



# Krishi UDAN 2.0



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# Krishi Udaan Mandate:

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1. Para 23(8) of Union Budget 2020-21 announcements mandates that “**Krishi Udaan is launched by the Ministry of Civil Aviation on international and national routes. This will immensely help improve value realization especially in North-East and tribal districts**”.

2. Notably, the Union Budget 2020-21 recognizes the need for convergence and specifies the various supportive mandates that have a bearing on Agri-air-logistics, as outlined below:

(i) 23(7): Kisan Rail: Indian Rail to build a seamless national cold supply chain

(ii) 23(5): NABARD to map and geo-tag capacity of facilities: Agri-warehouses, cold storage, reefer vans, etc. VGF for setting up Block/Taluk level warehouses

(iii) 23(6): Village Storage Scheme to be run by SHGs (58 lakh under DDAY)

(iv) 23(9): Support States which, adopting a cluster basis in Horticulture, focus on “one product one district”

(v) 23(10): “Jaivik Kheti” portal to strengthen online national organic products market

(vi) 23(11): Integrate National Warehousing Receipts (e-NWR) with e-NAM

(vii) 23(13): Pest control; fodder farms; double milk processing capacity from 53.5 mn. MT to 108 mn. MT by 2025

(viii) 23(14): Framework to develop, manage and conserve marine fishery resources

(ix) 23(15): Raise fish production to 200 lakh tonnes; fishery exports to Rs. 1 lakh crore by 2024-25. Engage with 3,477 Sagar Mitras, 500 FFPOs.

# Background: The Civil Aviation and Agriculture Sectors

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1. The role of air cargo is critical for time-sensitive and temperature-controlled Agri-produce. Growth in air cargo is also essential for financial sustainability of airlines and other aviation sub-sectors, especially keeping in view the substantial adverse impact on them from the on-going Covid-19 situation.
2. In order to maintain price competitiveness of both high and low value Agri-produce, retain product-freshness, and reduce wastage, and otherwise also improve value realization for the farmers/ fishermen/ farmer producer organisations (FPOs)/ exporters, it is imperative to improve efficiency and strengthen the entire Agri-value chain, including providers of farm gate infrastructure, air transport and associated air freight and logistics services, first and last mile surface connectivity, and storage, processing and marketing.
3. Air cargo, domestic and international taken together, has accelerated to CAGR of approximately 10% since 2013-14 till 2018-19. But, as much as 80% of air cargo moves in the belly-hold of passenger aircraft while freighters meet only 20% of demand. About 75% of India's international cargo is carried on foreign carriers.
4. The number of all- cargo freighter aircraft with Indian carriers has increased from 7 in 2018 to 28 in 2021.
5. Increase freight capacity and the expanse of aircraft movement:
  - (i) By FY 2023-24 a total of 200 airports (including heliports) shall be made operational, as per action plan drawn by Ministry of Civil Aviation.
  - (ii) While ensuring fair, equitable and reciprocal treatment for Indian carriers in the international movement, due preference will be given by Government to Indian carriers.
  - (iii) Persuading Indian carriers through appropriate interventions to significantly enhance freight capacities.

6. However, in the absence of institutional support and viability gap funding (VGF) on high capital and operating costs and rebates on charges for air navigation, landing, parking of aircraft along the lines of Regional Connectivity Scheme-Ude Desh Ka Aam Naagrik (RCS-UDAN), domestic carriers have not been able to operate any sizeable numbers of freighters on domestic or international routes.

7. Only some State Governments' initiatives impart focus to air cargo. These envisage sharing the operating costs of small-sized freighters upto MTOW of 40 tonnes operating from airports in their State, e.g., by lowering taxes on Aviation Turbine Fuel (ATF).

## **Background: The Civil Aviation and Agriculture Sectors**

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**1. The major fundamental problems of high-cost Indian air transport and logistics are:**

(i) Value chain in India is 1.5x - 2.0x costlier as compared to developed countries. (Source: Care Ratings 2018)

(ii) Air logistics constitutes about 45% of total cost of Agri-produce exported, against a global average of less than 25%. For many fruits, vegetables, and floriculture, Indian air logistics cost may be as high as 75%, reflecting also higher product-wastage and rejection of improperly packed shipments.

(iii) Inadequate connectivity to Tier-2/Tier-3 towns and cold chain facilities at airports close to Agri-supply centres require multi-modal connection to major airports. Combined with absence of broad-based skills in cold chain management, these adversely affect quality and shelf-life of products.

(iv) Indian freighters currently cannot service specialised cargos including odd-sized cargo, and do not have the range to carry cargo on long haul routes, beyond 4,500 kilometres, without taking a technical halt which increases all-in freight costs.

