

Dairy loans

(Updated till 30.04.2022)

Purpose	<ol style="list-style-type: none">i. Construction of cattle shedii. Purchase of high yielding milch cattle (yielding not less than 5 litres per day)iii. Purchase of dairy equipments, cattle feed and for cultivation of green fodder.iv. Expenditure incurred for transportation of animals where the animals are not purchased locally.v. Initial feed cost for a period of 1 month at the rate of 120 kgs. per animal for the first batch of animals.vi. Setting up of on farm processing and pasteurization plants.vii. Loans can be extended for purchase of Crossbred heifer and/or for its rearing till it reaches lactation period.viii. Known cattle breeders and technically qualified entrepreneurs can be financed for purchase of non descript cows for getting crossbred progeny and for its rearing upto maturity or till it is sold, whichever is earlier.
Eligibility	<ol style="list-style-type: none">i. Farmers, Individual entrepreneurs, NGOs, companies, groups of unorganized and organized sector etc. Groups of organized sector include Self Help Groups (SHGs), Dairy cooperative societies, milk unions, milk federations etc.ii. The farmer should have cattle shed/arrangements enough to house the existing animals if any and also those proposed to be purchased.iii. The farmer should be cultivating green fodder or should have definite arrangements for its supply.iv. Drinking water should be available in the area.v. Veterinary facilities should be readily and easily available including facility for artificial insemination.vi. The farmer should have experience/ knowledge in maintaining dairy animals.vii. There should be assured marketing facilities.
Margin	Up to Rs 1.60 lakhs - NIL, Above Rs 1.60 lakhs - 15-25%
Security	<ul style="list-style-type: none">• Up to Rs 1.60 lakhs - Hypothecation of livestock/assets created out of bank loan,• above Rs 1.60 lakhs - Hypothecation of livestock/assets plus mortgage of land.
Repayment Period	<p>Loans granted for purchase of dairy animals should be recovered in a period of 5-7 years in suitable monthly/quarterly instalments.</p> <p>When the loan is granted for rearing of heifers for ultimate production of milk, the loan may be recovered within a period of 5-6 years including initial grace period of 30 months.</p>