.

(d)&(e) The Department of Animals Husbandry, Dairying & Fisheries does not have any scheme to provide loans for purchase of livestock on concessional interest rates. However, the Department is implementing "Dairy Entrepreneurship Development Scheme" (DEDS) through National Bank for Agriculture and Rural Development (NABARD) in which back ended capital subsidy (25% of the project cost for General Category and 33.33% for SC & ST beneficiaries) is provided under bankable projects through eligible financial institutions, subject to the norms of the scheme. The subsidy helps to reduce the interest burden on the beneficiaries. One of the component of DEDS is establishment of small dairy unit of 2 to 10 crossbred cows or indigenous cows/graded buffaloes.

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