**2. North-eastern Region and Tribal Districts:** Air connectivity, critical gaps in airport infrastructure, and absence of all-weather first and last mile connectivity to airports are the biggest challenges facing NER and Tribal Districts. Presently, 14 airports located in NER have scheduled commercial flights. Higher post-harvest losses for organic and natural produce are due to inefficiencies and inadequacies in supply chains, standardization and certifications, and inadequate skill sets in handling supply chains especially among tribal producers. Only some of the 177 tribal districts have been able to concentrate and organize production clusters for single crops and adopt suitable technologies to achieve better synergies, economies of scale, and develop market linkages.

## **KRISHI UDAAN SCHEME**

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**Vision:** Improving value realization through better integration and optimization of Agri-harvesting and air transportation and contributing to Agri-value chain sustainability and resilience under different and dynamic conditions.

**Aim:** To ensure seamless, cost-effective, time-bound, air transportation and associated logistics for all Agri-produce originating especially from Northeast, hilly and tribal regions of the country.

**Objectives:** The objectives are to increase the share of air in the modal mix for transportation of Agri-produce this includes horticulture, fishery, livestock & processed products. To achieve better convergences on various components catering to the development of sustainable and resilient Agri-produce value chains across various schemes of the Central and State Governments and their associated agencies as well as the resources committed by the private sector to improve chain competitiveness by:

(i) providing more air connectivity (national and international) between origin-destination airports aimed at bringing in improved logistics efficiency.

(ii) improving infrastructure and performance in processing of air cargo by all stakeholders, including Agri-produce, horticulture, fisheries, livestock products at airports and off-airport facilities, by regulatory participating governmental agencies (PGAs).

(iii) imparting special focus to air freight of organic and natural produce of NER, Tribal and Hilly Districts.

(iv) achieving better and timely mapping of Agri-produce production/supply centres with domestic demand clusters and international markets in sync with the marketing strategies.

(v) promoting adoption of plant and animal quarantine and other regulatory requirements (at airport) in the export supply chains end-to-end.

(vi) enabling paperless and contactless interface with all stakeholders through digitisation and digitalisation via integration with existing e-platforms and their creation as required.

## **Elements of the Krishi Udaan Scheme**

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### **Facilitating and incentivizing movement of Agri-produce by air transportation:**

#### **A.1 Waiver of Landing, Parking, TNLC and RNFC charges based on total Chargeable Weight of Agri-produce**

**A.1.1 Full waiver of Landing, Parking, TNLC and RNFC charges for Indian freighters and P2C at selected Airports of Airport Authority of India listed at Annex-1. Primarily, focusing on NER, Hilly and Tribal region.**

**Note A.1.1:** This scheme will be piloted for 6 months and will be evaluated. Amendments in the scheme will be based on results of the evaluation.

(i) Other airport operators will be encouraged to implement the scheme and provide similar concessions to Indian freighters and P2C.

## **Strengthening cargo related infrastructure at airports and off airports:**

- (i) Facilitating the development of a hub and spoke model and a freight grid. **(Annex 2)**
- (ii) Airside transit and transshipment infrastructure will be created at Bagdogra and Guwahati airports, and at Leh, Srinagar, Nagpur, Nashik, Ranchi, and Raipur airports as a part of focus on NER, Tribal and Hilly Districts.

## **Concessions sought from other bodies (To be taken up with the State Governments)**

- (i) Encourage States to reduce Sales Tax to 1% on ATF for freighters / P2C aircraft as extended in UDAN flights. (List of states participating in RCS-UDAN **Annex-3**)

## **Concessions sought from other bodies (To be taken up with the State Governments)**

### **A.2 Department of Agriculture & Farmers' Welfare:**

#### **A.2.1 Infrastructure support:**

(i) Protocols/ Standard Operating Procedures (SOPs) for grading, sorting, seamless handling, and transporting different horticulture products of National Horticulture Board (NHB) and those of APEDA would be upgraded/ developed for facilitating movement from farm-gate to airport.

(ii) Department of Agriculture & Farmers Welfare (DA&FW) has decided for Development of Horticulture Clusters of selected high value horticulture crops through National Horticulture Board (NHB). A total of 53 horticulture clusters have been identified by DA&FW, out of which, 12 clusters have been selected for Pilot launch of Cluster Development Programme (CDP) being implemented through NHB. (List of clusters Annex 4).

(iii) Improving and developing requisite infrastructure for post-harvest management of primary produce at farm-gate and at aggregation points through the dedicated financing facility, i.e., Agriculture Infrastructure Fund, would be dovetailed to facilitate its air transportation.



(iv) Development and upgradation of agricultural marketing infrastructure, including through mapping and geo-tagging of warehouses at airports, would be taken up through convergence with air transportation via Gramin Agricultural Markets (e-GRAMs), National Agriculture Market (e-NAM) and Rural Storage Scheme.

