



सत्यमेव जयते
Government of Assam

POLICY FOR PRIVATE INVESTMENT PROMOTION IN LIVESTOCK SECTOR IN ASSAM

**Animal Husbandry and Veterinary Department
&
Dairy Development Department**

Dated : 1st January, 2020

অসম চৰকাৰ



GOVERNMENT OF ASSAM

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1. Introduction

1.1 The state of Assam with a population of 3.12 crores (2011) census is the gateway of the geo-strategically significant North East region of India. The Government of Assam plans to reduce the poverty ratio from 27.3% in 2015 to 0% in 2030 (SDG Goal). Agriculture and allied sector including the animal husbandry and Veterinary Sector which is primarily small land holding dominated, employs 69% of the total workforce in Assam. There is a need to incrementally and sustainably increase the farmer's income in light of the target of doubling of farmer's income by 2022.

1.2 Livestock is an integral part of the mixed farming system that characterizes agriculture in Assam. Besides contributing to food and crop production, livestock and poultry are important as savings. For several households, livestock is a daily source of earning and insurance against adversity. Livestock has the potential to contribute to farm diversification and intensification. There is a huge demand and supply gap of livestock and fish products within Assam. The per capita availability of milk, egg and meat is near negligible at 74 ml per day, 15 units per annum for 2013-14 and 930 gms per annum (2007) respectively. There is huge interstate import of livestock and fish products. Import dependency of the livestock related inputs make local production and availability vulnerable to changes outside the State.

1.3 As per the 6th economic census 2013, there are 1.27 lakh number of establishments related to livestock. Together with fishing and agriculture these economic activities represent 80 % of the total establishments in agriculture activities (other than crop production and plantations) within Assam. The livestock and fishing/aquaculture related establishments mentioned above employs 2.17 lakh (217347 numbers) and 0.73 lakhs (73578 numbers) of people respectively. This is 77% of the total employment created by agriculture establishments (excluding crop production and plantations). Private investments in commercial livestock and fishery sector is crucial for Assam to bridge the demand supply gap of livestock products mentioned above and to generate employment through entrepreneurship.

2. OBJECTIVE OF THE POLICY

- 2.1** The Animal Husbandry and Veterinary sector including the Dairy Development Sector provides the State of Assam an opportunity to achieve the objectives of
- (a) Doubling of farmer's income by two-fold by 2022 by promoting investment in the sectors
 - (b) Promoting private investment within the sectors to ensure more livelihoods and employment generation

3. COVERAGE OF THE POLICY

3.1 The policy for private investment in livestock sector in Assam intends to promote investment of private capital in specific areas to further the objectives of the policy. The policy will work in conjunction and synchronisation with other initiatives under various Central Sector and State Sector schemes and shall operate on a framework whereby the policy shall specifically provision for potential investment options for individuals and business entities in the following sectors

- (a) Poultry Sector
- (b) Dairy (cattle rearing) Sector
- (c) Dairy processing sector
- (d) Pig rearing and processing sector
- (e) Goat rearing and processing sector
- (f) Partnership arrangements with institutions under Government for skill upgradation and capacity building
- (g) Partnership arrangement as envisaged under the Policy of Public Private Partnership in Assam (notified vide PDP.115/2002/pt-II/268 dated 16th February 2008 for available optimal productive use of existing resources in the form of farms, available idle land and potential investment opportunities in the livestock sector in Assam
- (h) Institutionalisation of a Public Venture Capital Fund to promote private sector investment in critical enterprises through NEDFi
- (i) Innovative investment opportunities in the Livestock sector in Assam

3.2 Period of Policy: This policy shall come into effect from 1st of January 2020 and shall be operational for a period of three years.

4. Definitions for promotion of private investment in Poultry Sector

4.1. Project cost of a poultry unit includes both capital expenditures and working capital for one cycle of operation including capital expenditures only on plant and machineries for setting up captive hatchery and feed mill. This includes the cost of the building but does not include cost of land, recurring expenditures and other expenditures not directly related to production.

4.2 Micro Poultry Farm means poultry farms having capacity to hold less than 5000 birds.

4.3 Mini poultry farm means a poultry farm having the capacity to hold more than 5000 but less than 10,000 birds.

4.4 Small poultry farm means poultry farms having capacity to hold more than 10,000 but less than 20,000 birds.

4.5 Medium poultry farm means farms having the capacity to hold more than 20,000 but less than 50,000 birds.

4.6 Large poultry farm means farms having the capacity to hold more than 50,000 birds.

4.7 New Enterprise means an enterprise which commences commercial production during the operative period of the policy and may or may not obtain Entrepreneur's Memorandum.

4.8 Existing Enterprise means an enterprise implementing expansion/ diversification/ modernisation in an existing project by at least 25% of its existing capacity.

4.9 Capital expenditure means investment in building, plant and machineries but does not include investment on land and working capital and other expenditures not directly related to production.

4.10 Working Capital means capital required for running a farm and includes cash credit and/ or any other short-term loan actually utilized as working capital.

4.11 Commercial Layer Poultry Farm means a farm that is engaged in the activity of producing eggs from layer poultry.

4.12 Poultry Breeding Farm means a farm that is engaged in activity of producing fertilized eggs from parent poultry with integrated facility to hatch fertilized eggs.

4.13 Poultry means chicken and duck

4.14 Date of commencement of production means the date on which one fifth of the capacity of layer poultry have started laying eggs in case of both commercial layer farms and breeding farms.

