

Cabinet approves extension of Animal Husbandry Infrastructure Development Fund

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The Union Cabinet chaired by Prime Minister Shri Narendra Modi approved the continuation of Animal Husbandry Infrastructure Development Fund (AHIDF) to be implemented under Infrastructure Development Fund (IDF) with an outlay of Rs.29,610.25 crore for another three years up to 2025-26. The scheme will incentivize investments for Dairy processing and product diversification, Meat processing and product diversification, Animal Feed Plant, Breed multiplication farm, Animal Waste to Wealth Management (Agri-waste management) and Veterinary vaccine and drug production facilities.

Government of India will provide 3% interest subvention for 8 years including two years of moratorium for loan up to 90% from the scheduled bank and National Cooperative Development Corporation (NCDC), NABARD and NDDDB. The eligible entities are individuals, Private Companies, FPO, MSME, Section 8 companies. Now the Dairy Cooperatives will also avail benefits for modernization, strengthening of the dairy plants.

Government of India will also provide credit guarantee to the MSME and Dairy Cooperatives up to the 25% of the credit borrowed from the Credit Guarantee Fund of Rs.750 crore.

The AHIDF has so far created an impact by adding 141.04 LLPD (Lakh Ltr. Per Day) of milk processing capacity, 79.24 lakh metric ton of feed processing capacity and 9.06 Lakh metric ton of meat processing capacity by adding to the supply chain since the inception of the scheme. The scheme has been able to increase processing capacity by 2-4% in dairy, meat and animal feed sector.

Animal Husbandry sector presents an opportunity for the investors to invest in the Livestock sector making this sector a lucrative one ranging from value addition, cold chain and integrated units of Dairy, Meat, Animal Feed units to technologically assisted Livestock and Poultry farms, Animal Waste to wealth Management and Setting up of Veterinary Drugs/ Vaccine units.

After inclusion of new activities like technologically assisted breed multiplication farms, strengthening of veterinary drugs and vaccine units, Animal waste to wealth management, the scheme will exhibit a huge potential for the upgradation of infrastructure in Livestock sector.

The scheme will be a channel towards employment generation directly and indirectly to 35 lakh people through entrepreneurship development and aims for wealth creation in the livestock sector. So far, the AHIDF has benefitted directly /indirectly approximately to 15 lakh farmers. AHIDF is emerging a path towards achieving the Prime Minister's goal of doubling farmers' income, tapping the livestock sector by bringing the private sector investment, bringing in the latest technologies for processing and value addition, and last but not the least contributing to the Nation's economy by promoting the export of Livestock products. Such investments in processing and value addition infrastructure by eligible beneficiaries would also promote export of these processed and value- added commodities.

Thus investment by incentivisation in AHIDF would not only leverage private investment 7 times but would also motivate farmers to invest more on inputs thereby driving higher productivity leading to increase in farmers income.

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