### **A.2.2 Improvements in Supply chain, Logistics, and other allied areas:**

(i) Identifying and analysing supply-demand pairs prioritised for air transportation and aligning of farmers/ Farmer Producer Organisations (FPOs) in these areas to the requirements of Krishi Udaan Scheme would be ensured.

(ii) Critical gaps in forward and backward linkages already identified by various studies for air freight of Agri-produce would be bridged on priority. Identification of critical gaps for the supply-demand pairs worked out under para. D(I) above for horticulture produce would be taken up in a focussed manner through the Mission for Integrated Development of Horticulture (MIDH) and NHB.

(iii) Information technology support: Linking e-KUSHAL (Krishi Udaan for Sustainable Holistic Agri-Logistics) with e-NAM portal and other support.

(iv) Department of Agriculture & Farmers Welfare is implementing Mission for Integrated Development of Horticulture (MIDH) under which financial assistance is provided for various horticulture activities including Post-harvest Infrastructure which includes setting up of cold storages.

(v) The Post-harvest components under MIDH scheme are demand/ entrepreneur-driven from among entrepreneurs, private companies, cooperatives, farmers groups etc for which assistance ranging per beneficiary from 35% to 55% of the eligible project cost in general areas and hilly & scheduled areas respectively is available as credit linked back ended subsidy through respective State Horticulture Missions. The cold storage up to capacity of 5000 MT are covered under MIDH and more than 5000 MT capacity are covered under National Horticulture Board (NHB).

### **Details in Annex 5**

## **A.3 Department of Fisheries:**

### **A.3.1 Infrastructure support:**

(i) Developing integrated fisheries processing infrastructure at select airports by dovetailing it with PMMSY and Fisheries and Aquaculture Infrastructure Fund (FIDF).

### **A.3.2 Improvements in Supply chain, Logistics, and other allied areas:**

(i) Exploring the feasibility of air transportation of fish and shrimp in bulk quantities and development of other viable supply and value chains dovetailed for the Krishi Udaan Scheme.

(ii) Developing an export strategy for leveraging the Krishi Udaan Scheme for marine and fisheries' supply-demand (origin-destination) pairs in consultation with Department of Commerce and Marine Products Export Development Authority (MPEDA).

(iii) Convergence with Pradhan Mantri Matsya Sampada Yojana (PMMSY) for making an affordable and rapid air transport scheme.

## **A.4 Department of Animal Husbandry and Dairying:**

### **A.4.1 Infrastructure support:**

(i) Providing support through convergence for infrastructure for biosecurity of small and large live animals at airports.

(ii) Upgrading/Developing health standards and certification for the processing units as well as domestic and international movement of animal products. Production and processing under the Scheme would be maintained as per international standards specific to products to gain good return to farmers from national as well as international markets.

(iii) Similarly, under National programme for Dairy Development (NPDD), priority is given to establishment of quality infrastructure at village and plant level by creating cold chain and providing essential laboratory equipment for testing of milk & milk products with ICT support to ensure monitoring and product traceability. Brief Note at Annexure-6.

## **A.4.2 Improvements in Supply chain, Logistics, and other allied areas:**

(i) Developing support and intervention required for air freight of identified supply chains covering animal husbandry products, including refrigerated transport for dairy products, lamb meat, poultry meat and chicks.

(ii) under Central Sector scheme “Dairy Processing and Infrastructure Development Fund” (DIDF) scheme and Animal Husbandry Infrastructure Development Fund (AHIDF) of DAHD, it may be possible to have logistic arrangement where the eligible agencies can avail/ arrange transport support and portable cold storage support as loan assistance at airports and also from their own resources provided loading, unloading and parking facilities and space for cold store are being provided at reasonable/nominal cost at the respective airports. Assistance is provided under these schemes in the form of loan with interest subsidies of 2.5% and 3.5 respectively. The funding pattern, outlay, Budget may be seen at Annex-7. The AHIDF scheme supports processing infrastructure for milk & milk products, meat, and feed for livestock. The funding pattern, outlay, Budget may be seen at Annex-7

## **A.5 Ministry of Food Processing Industries:**

### **A.5.1 Infrastructure support:**

(i) Setting up of food testing laboratories under Operation Greens Scheme and Food testing Laboratories (FTL) scheme being implemented as a part of Pradhan Mantri Kisan Sampada Yojana by Ministry of Food Processing Industries.