5. General incentives for promotion of private investment in Poultry Sector

5.1 Subsidy on Commercial layer Farming- Subsidy to the extent of 50 % of the total project cost excluding the cost of land, will be available for the entrepreneurs doing Commercial layer farming as follows

- i. For micro and mini layer farms, small and medium farms and large farms the subsidy will be 50 % of the project cost excluding the cost of the land.
- ii. In all cases of commercial layer farming the total subsidy available will be subject to a maximum of Rs 320.00 per bird capacity as per technical norms or limited to a ceiling of 50 % of the total project cost, excluding the cost of land.
- iii. To become eligible for the subsidy 90% of the farm capacity will have to be operationa; with live birds.

5.2 For Commercial Broiler Units :- Financial assistance by way of subsidy on project cost will also be available for broiler production. A onetime subsidy subject to a maximum ceiling

of 50 % of the project cost of the unit will be available for new and existing broiler micro and mini units undertaking expansion and or diversification. In case of small and medium units and for large units the subsidy will be limited to the ceiling of 50 % of the project cost excluding the cost of land.

5.3 Broiler Breeding Farms:- Subsidy for setting up of Broiler Breeding Farms will be available to enterprises not exceeding 50% of the project cost excluding cost of land for farms with pucca structure for both dip Litter and cage system of rearing the birds.

5.4 Provision of farm land with road access: The Govt. will also consider provisioning land as available in department farms or department's land of the Animal Husbandry and Veterinary Department and Govt. waste/ceiling surplus lands for setting up of both Commercial layer Farms and Broiler Breeding farms to facilitate local entrepreneurs, considering large areas of land required and consequent high cost of establishing such farms. The available lands will be made available under a standard lease arrangement to prospective entrepreneur at the rates fixed by the Industries and Commerce Department for their similarly situated lands. The Animal Husbandry and Veterinary Department shall explore the possibility of utilizing the department's vacant lands or other vacant Govt. lands for such purpose after making Techno-Economic study of such proposals and ensuring viability of the project. Viability gap funding by way of subsidy at the rates stated above will be done where necessary to ensure successful operation of such ventures as per the Assam State Public Private Partnership policy. For every such project separate Techno-Economic study shall be conducted and examined by the Assam Milk, Meat and Egg Mission Society (AMMEMS) single window mechanism.

6. Incentives for establishment of Poultry Processing Units

6.1 The state Govt. will encourage setting up of Poultry slaughter house and Processing Units in the state for supply of hygienic meat to the consumers and also for facilitating export of processed poultry meat. This is also a profitable business and can generate good employment opportunities. The policy envisages that Processing units in private sector will be given capital investment subsidy subject to ceiling of 50% of the gross capital investment proposed in terms of project cost excluding the cost of land, inclusive of capital investment subsidy obtained from other sources such as National Mission for Food Processing Policy, North East Industrial Development Scheme (NEIDS) etc. Such Processing Units will also be set up on PPP model where feasible or by the department to be leased out to prospective entrepreneurs.

7. Incentives for Feed Production for Poultry Sector

7.1 Subsidy up to 50% of the expenditure on plant and machineries for setting up of poultry feed mill will be made available by Govt. for feed mills having capacity of upto 10 MT per day and

for higher capacity the subsidy will be limited to a subsidy ceiling of 50% of the project cost excluding cost of land. The project cost will not include the cost of the land, working capital and other expenses not directly linked with production of feed.

7.2 Scheme for utilization of Poultry excreta as renewable energy source and organic manure for crop production will be adequately assisted and taken up. This is expected to significantly reduce environmental impacts of the poultry industry as well as improve the health of the Soil and bring about a positive impact in Agriculture farming. Govt will offer 50% subsidy on capital cost for establishment of organic manure using poultry excreta as raw material. On farm trial and demonstration will be taken up to educate farmers regarding use of poultry manure as crop land fertilizer and to significantly minimize environmental impacts of the poultry industry.

8. Additional incentives for promotion of investment in Poultry Sector

8.1 The infrastructures required for establishment of an ultra-modern laboratory will be supported by the Govt. to the extent of 100% of capital expenditure excluding the cost of land. The technical manpower and cost of consumables required for running the laboratory shall be borne by the poultry industry through mutually agreed terms of management of the laboratories as per standard Memorandum of Understanding subject to national accreditation standards for such laboratories.

9. Additional Support to the units covered under Poultry Venture Capital Fund - EDEG:

9.1 In addition to the 25% subsidy offered under National Livestock Mission, additional support from State Government to an extent of another 25% grant as matching subsidy with a cumulative ceiling of 50 % of the total project cost (excluding land cost) per unit will be given to attract more investment into the sector.

10. Definitions for private investment policy for Cattle and Buffalo Sector

10.1 Small Cattle/ Buffalo Dairy **Farm** means farms having capacity of 10 milch animals (Excluding heifers and calves)

10.2 Medium cattle/ Buffalo dairy farm unit means farms having capacity of upto 50 milch animals (excluding heifers and calves)

10.3 Large cattle/ buffalo dairy farm unit means farm having capacity of 100 or more milch animals (excluding heifers and calves)

11. General subsidy and incentives for promotion of private investment in cattle and buffalo sector in Assam

11.1 Subsidy on commercial Cattle farming – Subsidy to the extent of 50% of the total project cost excluding the cost of land will be available for the entrepreneurs doing commercial cattle farming for small farms, medium farms and for large farms

11.2 In all the farms, the subsidy ceiling shall be limited in terms of total subsidy available to a maximum of Rs 60,000/- per animal capacity as per technical norms or 50 % of the total project cost (excluding cost of land) whichever being lower.

