

No. R-9904/2/2018-DIR-ANLM  
Government of India  
Ministry of Fisheries, Animal Husbandry and Dairying  
Department of Animal Husbandry and Dairying

Krishi Bhawan, New Delhi,  
Dated the 30<sup>th</sup> September, 2020

To,

The Pay & Account Officer,  
Ministry of Fisheries, Animal Husbandry & Dairying,  
Department of Animal Husbandry & Dairying,  
Jeevan Tara, 3rd Floor, Sansad Marg,  
New Delhi - 110001.

Subject: Administrative Approval for implementation of Central sector Scheme for establishment of "Animal Husbandry Infrastructure Development Fund (AHIDF) during 2020-21

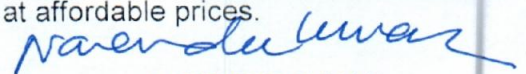
Sir,

I am directed to convey the Administrative approval towards implementation of **"Animal Husbandry Infrastructure Development Fund (AHIDF)" with an allocation of Rs 126.90 crores during the financial year 2020-21.**

The recently announced Prime Minister's AtmaNirbhar Bharat Abhiyan stimulus package mentioned about setting up of Rs. 15000 crore Animal Husbandry Infrastructure Development Fund (AHIDF). Accordingly, the Cabinet in its meeting held on 24.06.2020 has approved the establishment of Animal Husbandry Infrastructure Development Fund (AHIDF) worth Rs. 15000/- cr to be 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. Further, Rs. 50 cr will be used for Administrative expenses including hiring of Project Management Agency (PMA), creation of online portal, awareness and proportion for three 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. The objectives of AHIDF are as under:

- (i) 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
- (ii) To make available increased price realization for the producer
- (iii) To make available quality milk and meat products for the domestic consumer
- (iv) To fulfil 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
- (v) Develop entrepreneurship and generate employment
- (vi) To promote exports and increase the export contribution in the milk and meat sector.
- (vii) To make available quality concentrated animals feed to the cattle, buffalo, sheep, goat, pig and poultry to provide balanced ration at affordable prices.



**NARENDER KUMAR**  
Under Secretary  
Government of India  
M/o Fisheries, Animal Husbandry & Dairying  
D/o of Animal Husbandry & Dairying  
Krishi Bhawan, New Delhi - 110001

### 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

### 4. Eligible Entities (EEs)

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

### 5. Implementing Agency

Animal Husbandry Infrastructure Fund will be implemented by the Department of Animal Husbandry and Dairying, Ministry of Fisheries, Animal Husbandry and Dairying. The EE will submit the proposal with complete DPR through "UdyamiMitra" Portal [ahidf.udyamimitra.in](http://ahidf.udyamimitra.in)

### 6. Source of Fund

The scheduled bank list 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 and also for establishment of animal feed plant. 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. The Credit Guarantee Fund 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.

### 7. 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.

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

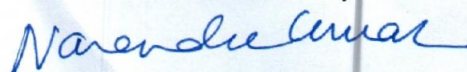
DAHD shall provide budgetary support annually towards interest subvention, hiring of Project Monitoring Agency, awareness generation, creation or portal, MIS system. During year 2020-21, Rs. 126.96 crore out of the budget allocation to the Department of Animal Husbandry and Dairying.

9. The DAHD shall also incur expenditure towards administrative expenditure including hiring of Project Management Unit, awareness creation. A copy of the detailed guidelines and brief description of activities to be taken up may be seen at [www.dahd.nic.in](http://www.dahd.nic.in).

10. This Administrative Approval is issued with the approval of Joint Secretary (NLM) vide

Dy. No. **E-7608** dated **17/09/2020**

Yours sincerely,



(Narender Kumar)

Under Secretary to the Government of India

**NARENDER KUMAR**  
Under Secretary  
Government of India  
M/o Fisheries, Animal Husbandry & Dairying  
D/o of Animal Husbandry & Dairying  
Krishi Bhawan, New Delhi-110001

Distribution:

- (1) Principal Secretary/ Secretary, Department of Animal Husbandry/ Dairy development. All States and UT's
- (2) The Pay and Accounts Officer, PAO (Sect-I), Ministry of Agriculture and Farmers Welfare, Department of Animal Husbandry and Dairying
- (3) The Accountant General, Commerce, Works and Miscellaneous, AGCR Building, Near ITO, New Delhi-110002
- (4) Chief Controller of Accounts, Department of Agriculture and Farmers Welfare, Krishi Bhawan, New Delhi
- (5) Advisor, Niti Aayog, New Delhi
- (6) Special Secretary and Financial Advisory, Department of Animal Husbandry and Dairying, Kishi Bhawan, New Delhi
- (7) Joint Secretary (PF-II), Ministry of Finance, Department of Expenditure, North Block, New Delhi
- (8) Joint Secretary, Ministry of Finance, Department of Economic Affairs, Banking Operation and Administration Division, Room No. 6, 3<sup>rd</sup> Floor, Jeevan Deep Building, parliament Street, New Delhi
- (9) Joint Secretary, Ministry of Finance, Department of Financial Services, Banking Operation and Administration Division, Room No. 6, 3<sup>rd</sup> Floor, Jeevan Deep Building, parliament Street, New Delhi
- (10) Director, all States and UT's, Department of Animal Husbandry & Dairying.

Copy for information TO:

PS to Hon'ble Minister, FAHD

PS to Hon'ble MOS, FAHD

PPS to Secretary, DAHD

PPS to AHC

PS to JS (NLM/C&DD/LH)

JC(AH)/ AC(Budget)/AC (Poultry)/ AC (Pig)

US (Fin)/AO (Budget)

**NARENDER KUMAR**  
Under Secretary  
Government of India  
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D/o of Animal Husbandry & Dairying  
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