

## **Animal Husbandry Infrastructure Development Fund**

**Background :** Hon'ble Prime Minister has announced for setting up of Rs. 15000 crore Animal Husbandry Infrastructure Development Fund (AHIDF) under Atma Nirbhar Bharat Abhiyan stimulus package. The Animal Husbandry Infrastructure Development (AHIDF) has been approved for incentivizing investments by individual entrepreneurs, private companies, MSME, Farmers Producers Organizations (FPOs) and Section 8 companies to establish (i) the dairy processing and value addition infrastructure, (ii) meat processing and value addition infrastructure and (iii) Animal Feed Plant.

### **Objectives:**

- 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.

### **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

**Eligible Entities (EEs)** - (a) Farmer Producer Organization(FPO) (b) Private companies (c) Individuals (d) Individual entrepreneurs (e) Section 8 companies (f) Micro Small and Medium Enterprises

### **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.

### **Scheme Guidelines -**

The AHIDF will incentivize the following activities :

- A) Incentivizing the dairy processing and diversified products' infrastructure
- B) Incentivizing the meat and meat product processing infrastructure
- C) Incentivizing establishment of feed manufacturing unit.

**1. Dairy Processing-** Under the Dairy Processing infrastructure the EE can avail benefit for the establishment of new units and strengthening of existing dairy Processing units with quality and hygienic milk processing facilities, packaging facilities or any other activities related to dairy processing.

2. **Value added product manufacturing** : The EE can also avail loan for establishment of new units and strengthening on existing manufacturing units for value addition of the following milk products:

- a) Ice Cream unit
- b) Cheese manufacturing unit
- c) Ultra High Temperature (UHT) Milk processing unit with tetra packaging facilities
- d) Flavoured Milk manufacturing unit
- e) Milk Powder manufacturing unit
- f) Whey powder manufacturing unit

3. **Meat processing and Value addition of facilities:**

- a) Establishment of new meat processing unit and strengthening of existing rural meat processing facilities for sheep/goat/ poultry can be processed.
- b) Establishment of new meat processing unit and strengthening of existing meat processing unit in semi urban areas for sheep/goat/ poultry can be processed.
- c) Establishment of new meat processing unit and strengthening of existing meat processing unit in urban areas for sheep/goat/ poultry can be processed.
- d) Large scale integrated meat processing facilities/ plant/ unit.
- e) Export oriented integrated buffalo meat processing facilities/ plant/ unit
- f) Integrated Poultry meat processing facilities/unit
- g) Pork processing facilities/unit
- h) Value Added Products: Meat products like Sausage, nuggets, ham, salami, bacon making or any other value addition unit can also be established as an integral part of the meat processing unit. Stand alone proposals for setting up of meat value addition unit can also be proposed under AHIDF in the existing unit or new units.
- i) The project cost of each meat processing plant should compulsorily include Effluent Treatment Plant (ETP), Meat Microbiological Testing Laboratory, Residue Testing laboratory, Cold storage for holding the offals, skin/ hide processing areas and their preservation and refrigeration facilities for holding the chilled products and value added products for minimum of 24 hours.

4. **EE can also avail benefit for establishment of Animal Feed manufacturing and strengthening of existing units/ plant of the following categories :**

- Establishment of Mini, Medium and Large Animal Feed Plant
- Total Mixed Ration Block Making Unit
- By pass protein unit
- Mineral Mixture Plant
- Enrich Silage making unit
- Animal Feed Testing Laboratory to be attached with the Medium to Large feed plant or the EE can avail benefit for establishment of Animal Feed Testing Laboratory in the existing Feed Plant to ensure quality feed.