11.3 To become eligible for the subsidy 90% of the farm capacity will have to be filled with the animals

11.4 Provision of farm land with road access: The Govt. will also consider provisioning of land as available in the departmental farms or department of Animal Husbandry and Veterinary Department's vacant lands and Govt. waste/ceiling surplus lands for setting up of large cattle farms having animal capacity in excess of 50 animals or more to facilitate local entrepreneurs, considering large areas of land required and consequent high cost of establishing such farms. The available lands will be made available under a standard lease agreement to prospective entrepreneur at the rates fixed by the Industries and Commerce Department for their similarly situated lands. The Animal Husbandry and Veterinary Department shall explore the possibility of utilizing the department's vacant lands or other vacant Govt. lands for such purpose after making Techno-Economic study of such proposals and ensuring viability of the project. Viability gap funding by way of subsidy at the rates stated above will be done where necessary to ensure successful operation of such ventures as per the Assam State Public Private Partnership policy. For every such project separate Techno-Economic study shall be conducted and examined by the AMMEMS single window mechanism for recommendation.

11.5 Subsidy on state of the Art Cattle breeding farms with exotic breed as suggested in the State cattle and Buffalo Breeding policy, Assam 2002 imported from the country of its origin:- Subsidy to the extent of 75% of the animal cost for carriage ex- nearest international airport of Assam shall be available to the entrepreneur of the State to establish state of the art cattle breeding farm with animals in excess of 40 animals, with exotic breed as suggested in the Cattle and Buffalo Breeding policy, 2002 imported from its country of origin. Subsidy will also be available to the extent of 50% of the cost of infrastructure and other project items excluding the cost of land for the entrepreneurs but the total subsidy available will be subject to a maximum of Rs 150000/- per animal as per technical norms or 50% of the total project cost excluding cost of land, whichever is lower.

11.6 Subsidy on cattle and Buffalo Breeding Farm with indigenous breed as suggested in the State Cattle and Buffalo Breeding Policy, Assam 2002 shall be available to the extent of 100% of the animal cost to the entrepreneur of the State to establish a cattle and buffalo breeding farm with indigenous breed with capacity exceeding 50 animals. Subsidy will also be available to the extent of 50% of the cost of infrastructure and other project items excluding the cost of land for the entrepreneurs but the total subsidy available will be subject to a maximum of Rs 20000/- per

animal capacity as per technical norms or 50% of the total project cost excluding cost of land, whichever is lower.

12. Broad definitions related to scope of investment under Dairy Sector of Assam

12.1 Inputs delivery for milk production would also cover any venture for transportation of milch cattle, feed and fodder, animal health services, cattle insurance services and setting up institutional finance mechanism wherein grant towards the establishment project cost and subsidy for the operation cost shall be eligible

12.2 Village based milk procurement with primary processing would cover primary milk collection units with milk quality testing facility- AMCU (automatic milk collection Units), Milk cans, Milk aggregation units with Bulk Milk cooler facility (capacity ranging from minimum 500 Lts to 5000 Lts), cottage processing units for dahi making, paneer making, milk sweet making with quality assurance infrastructure.

12.3 Milk secondary processing would cover establishment of new milk processing plant and milk value addition unit with small milk processing plant with capacity limit of 2000 LPD, medium milk processing plants with capacity limit upto 10000 LPD, large commercial milk processing plant 50000 LPD and above

12.4 Milk Secondary processing shall also include making operational through Public Private Partnership (PPP) modalities under the Public Private Partnership policy of Assam milk processing plants/ milk chilling plant/ Bulk milk coolers which are sub optimally functional or substantial expansion, diversification and modernisation of the milk processing plants under Government Sector including Town milk supply schemes

12.5 Milk marketing projects covering milk and milk products to include creation of milk delivery system with cold chain maintenance, refrigerated milk vans, milk vending machines, milk and milk products parlours and outlets which may be integrated with milk secondary processing or may be a separate project. Milk marketing projects shall also cover service manufacturing and delivery units for manufacturing/ fabrication of refrigerated milk vans, milk vending machine, milk cans, deep freeze containers and related equipment.

12.6 Milk Processing Machinery and Equipment manufacturing would include establishment of milk processing machinery and equipment manufacturing unit such as milk pasteuriser of different capacities, milk storage tank of different capacities, cream separator of different capacities, paneer vat, press milk pumps of different capacities, SS pipelines, gaskets, dahi incubator, refrigerator system and other milk processing machinery.

12.7 Milk quality assurance would include establishment of milk and milk product testing and certification unit for quality assurance, safety and standards service provider to FSSAI or dairy

development entrepreneurs or to research and development institutions and also include making operational milk and milk products testing laboratory unutilised under the State Government through modalities of public private partnership. This would also encompass milk and milk products testing laboratory machinery and equipment, chemicals and reagents, laboratory ware etc as admissible.

12.8 Research and development would include the establishment of private college of dairy technology and food science and conduct of allied certification courses institutionally under technically recognised certification systems. This would also encompass private college with laboratory and students training with dairy facility.

12.9 Milk packaging and labelling would incorporate all enterprises related to milk and milk products packaging and labelling.

13. Specific incentives for dairy processing units to promote private investment in dairy processing sector.

13.1 Additional incentives under Dairy Entrepreneurship Development Scheme as administered by NABARD circulated with reference to DOR/JSS/709/DEDS-1/2018-19 and circular no: sl.28/DOR-44/2018 dated 6 June 2018 and notified by administrative approval no F.No.1-1/2009-DP dated 2nd May 2018 from the Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture and Farmers Welfare, dairy division, Government of India wherein under existing provisions it is envisaged to further the objectives of the scheme to promote setting up of modern dairy farms for production of clean milk, to encourage heifer calf rearing, thereby conserving good breeding stock, to bring structural changes in the unorganized sector so that initial processing of milk can be taken up at the village level itself, to upgrade the quality and traditional technology to handle milk on a commercial scale and to generate self-employment and provide infrastructure mainly for unorganized sector intending to benefit farmers, individual entrepreneurs, NGOs, companies, groups of organized and unorganized sectors, etc. Groups of organized sector include Self-help Groups (SHGs), dairy cooperative societies, milk unions, milk federations, Panchayati Raj Institutions etc. with the pre-conditions as specified that an individual will be eligible to avail assistance for all the components under the scheme but only once for each component, more than one member of a family can be assisted under the scheme provided they set up separate units with separate infrastructure at different locations. The distance between the boundaries of two such farms should be at least 500 metres.