### **A.5.2 Improvements in Supply chain, Logistics, and other allied areas:**

(i) Operation Greens (OG)-TOP to TOTAL Scheme: 50 @ subsidy is available on domestic air transportation and handling at the airport/cargo terminal, for any fruit and vegetable being transported from North-eastern Region (NER) States and Himalayan States as per the prevalent scheme guidelines The list of eligible airports is attached as Annex 8.

## **A.6 Department of Commerce:**

### **A.6.1 Infrastructure support:**

(i) Transport and Marketing Assistance (TMA) will be modified to cater to the specificities of air transportation and ensure convergence with Krishi Udaan Scheme, including special consideration for Agri-produce originating from NER, Tribal and Hilly Districts, and Island States.

### **A.6.2 Improvements in Supply chain, Logistics, and other allied areas:**

(i) Prioritising registration of FPOs/ Fish Farmers Producer Organisations (FFPOs) aligned to the Krishi Udaan Scheme as exporters.

## **A.7 Ministry of Tribal Affairs:**

### **A.7.1 Infrastructure support:**

(i) Providing infrastructure support for surface transport for air cargo and logistics connecting tribal areas in consultation with State Nodal Departments for tribal development.

### **A.7.2 Improvements in Supply chain, Logistics, and other allied areas:**

(i) Mapping of perishable Agri-produce in tribal areas with special focus on product aggregation, consumption, marketable surplus, market potential, and value chain for economic feasibility under Krishi Udaan Scheme.

(ii) Development of supply chains with special focus on perishable Agri-produce by creating or forging tie-ups for cold chain and storage facilities at airports/ near airports.

(iii) Developing guidelines under Van Dhan Yojana on support and intervention for surface connectivity of Agri-produce from the tribal district of origin upto the airport as well as air freight subsidy.

(iv) To include Ministry of Civil Aviation under Scheduled Tribe Component (STC) and to develop a sub-scheme for meeting the objectives of Krishi Udaan Scheme and reduce wastage in tribal Agri-produce.

(v) Development of an Integrated Logistics Action Plan for Agri-produce, including minor produce, of tribal districts, with convergence for air transportation.

## **A.8 Ministry of Development of North-eastern Region (DoNER):**

### **A.8.1 Infrastructure support:**

(i) Developing physical infrastructure prioritised by the States related to connectivity under the Northeast Special Infrastructure Development Scheme (NESIDS) for enhancing Agri-produce, including Pack Houses integrated with cargo infrastructure at airports and at Air Freight Station located in NER.

### **A.8.2 Improvements in Supply chain, Logistics, and other allied areas:**

(i) DoNER to develop a suitable scheme on air transport subsidy and subsidy to meet Transport, Storage and Processing (TSP) charges on Agri-produce originating in NER airports utilising the earmarked 10% GBS.

## **Technological convergence**

Development of E-KUSHAL (Krishi Udan for Sustainable Holistic Agri-Logistics).

(i) We propose to develop a platform which will facilitate information dissemination to all the stakeholders.

(ii) This will be a single platform which will provide relevant information at the same time will also assist in coordination, monitoring and evaluation of the scheme.

(iii) We propose convergence of E-Kushal with National Agriculture Market (e-NAM) this will provide relevant stakeholders and beneficiaries of the scheme with additional information and access to the Agriculture market

## **Institutional Mechanism created for undertaking policy and regulatory reforms and operationalizing the elements of the Scheme:**

(i) The institutional framework for the scheme comprises of Apex Group and Focus Group. The Apex Group will be jointly chaired by Secretary, Civil Aviation and Secretary D/o Agriculture & Farmers' Welfare.

(ii) Apex Group on Convergences for Krishi Udaan Scheme is constituted for resources-pooling across various Central and States administered schemes and initiatives for providing incentives and concessions aimed at growing the air transportation of Agri-produce under Krishi Udaan under the joint chairpersonship of Secretary, Ministry of Civil Aviation and Secretary, Department of Agriculture, Cooperation & Farmers' Welfare, as per Order at **Annex-9**.

(iii) Focus Group on Operationalisation and Implementation of Krishi Udaan Scheme is constituted as per Order at **Annex-10**.

(iv) Continuity and Evaluation of the Scheme: The provisions and concessions available under the Scheme will be initially for the first 3 years from the date of implementation. Accordingly, the scheme will be evaluated on a periodic basis after every six months.

## **Implementation:**

All the elements of scheme by Ministry of civil aviation will come to effect from the date of announcement of the Krishi Udaan Scheme. This scheme will be piloted for 6 months and will be evaluated. Amendments in the scheme will be based on results of the evaluation.

