

UNION MINISTER OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING SHRI GIRIRAJ SINGH LAUNCHES THE IMPLEMENTATION GUIDELINES FOR ANIMAL HUSBANDRY INFRASTRUCTURE DEVELOPMENT FUND

Relevant for: Indian Economy | Topic: Economics of Animal-Rearing incl. White, Blue & Pink Revolutions

Union Minister of Fisheries, Animal Husbandry and Dairying Shri Giriraj Singh today launched the Implementation Guidelines for Animal Husbandry Infrastructure Development Fund (AHIDF) worth Rs. 15,000 crores, which was approved by the Union Cabinet on 24.06.2020 under the Atma Nirbhar Bharat Abhiyaan stimulus package for ensuring growth in several sectors. Union Minister of State for Fisheries, Animal Husbandry and Dairying Shri Pratap Chandra Sarangi was also present on the occasion.



Thanking Prime Minister Shri Narendra Modi for announcing the Animal Husbandry Infrastructure Development fund (AHIDF), Shri Giriraj Singh said that India is engaged in breed improvement to increase milk production and on the other hand also taking care of the processing sector. India is producing milk of 188 million tonnes and by 2024 the milk production is expected to rise up to 330 million tons. Only 20-25% milk is coming under processing sector and Government is trying to bring the same upto 40%. He also informed that the Dairy Processing Infrastructure Development Fund (DIDF) is being implemented for infrastructure development in cooperative sector and AHIDF is a first type of scheme for private sector. Millions of farmers will be benefited once the infrastructure is created and more milk will be processed. This will also increase export of dairy products which is presently negligible. India needs to go up to the standards of countries like New Zealand in the

Dairy sector. He expressed satisfaction that during Covid-19 lockdown, dairy farmers could maintain steady supply of milk to the consumers in the country.

Government has been implementing several schemes for incentivizing the investment made by dairy cooperative sector for development of dairy infrastructure. The AHIDF has been set up as MSMEs and Private companies also need to be promoted and incentivized for their involvement in processing and value addition infrastructure. AHIDF would facilitate much needed incentivisation of investments in establishment of such infrastructure for dairy and meat processing and value addition infrastructure and establishment of animal feed plant in the private sector.

The eligible beneficiaries under the Scheme would be Farmer Producer Organizations (FPOs), MSMEs, Section 8 Companies, Private Companies and individual entrepreneurs with minimum 10% margin money contribution by them. The balance 90% would be the loan component to be made available by scheduled banks. Government of India will provide 3% interest subvention to eligible beneficiaries. There will be 2 years moratorium period for principal loan amount and 6 years repayment period thereafter.

Government of India would also set up Credit Guarantee Fund of Rs. 750 crore to be managed by NABARD. Credit guarantee would be provided to those sanctioned projects which are covered under MSME defined ceilings. Guarantee Coverage would be upto 25% of Credit facility of borrower. The beneficiaries intending to invest for establishing dairy and meat processing and value addition infrastructure or strengthening of the existing infrastructure can apply for loan in the scheduled bank through "Udyami Mitra" portal of SIDBI.

There is huge potential waiting to be unlocked in investment through private sector. The INR 15,000 crore AHIDF and the interest subvention scheme for private investors will ensure availability of capital to meet upfront investment required for these projects and also help enhance overall returns/ pay back for investors. Such investments in processing and value addition infrastructure by eligible beneficiaries would also promote export of these processed and value added commodities.

Since, almost 50-60% of final value of dairy output in India flows back to farmers, therefore, growth in this sector can have significant direct impact on farmer's income. Size of dairy market and farmers' realization from milk sales is closely linked with development of organized off-take by cooperative and private dairies. Thus, investment incentivization in AHIDF would not only leverage 7 times private investment but would also motivate farmers to invest more on inputs thereby driving higher productivity leading to increase in farmers' incomes. The measures approved through AHIDF would also help in direct and indirect livelihood creation for 35 lakh persons.

Union Minister of State for Fisheries, Animal Husbandry and Dairying Shri Pratap Chandra Sarangi said that Government has decided to vaccinate 53.5 crore animals and 4 crore animals have already been vaccinated. Breed improvement is taking place through technology intervention. However, we are lagging behind in processing

sector. Using the AHIDF, processing plants can be established for fodder also. This will help in doubling farmers' incomes and also contribute in achieving Hon'ble Prime Minister's dream of a 5 trillion dollar economy.

[Link of Implementation Guidelines for Animal Husbandry Infrastructure Development Fund](#)

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