13.2 The Policy for promotion of private investment in dairy sector seeks to aggressively promote the scheme with an additional incentive as indicated herein under subject to the general conditions as per the policy

S. No	Component	Indicative Unit cost	Pattern of assistance under DEDS	Additional incentive under Private Investment promotion in Livestock Sector in Assam
1	Establishment of small dairy units with crossbred cows/indigenous descript milch cows like Sahiwal, Red Sindhi, Gir, Rathi etc/ graded buffaloes upto 10 animals (for SHGs, Cooperative societies, producer companies unit size will be 2-10 animals per member)	Rs 7.00 Lakh for 10 animals unit, minimum unit size is 2 animals with an upper limits of 10 animals	25% of the project cost (33.33 % for SC/ST families) as back ended capital subsidy. Subsidy shall be restricted on prorated basis to a maximum of 10 animals subject to a ceiling of Rs 17500/- per animal (Rs 23,300 per animal for SC/ST Farmers) or actual whichever is lower. Beneficiaries may purchase animals of higher costs, however, the subsidy will be restricted to the above ceilings	An additional State subsidy of 20% of the project cost in excess of the ceiling per animal shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)
2	Rearing of heifer calves- cross bred, indigenous descript milch breeds of cattle of grade buffaloes- upto 20 calves	Rs 9.70 lacs for 20 calf unit – with an upper limit of 20 calves	25% of the project cost (33.33 % of project cost for SC/ST farmers) as back ended capital subsidy. Subsidy shall be restricted on prorated basis to a maximum of 20 calf unit subject to a ceiling of Rs 12,100/- per calf (Rs 16,22 for SC/ST farmer) or actual whichever is lower	An additional State subsidy of 20% of the project cost in excess of the ceiling per animal shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)

3	Vermi compost with milch animal unit (to be considered with milch animals/ small dairy farm and not separately)	Rs 25200/-	25% of the project cost 933.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs 6300/- (Rs 8400/- for SC/ST farmers_ or actuals which ever is lower.	An additional State subsidy of 20% of the project cost in excess of the ceiling shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)
4	Purchase of milking machines / milkotesters/bulk milk cooling units (upto 5000 lts capacity)	Rs 20 lakhs	25% of the project cost (33.33 % for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs 5.0 Lakh (Rs 6.67 lakhs for SC/ST farmers) or actual whichever is lower.	An additional State subsidy of 20% of the project cost in excess of the ceiling shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)
5	Purchase of dairy processing equipment for manufacture of indigenous milk products	Rs 13.20 Lakhs	25% of the project cost (33.33% for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs 3.30 Lakhs (Rs 4.40 Lakh for SC/ST farmers) or actual whichever is lower	An additional State subsidy of 20% of the project cost in excess of the ceiling shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)

6	Establishment of dairy product transportation facilities and cold chain	Rs 26.20 Lakhs	25% of the project cost (33.33 % for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs 6.625 Lakh (Rs 8.830 lakh for SC/ST farmers or actual whichever is lower	An additional State subsidy of 20% of the project cost in excess of the ceiling shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)
7	Cold storage facilities for milk and milk products	Rs 33 lakhs	25% of the project cost (33.33 % for SC/ST farmers) as back ended subsidy subject to a ceiling of Rs 8.25 lakh (Rs 11.00 Lakh for SC/ST farmers) or actual which is lower.	An additional State subsidy of 20% of the project cost in excess of the ceiling shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)
8	Establishment of private veterinary clinics	Rs 2.60 Lakh(mobile) and Rs 2.0 Lakh (Stationary)	25% of the project cost (33.33 % for SC/ST farmers) as back ended capital subsidy subject to a ceiling of Rs 65,000/- and Rs 50,000/- (Rs 86,600/- and Rs 66,600/- for SC/ST farmers) respectively for mobile and stationary clinics or actual whichever is lower.	An additional State subsidy of 20% of the project cost in excess of the ceiling shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)

9	Dairy marketing outlet/ Dairy parlour	Rs 3 lakh	25% of the project cost (33.33 % of the SC/ST farmers as back ended capital subsidy subject to a ceiling of Rs 75,000/- (Rs 1,00,000/- for SC/ST farmers) or actual whichever is lower	An additional State subsidy of 20% of the project cost in excess of the ceiling shall be admissible for the policy. Cumulative subsidy shall be subject to 50% of the total project cost (excluding cost of land)
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Explanatory note: The subsidy amount will be rounded off to the nearest 100 rupees. Beneficiaries may submit project proposals without any limit. However, the back ended capital subsidy under the scheme will be restricted to the above ceilings. The banks will verify the cost of components admissible under the scheme based on the cost norms notified by NABARD.

13. Promotion of private investment in the Pig Rearing and processing sector in Assam

14.1 DEFINITIONS FOR THE PIGGERY SECTOR

14.1.1 Project cost of a Piggery Unit includes both capital expenditures and working capital for one cycle of operation. This includes the cost of the building but does not include cost of land, recurring expenditures and other expenditures not directly related to production.