## KRISHI UDAAN SCHEME

North-Eastern Region, Hill Airports, Tribal Airports & Island			
1	Agartala	14	Lilabari
2	Agatti	15	Pakyong
3	Barapani	16	Pantnagar
4	Dehradun	17	Pithoragarh
5	Dibrugarh	18	Port Blair
6	Dimapur	19	Raipur
7	Gaggal	20	Ranchi
8	Imphal	21	Rupsi
9	Jammu	22	Shimla
10	Jorhat	23	Silchar
11	Kullu (Bhuntar)	24	Srinagar
12	Leh	25	Tezu
13	Lengpui		

Other Airports			
1	Adampur (Jalandhar)	15	Jodhpur
2	Agra	16	Kanpur (Chakeri)
3	Amritsar	17	Kolkata
4	Bagdogra	18	Nasik
5	Bareilly	19	Pathankot
6	Bhuj	20	Patna
7	Chandigarh	21	Prayagraj
8	Coimbatore	22	Pune
9	Goa	23	Rajkot
10	Gorakhpur	24	Tezpur
11	Hindon	25	Trichy
12	Indore	26	Trivandrum
13	Jaisalmer	27	Varanasi
14	Jamnagar	28	Visakhapatnam

## Annex 2

### List of locations planned for cargo terminals:

Financial Year	Domestic Locations	Total
2021 – 2022	Agartala, Srinagar, Dibrugarh, Dimapur, Hubballi, Imphal, Jorhat, Lilabari, Lucknow, Silchar, Tezpur, Tirupati, Tuticorin	13
2022 – 2023	Ahmedabad, Bhavnagar, Jharsuguda, Kozhikode, Mysuru, Puducherry, Rajkot, Vijayawada (new)	8
2023 – 2024	Agra, Darbhanga, Gaya, Gwalior, Pakyong, Pantnagar, Shillong, Shimla, Udaipur, Vadodara	10
2024 – 2025	Holangi, Salem	2
<b>Total</b>		<b>33</b>



### Annex 3

## States/UTs that have signed MoUs and given their consent to participate in RCS-UDAN

S.no.	State	Date
1.	Maharashtra	23 August, 2016
2.	Jharkhand	31 August, 2016
3.	Gujrat	1 September, 2016
4.	Chhattisgarh	9 September, 2016
5.	Andhra Pradesh	19 September, 2016
6.	Puducherry	30 September, 2016
7.	Manipur	3 November, 2016
8.	Assam	4 November, 2016
9.	West Bengal	9 November, 2016
10.	Madhya Pradesh	11 November, 2016
11.	Uttarakhand	11 November, 2016
12.	Uttar Pradesh	29 December, 2016
13.	Telangana	11 January, 2017
14.	Meghalaya	13 January, 2017
15.	Himachal Pradesh	16 January, 2017
16.	Daman & Diu	30 January, 2017
17.	J & K	23 February, 2017
18.	Odisha	01 March, 2017
19.	Rajasthan	20 March, 2017
20.	Nagaland	27 March, 2017
21.	A & N Islands	13 April, 2017
22.	Karnataka	20 April, 2017
23.	Tamil Nadu	08 June, 2017
24.	Punjab	15 June, 2017
25.	Bihar	14 July, 2017
26.	Haryana	07 July, 2017
27.	Arunachal Pradesh	19 September, 2017
28.	Tripura	06 December, 2017
29.	Kerala	27 December, 2017
30.	Sikkim	05 February, 2018
31.	Lakshadweep	28 July, 2020

## Annex 4

# Department of Agriculture & Farmers Welfare

The list of 12 product wise identified clusters for First Phase is given as:

S.No.	Product	Identified Clusters	Nearest Airport	State
1.	Apple	1. Shopian 2. Kinnaur	1. Srinagar 2. Shimla	Jammu & Kashmir Himachal Pradesh
2.	Mango	1. Lucknow 2. Kutch 3. Mahbubnagar	1. Bhub 2. Hyderabad	Uttar Pradesh Gujarat Telangana
3.	Banana	1. Anantpur 2. Theni	1. Hyderabad 2. Madurai	Andhra Pradesh Tamil Nadu
4.	Grapes	1. Nasik		Maharashtra
5.	Pineapple	1. Siphahijala	1. Agartala	Tripura
6.	Pomegranate	1. Solapur 2. Chitra Durga	1. Nanded 2. Bangalore	Maharashtra Karnataka
7.	Turmeric	1. West Jaintia Hills	Guwahati/Shillong	Meghalaya
8.	Grapes	1. Nasik		Maharashtra

## Annex 5

# Department of Agriculture & Farmers Welfare

Under MIDH, powers have been delegated to State Level Executive Committee (SLEC) for sanction of such projects up to cost of Rs. 500.00 lakh

