

No. AA-17/2/2022-NLM-DADF  
Government of India  
Ministry of Fisheries, Animal Husbandry & Dairying  
Department of Animal Husbandry & Dairying

Chanderlok Building,  
Janpath, New Delhi  
Date: 26.03.2024

OFFICE MEMORANDUM

**Subject: Circulation of Amended implementation Guidelines for Animal Husbandry Infrastructure Development Fund (AHIDF)**

The undersigned is directed to say that the Animal Husbandry Infrastructure Development Fund (AHIDF), Central Sector Scheme under the Infrastructure Development Fund which was under implementation since 2020-21 after realignment was approved by the Cabinet Committee on Economic Affairs (CCEA) on 01.02.2024 to be implemented till 2025-26.

2. In the realigned scheme, new entity (Dairy Cooperative) is included in the eligible entities and new lenders National Dairy Development Board (NDDDB), National Bank Agriculture and Rural Development (NABARD) and National Cooperative Development Corporation (NCDC) are included in the lending agencies revision of AHIDF guidelines.

3. Accordingly, the Project Sanctioning Committee (PSC) under the Secretary, Department of Animal Husbandry & Dairying has approved the amendment of the existing guidelines of AHIDF in the meeting held on 19.03.2024.

4. In view of the above, the amended guidelines of the realigned AHIDF are enclosed for consideration to all concerned. The amended guidelines may be read as addendum to the existing implementation guidelines and read in conjunction with the existing guidelines.

Enclosure as above

(Dr. Lipi Sairiwal)  
Deputy Commissioner (AH)

Distribution:

1. Secretaries/ Principal Secretaries, All States Government and UTs, Animal Husbandry Departments.
2. Chief General Manager, NABARD, Plot C-24, G Block, Bandra Kurla Complex, BKC Road, Bandra East, Mumbai, Maharashtra - 400051
3. Joint Secretary, Department of Financial Services, 3rd floor Jeevan Deep Building, Sansad Marg, New Delhi
4. Joint Secretary, Ministry of Food Processing Industries, Panchsheel Bhawan, August Kranti Marg, Khelgaon, New Delhi
5. Chairman, National Dairy Development Board, Anand, Gujrat-388001
6. Managing Director, National Cooperative Development Corporation, 4, Siri Institutional Area, Hauz Khas, New Delhi- 110016
7. Chief Executive Officer, CGFTAHD, NABSanrakshan Pvt Ltd., Mumbai
8. Joint Secretary, Department of Financial Services, Ministry of Finance, Department of Revenue, North Block, New Delhi-110001
9. All the concerned Banks

Copy to:

1. PS to Hon'ble Minister, Ministry of Fisheries, Animal Husbandry and Dairying.
2. PS to Hon'ble MOS, Ministry of Fisheries, Animal Husbandry and Dairying
3. Sr. PPS to Secretary, Department of Animal Husbandry and Dairying, Krishi Bhawan, New Delhi
4. PPS to AS&FA, Department of Animal Husbandry and Dairying, Krishi Bhawan, New Delhi
5. PPS to AHC, Department of Animal Husbandry and Dairying, Krishi Bhawan, New Delhi
6. PPS to AS (C&DD), Department of Animal Husbandry and Dairying, Krishi Bhawan, New Delhi
7. PS to JS (NLM)/JS (LH)/ JS (GNS), Department of Animal Husbandry and Dairying, Krishi Bhawan, New Delhi
8. NIC DAHD: with the request to upload the Guidelines on the DAHD portal
9. SIDBI: with the request to upload the Guidelines on the AHIDF portal

## **5<sup>th</sup> Addendum as amendments in the Implementation Guidelines 2.0 of realigned Animal Husbandry Infrastructure Development Fund.**

In pursuance of the approval of extension of Animal Husbandry Infrastructure Development Fund (AHIDF) and its merger with Dairy processing and infrastructure development fund (DIDF) by cabinet committee on Economic affairs (CCEA) on 1.02.2024 the following paragraph and conditions are to be amended in the operational guidelines of AHIDF

2. In view of the above, the following amendments and additions shall be included in the operational guidelines of AHIDF.