14.1.2 Small Pig Farm means pig farms for breeding or fattening having capacity to hold less than 10 animals.

14.1.3 Medium pig farm means pig farms for breeding or fattening having the capacity to hold more than 11 to 100 animals.

14.1.4 Large pig farm means pig farms for breeding or fattening having the capacity to hold more than 100 animals.

14.1.5 New Enterprise means an enterprise which commences commercial production during the operative period of the policy and may or may not obtain Entrepreneur's Memorandum.

14.1.6 Existing Enterprise means an enterprise implementing expansion/diversification/modernisation in an existing project by at least 25% of its existing capacity.

14.1.7 Capital expenditure means investment in building, plant and machineries but does not include investment on land and working capital and other expenditures not directly related to production.

14.1.8 Working Capital means capital required for running a farm and includes cash credit and/or any other short term loan actually utilized as working capital.

14.1.9 Commercial Pig Farm means a farm that is engaged in the activity of producing breeding piglets or fattener or both or pig products.

14.1.10 Pig Breeding Farm means a farm that is engaged in activity of producing breeding piglets.

Subsidy will be available under the policy for formation of Farmer Producer Organization (FPO)/Farmer Producer Company (FPC). The total subsidy available will be subject to a maximum of Rs 145.00 lakh per 5 numbers of FPO or 50 % of the total project cost excluding the cost of land. To obtain subsidy, the sustainability must be ascertained by the AMMEMS single window clearance mechanism. The subsidy amount will be released in phase manner in three instalments depending on the progress of the work. Besides, subsidy will also be available to the individual beneficiaries covered under the FPO/FPC to the extent of 50% of the total project cost for starting small pig farms with 5 pigs at 1:4 (Male: Female) ratio. The total subsidy available will be subject to a maximum of Rs. 50000.00 for each pig farmer or subject to 50% of the project cost whichever being lower.

15. GENERAL INCENTIVES FOR THE PIGGERY SECTOR

15.1 Subsidy on Commercial Pig Farming- Subsidy to the extent of 50 % of the total project cost excluding the cost of land will be available for the entrepreneurs doing commercial pig farming as follows:

- i. For small farms, medium farms and for large farms, the subsidy will be 50% of the project cost in the farm excluding the cost of the land.
- ii. In all cases of commercial pig farming, the total subsidy available will be subject to a maximum of Rs 10000.00 per animal capacity as per technical norms or subject to a ceiling of 50% of the total project cost (excluding the cost of land)
- iii. To become eligible for the subsidy 90% of the farm capacity will have to be filled with animals.

15.2 Provision of farm land with road access: The Govt. will also consider provisioning of land available in the Department farms or Department's vacant lands and Govt waste/ceiling surplus lands for setting up of Commercial Pig Farms to facilitate local entrepreneurs, considering large areas of land required and consequent high cost of establishing such farms. The available lands will be made available under a standard lease agreement to prospective entrepreneur at the rates fixed by the Industries and Commerce Department for their similarly situated lands. The Animal Husbandry and Veterinary department shall explore the possibility of utilizing the department's vacant lands or other vacant Govt lands for such purpose after making Techno-Economic study of such proposals and ensuring viability of the project. Viability gap funding by way of subsidy at the rates stated above will be done where necessary to ensure successful operation of such ventures. For every such project separate Techno-Economic study shall be conducted and examined by the AMMEMS single window mechanism for recommendation.

15.3 Subsidy on State of the Art Pig Breeding Farm with Exotic Breed as suggested in the State Pig Breeding Policy, Assam 2018 imported from the country of its origin:- Subsidy to the extent of 70% of the animal cost FOR International Airport of India will be available to the entrepreneur of the state to establish State of the Art Pig Breeding Farm with Exotic Breed as suggested in the State Pig Breeding Policy, Assam 2018 imported from the country of its origin. Subsidy will also be available to the extent of 50 % of the cost of infrastructure and other project items excluding the cost of land for the entrepreneurs but the total subsidy available will be subject to a maximum of Rs 150000.00 per animal capacity as per technical norms or subject to a ceiling of 50 % of the project cost excluding the cost of land.

15.4 Subsidy on Pig Breeding Farm with Indigenous Breed (Doom) as suggested in the State Pig Breeding Policy, Assam:- Subsidy to the extent of 100% of the animal cost will be available to the entrepreneur of the state to establish Pig Breeding Farm with indigenous (Doom) breed. Subsidy will also be available to the extent of 50 % of the cost of infrastructure and other project items excluding the cost of land for the entrepreneurs but the total subsidy available will be subject to a maximum of Rs 20000.00 per animal capacity as per technical norms and subject to a ceiling of 50% of the total project cost (excluding cost of land)

16. PORK PROCESSING UNITS:

16.1 The State Govt. will encourage setting up of pig slaughter house and Processing Units in the state for supply of hygienic meat to the consumers and also for facilitating export of processed pork. This is also a profitable business and can generate good employment opportunities. The policy envisages that Processing units in private sector will be given capital investment subsidy subject to a ceiling of 50% of the gross capital investment which can be in addition to capital investment subsidy obtained from other sources such as National Mission for Food Processing Policy, North East Industrial Development Scheme (NEIDS) etc subject to the ceiling as specified. Such Processing Units will be set up on PPP model where feasible or by the department to be outsourced for management based on a public private partnership bid based contract to prospective entrepreneurs.

17. SETTING UP OF COLD STORAGES:

17.1 The State Govt. will encourage setting up of cold storage in the state for keeping the quality of meat intact during transportation and storage till it reaches consumers. The policy envisages that cold storage units in private sector will be given capital investment subsidy subject to a ceiling of 50% of the gross capital investment which will be in addition to capital investment subsidy obtained from other sources such as National Mission for Food Processing Policy, North East Industrial Development Scheme (NEIDS) etc. Such Processing Units will also be set up on

PPP model where feasible or by the department to be outsourced for management based on a PPP bid based contract to prospective entrepreneurs.