S. No.	Components	Maximum Admissible Cost/Unit (Rs. in Lakh)	Pattern of Assistance
1	Pack House	4.00 per unit	@ 50% of the eligible cost.
2	Integrated Pack House	50.00 per unit for a size of 9M X 18M	Credit linked back ended subsidy @ 35% of the project in General Areas and @ 50% in hilly and scheduled areas for individual entrepreneurs.
3	Pre – Cooling Unit	25.00 per unit for a capacity of 6 MT	
4	Mobile pre-cooling unit	25.00 per unit	
5	Reefer vehicle	26.00 per unit of 9 MT	
6	Primary processing units	25.00 per unit	Credit linked back ended subsidy @ 40% of the project in General Areas and @ 55% in hilly and scheduled areas for individual entrepreneurs.
7	Ripening chamber	1.00/MT for maximum 300 MT	Credit linked back ended subsidy @ 35% of the project in General Areas and @ 50% in hilly and scheduled areas for individual entrepreneurs.
8	Low-cost onion storage (25 MT)	1.75/unit	@ 50% of the eligible cost.
9	Cold Storage Type – I @ Rs. 8000/MT	Rs. 8000/MT for maximum 5000 MT Rs. 7600/MT for 5001 MT to 6500 MT	Credit linked back ended subsidy @ 35% of the project in General Areas and @ 50% in hilly and scheduled areas for individual entrepreneurs.

		Rs. 7200/MT for 6501 MT to 8000 MT Rs. 6800/MT for 8001 MT to 10000 MT	
10	Cold Storage Type – II @ 10000/MT	Rs. 10000/MT for maximum 5000 MT Rs. 9500/MT for 5001 MT to 6500 MT Rs. 9000/MT for 6501 MT to 8000 MT Rs. 8500/MT for 8001 MT to 10000 MT	
11	Technology Induction in Cold-chain, Add-on for Controlled Atmosphere (CA) and Modernization, Alternate Technology	Maximum permissible subsidy shall be subject to original invoice and in no case more than Rs. 750.00 lakh, whichever is lower.	

# Department of Animal Husbandry and Dairying

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## National Program for Dairy Development (2021-26)

National programmed for Dairy Development (NPDD) aims to enhance quality of milk and milk products and increase share of organized procurement, processing, value addition and marketing. This scheme has two (2) components: -

### 1. Component A:

- Objectives: To create and strengthen infrastructure for quality milk including cold chain infrastructure linking the farmer to the consumer.

- Implementing Agency: State Cooperative Dairy Federations/Unions (for cooperatives), State Rural Livelihood Mission (for SHGs) and National Dairy Development Board (for MPCs and FPOs).

- Activities/Components: - Bulk Milk Coolers, Milk Testing Laboratories, Certification and Accreditation, ICT, Training, Awareness, P&M and R&D

- Funding Pattern: - 90-10 for NER States and Hilly States and 60-40 for other States for all components (except for R&D, ICT, training, and farmers awareness with 100%) and 100 for UTs

### 2. Component B- Dairying through Cooperative – JICA

- Objective - “To increase sales of milk and dairy products by increasing farmers’ access to organised market, upgrading dairy processing facilities and marketing infrastructure and enhancing the capacity of producers owned institutions, thereby contributing to increase in returns to milk producers in the project area”.

- Funding Source –

- i. Total Project cost: Rs.1568.28 Cr

- ii. Central share approved by EFC: Rs.475.54 Cr. (30.3%)

- iii. JICA Loan: Rs.924.56 Cr (59.0%)

- iv. End Implementing Agency Contribution: Rs 168.18 Cr (10.7%)

- Implementing Agency - National Dairy Development Board (NDDB)  
Eligible States - Uttar Pradesh and Bihar

- Eligible Participating Institutions - Milk Unions / Milk Producer Companies /State Milk Federations /Multi State Milk Cooperatives
- Components - Strengthening Milk Procurement Infrastructure, Strengthening Processing Infrastructure, Support for Marketing Infrastructure, Support for ICT, Productivity Enhancement - through nutritional interventions, Project Management and Learning & Training & Capacity Building

**The list can be considered as indicative and should fulfill all norms and criteria as per international requirements of biosecurity.**

1. Biosecurity is the most important parameter in present circumstances when diseases are emerging and re-emerging in new forms and modes including transmission. Therefore, the concern of disease prevention and control at the time of transportation or arrival or departure at the airports is very important and may be strengthened by implementing:

2. Green field / other airport facilities with latest quarantine facilities for live animals which include water, feed, and treatment provisions at all times during the stay of animals at the port of entry

3. The short stay quarantine facility should have proper exit-entry protocols with disinfection facilities.

4. Vehicle disinfection facility both at entry and exit of airport facility with latest disinfection technique

5. Stay facility for attending staff with all basic needs

6. Veterinary care and treatment facility along with sampling always with provision of veterinary physician and referral labs