### **a) BACKGROUND: The following amendment has been made:**

“Government of India has approved the continuation of Animal Husbandry Infrastructure Development Fund (AHIDF) as a component under Infrastructure Development Fund (IDF) subsuming Dairy Processing Infrastructure Development Fund (DIDF). The revised outlay of AHIDF is ₹ 29110. 25 crores up to FY 2025-2026 till 31.03.2026

The Animal Husbandry Infrastructure Development Fund (AHIDF) has been approved for incentivizing investments by individual entrepreneurs, private companies, MSME, Farmers Producers Organizations (FPOs), Section 8 companies and **Dairy Cooperatives** to establish (i) Dairy processing and value addition infrastructure (ii) Meat processing and value addition infrastructure (iii) Animal Feed Plant (iv) Breed Improvement technology and Breed Multiplication Farm (v) Setting up of Veterinary Vaccine and Drugs Manufacturing facilities and (vi) Animal Waste to Wealth Management (Agri Waste Management).”

**b)** A new eligible entity has been included under clause 4 as clause 4 (f) in implementation guidelines:

#### **Clause 4:**

Following are the eligible entities for availing benefits under the AHIDF Scheme

- a) Farmer Producer Organization (FPO)
- b) Private companies
- c) Individual entrepreneurs
- d) Section 8 companies

e) Micro Small and Medium Enterprises

f) **Dairy Cooperatives**

c) Sub activities have also been added under clause 6.1.as clause 6.1.3, 6.1.4,6.1.5,6.1.6. and in clause 6.4.4 (d). Accordingly, the changes have been mentioned below:

I. **Under Clause 6.1- Dairy Processing:**

6.1.3. Marketing infrastructure (including bulk-vending system, Parlor, deep freezer, cold storage etc.)

6.1.4 Milk transportation system (Refrigerated van/ insulated tankers etc.)

6.1.5 Research & Development (lab & equipment, new technology, innovations, product development etc.)

6.1.6 Renewable energy infrastructure/ plants, trigen/ energy efficiency infrastructure. In all three cases, the energy generated or saved must be for the benefit of running cost of the existing plant/ BMC unit/ Milk collection unit etc.

II. **Insertion of Clause 6.4.4 and point no. (d):** Integrated projects for poultry farm and poultry feed with related activities

d) Other changes such as inclusion of clause 7 pertains to Lending Agencies have also been added.

**Insertion of Clause 7: Lending agencies:** Following agencies may be considered to seek loan for assistance under AHIDF scheme:

a. Scheduled Bank(s)

b. National Cooperative Development Corporation (NCDC)

c. National Bank for Agriculture and Rural Development (NABARD)

d. National Dairy Development Board (NDDB)

e) **Insertion of modified clause 8.3 which is 7.3 in existing guidelines:**

Interest subvention will not be allowed for the loan sanctioned for procurement of land, working capital, pre-operative expenses, margin money for working capital, interest during construction (IDC), procurement/acquisition of existing infrastructure, old machineries, and vehicle for personal use.

f) **Insertion of modified clause 8.4 which is 7.4 in existing guidelines:**

For any proposal received under the scheme, the term loan sanction date should be the scheme notification date i.e., 24.06.2020.

**g) New clause Insertion 8.5**

The sunset date of AHIDF will be 31.03.2033 and repayment may spill over till 2033-34.

**h) Modification in chapter 9 which is chapter 8 in existing guidelines:**

Interest Subvention and Lending Rate of Interest

9.1.1. 3% for all the projects sanctioned in erstwhile AHIDF scheme prior to 31.03.2023 to be continued as per erstwhile AHIDF guidelines.

9.1.2. However, the projects which were sanctioned under DIDF will continue to avail benefit of 2.5% interest subvention for all the projects sanctioned on before 31.03.2023. Henceforth new sanction made after 1.04.2024 will avail 3% Interest Subvention under the new realigned AHIDF Scheme.

