

R-99014/30/2021 - NLM-DADF
Government of India
Ministry of Fisheries, Animal Husbandry and Dairying
Department of Animal Husbandry and Dairying

Krishi Bhawan, New Delhi.
Dated 02nd June, 2021,

To,

Pay and Account Officer (Sect.I),
Ministry of Fisheries, Animal Husbandry & Dairying,
Department of Animal Husbandry & Dairying,
Krishi Bhawan, Room No.35,
New Delhi-110001.

Subject: Administrative Approval for implementation of Central sector Scheme for establishment of "Animal Husbandry Infrastructure Development Fund (AHIDF) during 2021-22

Sir,

I am directed to refer to the subject cited above and to say that the Prime Minister's AtmaNirbhar Bharat Abhiyan stimulus package mentioned about setting up of Rs.15000 crore Animal Husbandry Infrastructure Development Fund (AHIDF). With the Cabinet's approval on 24.06.2020, Animal Husbandry Infrastructure Development Fund (AHIDF) worth Rs. 15000/- cr was established and implemented from 2020-21 out of which Rs. 13500/- cr. will be the loan to be disbursed by the scheduled bank and Rs.1500/- cr. will be the end borrowers contribution. Rs. 1623.78 Crore will be provided as interest subvention over a period of 10 years for repayment of loan (from 2020-21 to 2030-31 which may spill over to the first quarter of 2031-32). Rs 750 cr. will be credit guarantee to be managed by NABARD for which Rs. 75/- cr. will be provided by the DAHD to NABARD for 10 years.

2. The Animal Husbandry Infrastructure Development (AHIDF) has been approved for incentivizing investments by individual entrepreneurs, private companies, Farmers Producers Organizations (FPOs) and Section 8 companies to establish (i) the dairy processing and product diversification infrastructure, (ii) meat processing and product diversification infrastructure and (iii) Animal Feed Plant (iv) Breed improvement technology and Breed multiplication farms.

The objectives of AHIDF are as under:

- To help increasing of milk and meat processing capacity and product diversification thereby providing greater access for unorganized rural milk and meat producers to organized milk and meat market
- To make available increased price realization for the producer
- To make available quality milk and meat products for the domestic consumer
- To fulfill the objective of protein enriched quality food requirement of the growing population of the country and prevent malnutrition in one of the highest malnourished children population in the world
- Develop entrepreneurship and generate employment
- To promote exports and increase the export contribution in the milk and meat sector.

- To make available quality concentrated animals feed to the cattle, buffalo, sheep, goat, pig and poultry to provide balanced ration at affordable prices.

3. Components of the AHIDF

The detailed components of eligible activities have been elaborated in the scheme guidelines. The broad investment activities eligible under AHIDF are:

- a) Dairy processing and value added infrastructure
- b) Meat processing and value added infrastructure
- c) Establishment of animal feed plants
- d) Breed improvement technology and Breed multiplication farms

4. Eligible Entities (EEs)

- Farmer Producer Organization(FPO)
- Private companies
- Individuals
- Individual entrepreneurs
- Section 8 companies
- Micro Small and Medium Enterprises

5. Source of Fund

The scheduled bank listed in the Reserve Bank of India will extend loan up to 90% to the Eligible Entities for the establishment of dairy processing, meat processing and value addition infrastructure, establishment of animal feed plant and also for Breed improvement technology and Breed multiplication farms. The funding will be made by these banks from their own resources. The Eligible entities will arrange for Margin Money as prescribed in the scheme guidelines. The DAHD will provide 3% interest subvention to the Bank upfront in the first year and subsequently on demand by the bank for each of the beneficiaries on each year on the outstanding amount. The DAHD will also provide credit guarantee for those beneficiaries falling under the MSME definition covering 25% of the credit. Credit Guarantee trust fund has been established. The credit guarantee fund trust for AHIDF has been established. The Credit Guarantee Fund trust will be managed by NABARD for which detailed guidelines and features will be issued. The credit guarantee will be provided @ Rs. 75/cr. each year for 10 years.

6. Interest rate of loans by the Scheduled Banks to the Eligible Entities

The Scheduled Bank will extend loan at 200 basis points plus External Bench Mark Based Lending Rate (EBLR) for the Eligible Entities falling under the definition of MSME. However, for others the interest rate would be as per the existing Bank's Interest rate.

7. Budget for interest subvention, Credit Guarantee and Administrative Expenditure:

DAHD shall provide budgetary support annually towards interest subvention, hiring of Project Monitoring Agency, awareness generation, creation or portal, MIS system. During year 2021-2022, Rs. 125.00 crore is the budget allocation for AHIDF for financial year 2021-2022.

8. The DAHD shall also incur expenditure towards administrative expenditure including hiring of Project Management Unit, awareness creation, publicity of the scheme, creation of the portal, MIS development etc.

9. During year 2021-22, Rs. 12500.00 Lakhs is the budget allocation to the Department of Animal Husbandry and Dairying for Animal Husbandry Infrastructure Development Fund. The head wise break up of funds of AHIDF is as follows:

Animal Husbandry Infrastructure Development Fund (AHIDF)

SI.No	Head	BE 2021-22 (Rs. lakhs)
1	Grants-in-aid General	10000.00
2	Office Expenses	150.00
3	Professional Services	200.00
4	Subsidy	2000.00
5	Advertisement and Publicity	150.00
	TOTAL	12500.00

10. This Administrative Approval is issued vide E-office No.19327/JS(OPC) dated 28.05.2021.

Yours sincerely,

Narender Kumar

(Narender Kumar)

Under Secretary to the Government of India

Distribution:

- 1) The Principal Accounts Officer, Ministry of Agriculture & Farmers Welfare, Department of Animal Husbandry, Dairying & Fisheries, 16, Akbar Road Hutments, New Delhi-110011 through PS to CCA, Room No.242, D Wing, Krishi Bhavan, New Delhi.
- 2) The Accountant General, Commerce, Works and Miscellaneous, AGCR Building, Near ITO, New Delhi-110002
- 3) Chief Controller of Accounts, Department of Agriculture and Farmers Welfare, Krishi Bhawan, New Delhi
- 4) Advisor, Niti Aayog, New Delhi
- 5) Special Secretary and Financial Advisory, Department of Animal Husbandry and Dairying, Kishi Bhawan, New Delhi
- 6) Joint Secretary (PF-II), Ministry of Finance, Department of Expenditure, North Block, New Delhi
- 7) Joint Secretary, Ministry of Finance, Department of Economic Affairs, Banking Operation and Administration Division, Room No. 6, 3rd Floor, Jeevan Deep Building, parliament Street, New Delhi
- 8) Joint Secretary, Ministry of Finance, Department of Financial Services, Banking Operation and Administration Division, Room No. 6, 3rd Floor, Jeevan Deep Building, parliament Street, New Delhi.
- 9) Chief General Manager, Department of Refinance, NABARD, C-24, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.