7. The animal shifting vans at the airport should be well equipped with no biosecurity leakages

8. There should be proper disposal system for animal waste and other belongings preferably a small capacity incinerator.

9. The animal holding facility should be able to handle the stay of animals at least up to 14 days.

10. Animal welfare norms without comprising the biosecurity need to be established with regular checking of health parameters during the stay of animals

11. All the live animals entering and exiting the port should have veterinary fitness certificate and documented

## Annex 7

# Department of Animal Husbandry and Dairying

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## DIDF-Dairy Processing and Infrastructure Development Fund (DIDF) (information as 28-09-21)

1. Components: Milk processing, Chilling and Value added Products facilities, Electronic milk testing kit, Project Management and Learning, New components added (11.06.2021): Cattle feed/ feed supplement plants, Milk transportation system (Refer van/insulated tankers etc), Marketing infrastructure (including e-market system, bulk vending system, Parlour, deep freezer, cold storage etc., Commodity and Cattle feed go-downs, ICT infrastructure (e.g. block chain technology, servers, IT solutions, Near Real Time devices etc), R&D (lab & equipment, new technology, innovations, product development etc), Renewable energy infrastructure/ plants, trigen/ energy efficiency infrastructure, Pet bottle/packaging material manufacturing units for dairy purposes.

2. End Implementing Agency: State Milk federation. District Milk Union, Multi-state dairy cooperative, Milk producer Companies, Subsidiaries of NDDDB, Registered FPOs & SHGs

3. Funding under DIDF: National Bank for Agriculture and Rural Development (NABARD) to raise funds from market for loan disbursing loan to National Dairy Development Board (NDDDB)/ National Cooperative Development Corporation (NCDC which is further disbursed by NDDDB/NCDC to end implementing agency End Implementing Agencies

4. Apart from NABARD direct funding by NDDDB/ NCDC has been allowed to end implementing agency

5. Role of Gol is to provide for interest subvention @ 2.5% to NABARD/ NDDDB/

NCDC Outlay	Amount (Rs in Crore)
NABARD Loan	8004
End Implementing Agency contribution	2001
NDDDB's Contribution	6
NCDC's Contribution	6
Interest subvention from DAHD, Gol	1167*
Total Outlay	11,184

\*Out of the interest subvention amount, 16.6% and 8.6% allocation are made for SCSP, and TSP components of total budget allocated under BE/RE for the respective year. During current financial year BE for interest subvention under DIDF is Rs 70 Cr.

## **Animal Husbandry and Infrastructure Development Fund (AHIDF)**

1.Components: Incentivizing the dairy processing and diversified products' infrastructure, the meat and meat product processing infrastructure and Incentivizing establishment of feed manufacturing unit.

2. Outlay: Rs. 15000 crores

3. Eligible Entities: Farmer Producer Organization FPO, Private Companies, Individual Entrepreneurs, Section 8 companies, Micro Small and Medium Enterprises

4.Funding under AHIDF: Scheduled bank may utilize their available financial resources to lend the Eligible Entities.

5. Role of Gol is to provide for interest subvention @ 3% for all Eligible Entities.



# Ministry of Food Processing Industries:

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### List of Eligible Airports under OG-TOP to TOTAL Scheme

1. In the States covered, namely, Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, and Tripura from the North-East, and Himachal Pradesh, Uttarakhand, and Union Territories of Jammu & Kashmir and Ladakh among the Hilly States.
2. A substantial part of Agri-produce of Sikkim is presently shipped through Bagdogra airport. Bagdogra airport shall thus be an eligible airport for air freight of any fruits and vegetables under this Scheme until such time as Pakyong or any other airport in Sikkim becomes air cargo operational, provided that the supplier/consignor/consignee/agent is from Sikkim.
3. The eligible shipment's origin airport shall thus be in the North-East and Hilly States and Bagdogra airport as above. The transit/transshipment and destination airports could be in any State/UT in India.

## Annex 9

Government of India  
Ministry of Civil Aviation

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“B” Block, Rajiv Gandhi Bhavan,  
Safdarjung Airport, New Delhi

Dated \_\_\_\_\_

### Order

**Subject: Constitution of an Apex Group on Convergences for Krishi Udaan Scheme - reg.**

With the approval of the competent authority, in pursuance of Para 23(8) of the Union Budget 2020-21 announcements, the policy provisions of the National Civil Aviation Policy 2016 and the National Air Cargo Policy Outline 2019, and keeping in view the supportive mandates outlined in Para 23 ibid, it has been decided to set up an Apex Group on Convergences for Krishi Udaan for achieving resources-pooling across various Central and States administered schemes and initiatives for providing incentives and concessions aimed at growing the air transportation of Agri-produce under Krishi Udaan.