**9.2 Lending Rate of Interest:**

The Lender shall fix the rate of interest as per their existing system of calculation as per the RBI guidelines. However, the rate of interest should not exceed at 200 basis points plus External Benchmark Based Lending Rate (EBLR)/ Marginal Cost of Funds based Lending Rate (MCLR), as applicable or equivalent rates for the Eligible Entities whose project cost are falling within MSME defined ceilings. The Rate of interest to be fixed by scheduled banks/ lending institutions for other than MSME could be based on commercial interest rate of Banks

**9.3 Other terms and conditions:**

9.3.1 Department of Animal Husbandry and Dairying (DAHD) will transfer the interest subvention amount directly to lending agency

9.3.2 Initially the Department will pay interest subvention amount upfront to the lending agency for the first year based on the demand from the lender. The Banks Concerned will transfer the funds received under the scheme to the loan account of beneficiary within 3 days of receipt. Interest

subvention from the 2nd year onwards would be released based on the non-NPA borrowers' entitlement claimed by the lending agency every year in advance

9.3.3 Interest subvention will not be provided for defaulter(s) at any point of time for repayment and, the lender is free to take actions as per their guidelines. No interest subvention will be provided for the duration an account is NPA.

**i) Modification in chapter 10 which is chapter 9 in existing guidelines:**

**10.1.2. (9.1.2 (Existing guidelines))** Department of Animal Husbandry and Dairying will pay to NABSanrakshan Trustee Pvt Ltd (NTPL) as per the demand raised by NTPL based on the coverage of project for Credit Guarantee by the concerned banks.

**Clause 10.1.4. (9.1.4 (Existing guidelines))** The Credit Guarantee will be provided to MSME and Dairy cooperatives.

**Clause 10.1.5. (9.1.5 of existing guidelines)** The detailed guidelines along with the features of the Credit Guarantee Fund managed by NABSanrakshan Trustee Company Pvt. Ltd. can be accessed from their portal at(<https://www.nabsanrakshan.org/>)

**New clause 10.1.6.**

All the lending agencies intend to avail guarantee shall be on boarded on the NABSanrakshan Trustee Pvt Ltd (NTPL) portal for getting credit guarantee coverage as per credit guarantee guidelines.

**j) Modification in chapter 11 which is chapter 10 in existing guidelines:**

**Funding Mechanism**

11.1. Release of Interest subvention: Based on the claims of lending agency for the non-NPA projects, Department of Animal Husbandry and Dairying will transfer the interest subvention amount directly to the lending agency.

11.2. The lending agencies may utilize their available financial resources to lend the Eligible Entities.

**k) Modification in chapter 12 which is chapter 11 in existing guidelines:**

**Loan Disbursement**

12.1.1 The remaining credit available under the merged AHIDF will be made available for the borrowers by the lender. The credit will continue to be disbursed by the lending agency as per their policies in compliance to the RBI guidelines for three years up to 2025-26 i.e., up to 31.03.2026. However, the lender can disburse the sanction projects approved on or before 31.03.2026 but not beyond 31.03.2027.

**l) Modification in chapter 15 which is chapter 14 in existing guidelines.**

Availability of land and Statutory Clearances

15.3 The projects having land on long term lease (minimum 10 years) may also be considered for financing under AHIDF. However, the lease period/ agreement should be of sufficient duration to secure the loan. In case of lease requisite, No Objection Certificate from the competent authority for mortgage to Bank may be obtained.

**m) Modification in chapter 19 which is chapter 18 in existing guidelines.**

19.5. The Applications which are approved for Interest subvention by PAC/PSC are eligible for Credit Guarantee Cover

**n) Clause 20.3.1 in new guidelines (Clause 19.3.1 in existing guidelines):**

20.3.1 Representative from National Dairy Development Board (NDDB) and National Cooperative Development Corporation (NCDC) will be the members in the Project Approval Committee.

Changes/Additions in composition of PAC

(xiii) Representative from NDDB (Addition)

(xiv) Representative from NCDC (Addition)

**o) Modification in chapter 21 which is chapter 20 in existing guidelines:**

New Clause to be inserted [Clause 21.2.(iv)]



Project Management Unit -PMA will be involved in overall management of the merged scheme.

**p) Modification in Clause 22.2 in new guidelines (21.2 in existing guidelines)**

The Stakeholders like Indian Dairy Association (IDA), Compound Livestock Feed Manufacturers' Associations (CLFMA), All India Livestock and Meat Exporters' Association (AILMEA), Poultry Federation of India (PFI), Indian Federation of Animal Health (INFAH), State Government's Livestock Corporation/Development Board, CII, FICCI, ASSOCHAM and others will be stakeholders in awareness creation for the scheme.

**q) Addition in Annexure I - Indicative List of Statutory Clearances**

12. Registration Certificate of Cooperatives

**r) Addition in Annexure II - Online Application Form**

2. Name of eligible entity

f. Dairy cooperatives