18. FEED PRODUCTION:

18.1 Subsidy up to 50% of the expenditure on plant and machineries for setting up of feed mill will be made available by Govt. for feed mills having capacity of at least 10 MT per day. The project cost will not include the cost of the land, working capital and other expenses not directly linked with production of feed.

19. SPECIFIC PROMOTION OF PRIVATE INVESTMENT IN GOAT REARING SECTOR IN ASSAM

19.1 Establishment of commercial goat breeding farms - Commercial goat farms can be established with private investment in small, medium and large goat farms. For establishment of small commercial goat farms with a capacity of minimum 10 numbers of goats, medium commercial goat farm with a capacity of 35 numbers of goats, large commercial goat farm with a capacity of more than 100 numbers of goats, the subsidy to be availed shall be subject to 50 % of the capital investment excluding the cost of the land. The general conditions as applicable for the other sectors shall be applicable for establishment of any unit under goat rearing sector by way of private investment under this policy.

20. GENERAL CONDITIONS FOR SANCTIONING OF SUBSIDY: Following general conditions for grant of subsidy for poultry sector/ Dairy sector (cattle rearing)/ Dairy(processing)/ Piggery rearing and processing/ Goat rearing and processing farms of above description will apply in all cases.

- i. To qualify for the subsidy, the unit should get term loan from a Financial Institution/ Bank recognized by the Reserve Bank of India. In case of units delinked from bank finance, it shall be eligible for the subsidy if applied within one year of actual commencement of production.
- ii. The cap of subsidy is applicable for piggery units having concrete floor, brick wall upto 3 feet with both side plastering and black tubular truss and GCI or equivalent sheet roofing.
- iii. The cap of subsidy is applicable for poultry units having pucca poultry shed with black tubular truss and CGI or equivalent sheet roofing.
- iv. If the unit obtains any subsidy from other scheme of the central or state Govt. then the amount of subsidy under this policy shall be limited to 50% of the total project cost,

excluding the cost of land. In other words the subsidy offered by this policy will be the maximum subsidy obtainable by a unit under this policy.

- v. To qualify for subsidy, the enterprise must apply within one year of the disbursement of the first instalment of the term loan. The sanction of the loan must be obtained within the policy period.
- vi. The subsidy under this policy will be available to both bank financed schemes as well as bank delinked farms. In case of bank financing the subsidy will be considered after sanction of bank financing only and will be released back ended to the bank account of the entrepreneur after complete release of loan and commencing of production and as specified in the sector related project. In case of self-financed scheme delinked from bank financing, the subsidy will be released after commencement of production and as specified in the sector related project.
- vii. The subsidy scheme will be applicable to both new units and existing units where expansion or diversification work is done.
- viii. In all cases, the cost of the project for the purpose of determining subsidy will not include the cost of the land.
- ix. The incentives offered in this policy will be in addition to other incentives given under the State Industrial and Investment Policy and the North East Industrial Development Scheme(NEIDS).
- x. To become eligible for the subsidy at least 90% of the farm capacity shall have to be filled with animals.

21. SINGLE WINDOW CLEARANCE SYSTEM FOR PROMOTION OF PRIVATE INVESTMENT IN LIVESTOCK SECTOR (POULTRY/DAIRY FARMING/DAIRY PROCESSING/PIG REARING) IN ASSAM

21.1 The State Government shall establish a Single window clearance system under the Assam Meat Milk and Egg Mission to assist all potential investors and entrepreneurs to establish new ventures, expand existing ventures and rejuvenate all departmental farms to the extent feasible to get all clearances specific to a project proposal within a prescribed time line by way of formal notification.

21.2 A Private sector Investment promotion single window mechanism shall be institutionalised in the AMMEMS which shall share all relevant information and preliminary information for any potential investment proposition and on receipt of a value proposition render all necessary assistance in Detailed Project Report appraisal and credit linkage for the proposal.

21.3 The private sector investment facilitation cell in the nature of a single window mechanism shall be a 'one stop destination' for all private investment proposals in the livestock sector under the instant

policy and shall have tied down time lines for each stage of proposal approval/ processing thereof with accountability to the State Government for review.

21.4 The Single window clearance under the AMMEMS shall have a notified composition under the chairmanship of the Senior Most Secretary of the Animal Husbandry and Veterinary Department with the Mission Director of the Assam Mission on Meat, Milk and Egg as the member secretary and representation from the Revenue Department, Finance Department, Industries and Commerce Department, Agriculture Department, representation of NABARD, representative of SLBC, representative of the Assam Agricultural University, Directors of the Animal Husbandry and Veterinary Department and the Dairy Development Directorate and consultants as domain experts in Animal Health and Veterinary Sciences, business management and investment appraisal on need basis. The single window clearance shall professionally handle the entire range of advisory services for major investment proposals and shall process all formally received investment proposal within a time period of 45 working days to place the same for final decision with the subsidy sanctioning authority which shall be the AMMEMS executive committee for proposal comprising upto Rupees one crore for cumulative subsidy and the Governing body of the AMMEMS for proposal above the value of Rupees one crore for cumulative subsidy.