2. The Apex Group will be jointly chaired by the Secretaries in the Ministry of Civil Aviation and Department of Agriculture, Cooperation and Farmers' Welfare. The composition of the Apex Group is as under:

Sl. No.	Name	Designation
1.	Secretary, M/o Civil Aviation	Joint Chair
2.	Secretary, D/o Agriculture & Farmers' Welfare	
3.	Secretary, D/o Animal Husbandry and Dairying	Member
4.	Secretary, D/o Fisheries	Member
5.	Secretary, M/o Food Processing Industries	Member
6.	Secretary, D/o Commerce	Member
7.	Secretary, M/o DoNER	Member
8.	Secretary, M/o Tribal Affairs	Member
9.	Joint Secretary, Ministry of Civil Aviation	Member- Secretary

**3.**The Apex Group may co-opt other Central Government and State Government representatives as well as industry experts or invite them as Special Invitees to any meetings held by it. Any Non-Officials so invited would not be entitled to any meeting fees or reimbursement of expenditures.

**4.**The Terms of Reference of the Apex Group will be:

(i) To dovetail the incentives and concessions required to be provided for growing the air transportation of Agri-produce with the on-going schemes and programmes of various Central Ministries/Departments.

(ii) To ensure convergence, coherence and coordination with the policy and regulatory reforms envisaged through the supportive mandates outlined in Para 23 of the Union Budget 2020-21 announcements keeping in view the needs fulfilment of Krishi Udaan Scheme.

(iii) To ensure provision of necessary infrastructure and other support by State Governments/ Union Territories Administrations.

(iv) Imparting focus on connecting Northeast, and Tribal and Hilly Districts, and Island States by air.

(v) Monitoring the progress of the Krishi Udaan Scheme.

(vi) Any other actionable as may be identified by it.

**5.** The Apex Group may devise its own procedures for conducting its business/ meetings etc.

Government of India  
Ministry of Civil Aviation

.....  
“B” Block, Rajiv Gandhi Bhavan,  
Safdarjung Airport, New Delhi  
Dated \_\_\_\_\_

**Order**

**Subject: Constitution of a Focus Group for Operationalizing and Implementing the Krishi Udaan Scheme - reg.**

With the approval of the competent authority, in pursuance of Para 23(8) of the Union Budget 2020-21 announcements, the policy provisions of the National Civil Aviation Policy 2016 and the National Air Cargo Policy Outline 2019 and keeping in view the supportive mandates outlined in Para 23 ibid, it has been decided to set up a Focus Group on Krishi Udaan for operationalizing and implementing the Scheme under the chairpersonship of the concerned Joint Secretary, Ministry of Civil Aviation.

2. The composition of the Focus Group is as under:

Sl. No.	Name	Designation
1.	Joint Secretary, Ministry of Civil Aviation	Chairperson
2.	Representative, D/o Agriculture, Cooperation & Farmers' Welfare	Member
3.	Representative, D/o Animal Husbandry and Dairying	Member
4.	Representative, D/o Fisheries	Member
5.	Representative, M/o Food Processing Industries	Member
6.	Representative, D/o Commerce	Member
7.	Representative, M/o DoNER	Member
8.	Representative, M/o Tribal Affairs	Member
9.	Chief Executive Officer (CEO), AAICLAS	Member
10.	Director, DT Division, Ministry of Civil Aviation	Convenor

**3.** A Program Monitoring Unit will be set up within the Ministry of Civil Aviation and/or AAI/CLAS, which will be entrusted with the tasks related to state coordination; inter-ministerial coordination & convergence; MIS support etc. and will provide fortnightly report to the Chairperson.

**4.** The Focus Group may co-opt other officials and industry experts or invite them as Special Invitees to any meetings held by it. Any Non-Officials so invited would not be entitled to any meeting fees or reimbursement of expenditures.

**5.** The Terms of Reference of the Focus Group will be:

(i) Operationalizing the various elements of the Krishi Udaan Scheme.

(ii) Implementing the various initiatives and measures developed for achieving the vision, aims and objectives of the Scheme.

(iii) Facilitating and handholding and removing any impediments in the execution of transactions on air transport of Agri-produce.

(iv) Developing a database on execution/administration of the Scheme, and periodic reporting to the Apex Group on Convergences for Krishi Udaan.

(v) Any other task as may be assigned by either the Apex Group or the Secretary, Ministry of Civil Aviation.

(vi) Any other actionable as may be identified by it.

**6.** The Focus Group may devise its own procedures for conducting its business/ meetings/ field visits/ constitution of subgroups etc.

**7.** The Focus Group will be serviced by DT Division.





नागर विमानन मंत्रालय  
MINISTRY OF  
CIVIL AVIATION