

**CENTRAL SECTOR SCHEME OF FINANCING FACILITY UNDER 'ANIMAL  
HUSBANDRY INFRASTRUCTURE DEVELOPMENT FUND' (AHIDF)**

**Objective –**

- a. 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.
- b. To make available increased price realization for the producer.
- c. To make available quality milk and meat products for the domestic consumer.
- d. To fulfil the objective of protein enriched quality food requirement of the growing population of the country and prevent malnutrition.
- e. Develop entrepreneurship and generate employment.
- f. To promote exports and increase the export contribution in the milk and meat sector.
- g. To make available quality concentrated animals feed to the cattle, buffalo, sheep, goat, pig and poultry to provide balanced ration at affordable prices.

**Eligible Beneficiaries** – Farmers Producer Organization (FPO), Individual Entrepreneurs, Private Companies & Section 8 companies and Micro Small and Medium Enterprises.

**Implementing Agency** – Department of Animal Husbandry and Dairying, Ministry of Fisheries, Animal Husbandry and Dairying, GOI.

Activities eligible for availing benefits under AHIDF

- a. Dairy Processing
- b. Value added dairy product manufacturing
- c. Meat processing and Value addition of facilities
- d. Animal Feed manufacturing and strengthening of existing units/ plant

***NOTE:** Loans under the scheme shall not be provided for acquisition of land in any manner such as purchase, transfer, lease, accession/addition etc. required for implementation of the identified project activities.*

**Quantum of Loan** – Need based as per the total financial outlay of the project.

**Nature of loan** – Need based Term Loan & Working capital

**Margin**

<b>Category</b>	<b>Margin</b>
Micro & Small Enterprises (as per MSME defined ceiling)	10%
Medium Enterprises (as per MSME defined ceiling)	15%
Others	25%

**Rate of Interest –**

- a. Projects whose cost falls within MSME defined ceilings: RLLR+2%
- b. Other projects:
  - i) For loans up to Rs. 20.00 Lakhs: RLLR+2.00%
  - ii) For loans above Rs. 20.00 Lakhs: RLLR + Spread over RLLR depending on External Risk Rating & Internal Risk Rating

**Interest Subvention –**

- a. 3% for all eligible entities (EEs).
- b. Department of Animal Husbandry and Dairying will directly pay the interest subvention to the bank.
- c. Department of Animal Husbandry and Dairying will pay interest subvention amount in advance upfront to the bank for first year based on the request of the bank.
- d. Interest subvention from second year onwards would be released based on the non- NPA borrowers entitlement.
- e. The subvention is to be claimed every year in advance.
- f. Eligible entities will not get interest subvention if EE is defaulter of repayment of loan amount in any given year.

**Repayment –**

- a. Maximum Repayment is period 8 years inclusive of moratorium of 2 years on principal amount.
- b. The repayment period may be decided depending on the size and viability of project.
- c. Maximum repayment period will not exceed 10 years from the date of first disbursement inclusive of moratorium of 2 years on repayment of principal in cases where cost escalation has occurred and the same has been financed by the bank.

**Submission of Project Proposal –**

- (i) Eligible Entity (EE) will submit the proposal with complete DPR through “Udyami Mitra” Portal of SIDBI.
- (ii) Applicant will submit application for seeking interest subvention online to the Department of Animal Husbandry and Dairying along with set of documents required by the department.
- (iii) Bank after due appraisal and sanction of the project will forward the application/ project to the Department of Animal Husbandry and Dairying for approval of interest subvention on prescribed format through online mechanism.

**Project Evaluation & Sanction for Interest Subvention –**

- a. Project Management Agency set up in the Department of Animal Husbandry and Dairying shall scrutinize the application, evaluate and appraise the proposal sanctioned by the Scheduled Banks for approval of interest subvention under AHIDF by Project Approval Committee (PAC).

**b.** Project Approval Committee shall accord approval to projects costing up to Rs. 50.00 Crores for grant of Interest Subvention.

**c.** Project Approval Committee shall recommend the projects above Rs. 50.00 Cr to the Project Sanctioning Committee (PSC) for approval of interest subvention.

**d.** The Bank shall send a copy of loan sanction to PSC/ PAC prior to such projects being considered for interest subvention under the scheme.

**e.** The PAC/ PSC will also recommend for Credit Guarantee on each project falling within the definition of MSME once the loan is sanctioned by the Bank.

**f.** All projects will be assessed by the Committee based on the eligibility criteria of the EEs, Eligible activities proposed, bank's approval, geographical preferences, MSME Certification, sectorial preferences, demand and economic viability.