

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO.578
ANSWERED ON 06TH FEBRUARY, 2018

COLD STORAGES

578. SHRI PINAKI MISRA:

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) whether there are any schemes of the Government for promoting the setting up of cold storages for Horticulture and non-Horticulture purposes and if so, the details thereof;
- (b) whether the Government is providing any financial assistance thereunder to those who are coming forward for setting up of the cold storages at the farm gates;
- (c) the maximum amount of fund/ loan that an individual or an enterprise can get in order to set up a cold storage at the farm gate; and
- (d) the procedure adopted for providing the fund/ loan for such purposes?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SADHVI NIRANJAN JYOTI)

(a) to (d): Ministry of Food Processing Industries is implementing a central sector Scheme for Integrated Cold Chain and Value Addition Infrastructure in order to arrest post-harvest losses of horticulture & non-horticulture produce and to provide remunerative prices to farmers. In this scheme cold storage can be set up as one of the component. Ministry is implementing the Central Sector Scheme of Integrated Cold Chain and Value Addition Infrastructure to provide integrated cold chain and preservation infrastructure facilities from the farm gate to the market. Under the scheme, the Ministry provides financial assistance in the form of grant-in-aid @ 35% for general areas and @ 50% for North East States, Himalayan States, ITDP areas and Islands for storage and transport infrastructure and @ 50% and 75%, respectively for value addition and processing infrastructure subject to a maximum grant-in-aid of Rs.10 crore per project for setting up integrated cold chain projects in the country. The scheme is primarily private sector driven and proposals under this scheme are invited through Expression of Interest (EOI). Proposals received against the EOI are first evaluated by Technical Committee(TC) and then by Inter-Ministerial Approval committee(IMAC) after that the approval letter are being issued to the project.

Further, Department of Agriculture, Cooperation & Farmers Welfare (DAC&FW), Ministry of Agriculture & Farmers Welfare is implementing Mission for Integrated Development of Horticulture (MIDH) for holistic development of horticulture which also provides assistance for creation of post-harvest infrastructure including setting up of Cold Storages for perishable horticulture produce in rural areas. The assistance is available to an individual or an enterprise through State Horticulture Mission/National Horticulture Board for setting up of maximum 10,000 MT capacity cold storage with the cost norms varies between Rs. 6,800/MT and Rs. 10,000/MT. The components are demand/entrepreneur-driven from among entrepreneurs, private companies, cooperatives, farmers

groups etc. through commercial ventures for which assistance @35% of admissible project cost in general areas and @50% in hilly and schedule area is available as credit linked and back ended subsidy.

In addition to above, National Horticulture Board (NHB) is also providing credit link back ended subsidy under its scheme “Capital Investment Subsidy for Construction/Expansion/Modernization of Cold Storages and Storages for Horticulture Products” on all India basis to set up cold storages for Horticulture Produce @ 35% of the capital cost of project in general area and 50% in case of NE, Hills states & scheduled area for a storage capacity above 5000 MT up to 10000 MT. In case of NE Region w.e.f. 01.04.2017 the storage having capacity above 1000 MT is also eligible for NHB assistance. The maximum amount of back ended subsidy varies according to type and location of cold storage, as per cost norms given below:

Sl no.	Description	Cost Norms
1.	Cold storage units Type 1- basic mezzanine structure with large chamber (of >250MT) type with single temperature zone	<ul style="list-style-type: none"> • @ Rs. 8000/MT for capacity upto 5000 MT • @ Rs. 7600/MT for capacity between 5001 to 6500 MT. • @ Rs. 7200/MT for capacity between 6501 to 8000 MT. • @ Rs. 6800/MT for capacity between 8001 to 10000 MT.
2.	Cold storage unit Type2- Pre Engineering Building (PEB) Type for multiple temperature and product use, more than 6 chambers of <250 MT) and basic material handling equipment	<ul style="list-style-type: none"> • @ Rs. 10000/MT for capacity upto 5000 MT. • @ Rs. 9500/MT for capacity between 5001 to 6500 MT. • @ Rs. 9000/MT for capacity between 6501 to 8000 MT. • @ Rs. 8500/MT for capacity between 8001 to 10000 MT.
3.	Cold Storage Units Type 2 with add on technology for Controlled Atmosphere	Additional Rs. 10,000/MT for add on components of controlled atmosphere technology as per components wise cost.
4.	Technology induction and modernization of cold-chain	<ul style="list-style-type: none"> • @ Rs. 5000/MT for capacity between 5001 to 10000 MT. • Components of modernization includes PLC equipment, packaging lines, dock levelers, advanced graders, alternate technologies, stacking system, modernization of insulation and refrigeration etc.

As per directions of DAC&FW, Govt. of India, w.e.f. 01.04.2017 the promoter has to take In-Principle Approval (IPA) from NHB for getting the benefit of their schemes. As per IPA system promoter has to get sanction of term loan from Bank/Financial Institution before applying for IPA. NHB is being issued IPA on first come first serve basis across the India to the eligible organization unless otherwise specified, organizations/promoters, such as Association of Growers, Individuals, Group of farmer growers/ consumers, Farmer Producer Organization (FPOs), Partnership/ Proprietorship firms, Self Help Groups (SHGs), NGOs, Companies, Corporations, Cooperatives, Cooperative Marketing Federations, Agricultural Produce Marketing Committees, Marketing Boards/ Committees, Municipal Corporations/ Committees, Agro Industries Corporations etc. are eligible organization to avail the benefit of the scheme.
