

## **FINANCING POULTRY FARMING**

- **PURPOSE:** Investment Credit for construction of sheds and purchase of equipment and production credit for purchase of day old chicks, feed, medicines etc.
- **ELIGIBILITY:**
  - a. **For subsidiary activity:** Small farmer, landless Agri. labourer or other person who is under employed and intends to supplement his income and having required land / shed to establish poultry farms.
  - b. **For main activity:** Well experienced in running poultry unit on commercial basis as main vocation & having required land/shed to establish poultry farm.
- **EXTENT OF LOAN:** Need based. Minimum 500 birds for subsidiary activity. Size for main activity as per techno-economic appraisal of the project. (Requirement for investment and production credit will be considered as a package)
- **REPAYMENT:**
  - a. **Production Credit:** Maximum 18/12 months with a gestation period of 6/3 months in case of layers & broilers respectively.
  - b. **Investment Credit:** 6-7 years (with gestation period of 12 months for layers & up to 3 months for broilers)
- **INSURANCE:**

Under following conditions insurance of birds can be waived:

  - a. Waivment of insurance of birds to be allowed by the Circle Head on case to case basis after satisfying himself / herself of the risk bearing ability and repaying capacity of the applicant entrepreneurs.
  - b. Collateral Security (realizable value) of minimum of 100 per cent of the loan amount to be obtained.
  - c. Units having regular veterinary back-up only to be allowed waivment of insurance of birds, whereas other fixed assets like building, feeding material and other connected assets, etc, shall be insured as per extant Bank guidelines.

**Note:** On the basis of the judgment/order of Hon'ble High Court of Uttarkhand regarding the ban of use of Battery Cages for Poultry farming it has been decided that no financing to Battery Cage Component of Poultry Farming Projects is allowed with immediate effect on PAN INDIA Basis.