22. ROLE OF THE SINGLE WINDOW APPROVAL AND CLEARANCE SYSTEM

22.1 The Single window mechanism under AMMEMS shall to facilitate the promotion of private investment in the State of Assam in the livestock sector and would work on all aspects in a time bound manner and shall have specific procedures in place for

- I. Public venture capital fund for local companies / start-ups investing on value chain critical enterprises in livestock sector.
- II. Credit guarantees to successful livestock cooperatives.
- III. Access to facilities / services of government farms / facilities and incubation Fund support for 1st generation entrepreneurs growing within earmarked land areas of government farms / other infrastructures.
- IV. Grant for brand building activities e.g. Hiring of consultancy, certification services, preparation of commercials.
- V. Innovation Grant Support
- VI. Risk fund to support business continuity of enterprises in the event of disaster.

22.3 The single window mechanism shall address the following issues for effective operational implementation of the policy for promotion of private investment in the livestock sector in Assam

wherein details shall be available for *all manner of support / interventions / incentives with an objective to promote investment including*

1. Nodal Departmental Contact point / Investment facilitation unit.
2. Periodic Listing of facilities ready for revamp / operation under PPP mode
3. Access to GIS maps and other information for investment suitability analysis and risk assessment
4. Preferential Land bank support being developed under industry department.
5. Facilitation of livestock and poultry related contract farming operations through adoption of contract farming law.
6. Facilitation of feed crop (e.g. Maize, soybean) cultivation through various support program of Agriculture department.
7. Facilitations of permissions from statutory bodies (For private educational institutes)
8. Reimbursement of cost of participation up to 50% (on case to case justification, based on ceiling fixed for the year) in relevant national business / technology expo for maximum 10 new enterprises per annum. The purpose of participation is restricted to either exposure or for marketing of products / services. This would be limited to units assisted under this policy.
9. Reimbursement of cost of quality certification on case to case basis with maximum 50% of cost for up to 10 new enterprises per annum. This would be limited to units assisted under this policy.
10. Government outsourcing of public services and artificial insemination operations for notified areas.
11. Government outsourcing of service of private drug stores in public funded dispensaries.
12. Public investment for focus and targeted disease control measures and periodic declaration of disease risk map / disease free areas.
13. Enhanced public investment on laboratories for testing of feed and quality of livestock products.
14. Preferential project based public procurement of heifer / piglets / kids / Chicks / Feed / silage etc. from listed local breeding farms and feed manufacturing units after due procedural compliance.
15. Support public funded, society managed centre of excellence in skill training across livestock value chain in different locations to ensure supply of farm supervisory man-power.
16. Facilitation of creation of an annual event / expo brand in collaboration with agriculture department to promote value chain interaction and exposure to technology.

17. Public funding for trade related capacity building programs.
18. Emphasis on implementation of municipality law related to loose sale of milk in non-certified premise or by non-certified vendor, open slaughter, open display of carcass /meat etc.
19. Furthering of FSSAI standards and certification thereof for animal-based products for human consumption in Assam

20. Quality certification/Patent registration: Evolve procedure for reimbursement of 50% of the cost of certifications such as HACCP, GMP, ISO 9000, ISO 22000, GLP and TQM for Food Processing Units, up to a limit of Rs. 5.00 (five)lakh per unit will be given as per the provisions of Food Processing Policy of the State. Reimbursement of expenditure incurred in obtaining patents to the extent of Rs. 10.00 (ten) lakh per patent.

22.4 The single window clearance system shall be a one stop repository for the following to facilitate easy access to information to allow for quick and strategic decision making for potential private investment

- A. List of identified specific departmental facility for revamp / operation under PPP mode under this policy:
- B. List of law / regulatory provisions applicable to livestock sector e.g. pertaining to pollution control, breeding operations (importation of germplasm by private entity), import of livestock from other states etc.
- C. List of various organization / agencies (with contact addresses) supporting investors in livestock sector.
- D. Contact address of departmental nodal officer.

23. Role of Assam Milk, Meat and Egg Mission Society

23.1 AMMMES shall institutionalise a system that will function as a single window clearance system for the proposals received under the Policy. The Executive committee of AMMMEMS shall be competent to approve subsidy for proposals upto a total amount of Rupees 1 (one) crore. All proposals requiring amounts in excess of Rs 1 (excess of one crore) crore as subsidy component shall be considered and sanctioned by the Governing Body of the AMMMEMS.

23.2 AMMEMS single window mechanism shall specify the application formats and the documents to accompany the proposal including claims for subsidy release which should include records of payments, cash payment vouchers and relevant details for consideration of the proposal for subsidy claim.

23.3 The proposals/petitions for subsidy and other assistances shall be submitted to the Mission Director AMMEMS who shall scrutinize the application and make field enquiries as appropriate before submitting the proposal to the Administrative department for approval.

23.4 The AMMEMES shall co-ordinate with a technical advisory committee comprising Mission Director of the Assam Mission on Meat, Milk and Egg as the member secretary and representation from the Revenue Department, Finance Department, Industries and Commerce Department, Finance department Agriculture Department, representation of NABARD, representative of SLBC, representative of the Assam Agricultural University, Directors of the Animal Husbandry and Veterinary Department and the Dairy Development Directorate and consultants as domain experts in Animal Health and Veterinary Sciences, business management and investment appraisal on need basis. The committee shall be chaired by the senior most secretary of the Animal Husbandry and Veterinary Department. The technical advisory committee shall meet as and when necessary and at least once in a quarter to discuss implementation of its recommendations and advise the AMMEMS on various aspects related to proposals for private investment in livestock sector in Assam.

23.5 The committee shall be authorised to interpret the policy whenever there is any ambiguity or any difficulty in application and consideration of the benefits given by the policy.

23.6 The chairman of the committee shall be authorised to co-opt any other member to the committee if felt essential under the scheme.

23.7 The committee shall prescribe necessary formats of application for benefits under the policy; due procedure thereof and recommend the same to the AMMEMS for acceptance.

23.8 At least five members of the committee including the Senior most secretaries of Finance and Industries department or their representatives will be required for any sitting of the committee.

24. Project Development Fund:- Animal Husbandry and Veterinary Department through the AMMEMS shall provide for an initial fund of Rs 10.00 (ten) Crores for project development activities. This fund shall be utilised for dissemination of the policy, providing ready information on investment potential, surveys and studies and holding of exhibition and exposure road shows to promote private investment in livestock Sector in Assam

25. For large commercial private sector investments in the livestock sector in Assam the admissible subsidy under the North East Industrial Development Scheme (NEIDS), 2017 shall be available along with added incentive as applicable herein under

25.1 Under the Scheme, the following incentives shall be provided to new industrial units set up in Assam.

Central Capital Investment Incentive for Access to Credit (CCIIAC)	30% of the investment in Plant & Machinery with an upper limit of Rs.5 Crore on the incentive amount per unit.
Central Interest Incentive (CII)	3% on working capital credit advanced by eligible Banks/ Financial institutions for first 5 years from the date of commencement of commercial production by the unit.
Central Comprehensive Insurance Incentive (CCII)	Reimbursement of 100% insurance premium on insurance of building and Plant & Machinery for 5 years from the date of commencement of commercial production by the unit.
Goods and Service Tax (GST) Reimbursement	Reimbursement up to the extent of Central Govt. share of CGST and IGST for 5 Years from the date of commencement of commercial production by the unit.
Income Tax (IT) Reimbursement	Reimbursement of Centre's share of income tax for first 5 years including the year of commencement of commercial production by the unit.
Transport Incentive (TI)	<ul style="list-style-type: none"> • 20% of the cost of transportation including the subsidy currently provided by Railways/ Railway PSU for movement of finished goods by rail . • 20% of cost of transportation for finished goods for movement through Inland Waterways Authority of India. • 33% of cost of transportation of air freight on perishable goods (as defined by IATA) from the airport nearest to place of production to any airport within the country.
Employment Incentive (EI)	The Government shall pay 3.67% of the employer's contribution to Employees' Provident Fund (EPF) in addition to Government bearing 8.33% Employee Pension Scheme (EPS) contribution of the employer in the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY).

25.2 Under the NEIDS the overall cap for benefits under all components of incentives will be of Rs.200 crores per unit. For large private sector investments in the livestock sector the above incentives shall be admissible. A special state incentive under the private investment promotion policy subject to a ceiling of 50% of the project cost as special incentive subject to procedural approval thereof. However, cumulatively the total admissible subsidy for any single project under this private investment promotion policy shall not initially exceed Rs 5 (five) crores per project and relaxation of this shall be with prior formal approval of competent authority in the State Government.

26. Disbursal of Subsidy:- For the total admissible subsidy as approved by the technical advisory committee, AMMEMS shall release only 50% of the subsidy component in the first year of the project and in the next financial year, after due project appraisal 25 % of the total subsidy sanctioned shall be released and subsequently in the third financial year another 25 % of the total subsidy sanctioned shall be released.

27. Subsidy cap: Under all circumstances the cap on subsidy shall be to a maximum permissible limit of 50 % of the total project cost for a proposal under the policy cumulative of all streams of subsidy and initially the total admissible subsidy for any single project shall not exceed Rs 5 (five) Crores per project which may be relaxed only on prior formal approval of competent authority in the State Government.

28. Public Venture Capital Fund (PVCF): The Single window mechanism under AMMEMS shall under this policy institutionalise the public venture capital fund intended for dedicated promotion of private sector investment in critical value chain enterprises under the Poultry Sector/ Dairy Sector (cattle rearing)/ Dairy processing sector/ pig rearing and processing sector/ Goat rearing and processing sector. The PVCF will act a credit enhancement support for the local entrepreneurs by infusing 50% equity free of any interest towards the promoter's contribution. The tentative repayment period will be from 3 years to 5 years with the first two years of the project period considered as moratorium period. The PVCF will be maintained through North East Development Finance Corporation Ltd and shall be limited to the state of Assam. Projects considered under the PVCF shall not be eligible for any subsidy claim as entailed elsewhere under this policy.

29. The AMMEMS shall present a bi annual report on the performance of the policy and the measures to be taken if any, for the promotion of investment in livestock sector in Assam which shall be reviewed by the Competent Authority for any consideration towards modification/amendments in this policy.

30. Provisions related to making available allotted/ reserved Government land in the Animal Husbandry and Veterinary Department shall be subject to the following conditions

(a) In case of mortgage of land available in departments farms or department's land to the Bank/ financial institution by the private sector participants (i.e, Lessee) with prior permission of the concerned authority under Animal Husbandry and Veterinary Department or its agencies/ Underakings (i.e, Lessor) for the purpose of taking loan/ financial assistance etc., the mortgage will be restricted to the lease hold right only and the Bank/ Financial Institutions will have a limited right to utilise the land till expiry of the lease period on failure of the private sector participants to settle the loan/ financial assistance.

(b) Under no circumstances, ownership of the land will be transferred to any party without the approval of the Government in Revenue and Disaster management department

(c) the maximum period of lease shall be for a period of 30 years with a provision of renewal of another 30 years thereafter.

(d) the land so leased should be utilised for Animal husbandry and Veterinary Department related purposes only. In case of transfer of ownership of any unit or taking over of the unit by Bank/ Financial Institution also for the remaining period of lease, the land can be used only for Animal Husbandry and Veterinary Department related purposes.

(e) As regard setting up of both commercial layer farms and broiler breeding farms in Government waster/ ceiling surplus lands, standing procedures of Revenue department for allotment of land to any Government institution shall be followed.