

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE, COOPERATION AND FARMERS WELFARE

LOK SABHA
UNSTARRED QUESTION NO. 421
TO BE ANSWERED ON THE 20TH JULY, 2021

PROCEDURE FOR SETTING UP COLD STORAGE

421. SHRI PRATHAP SIMHA:
DR. UMESH G. JADHAV:

Will the Minister of AGRICULTURE AND FARMERS WELFARE कृषि एवं किसान कल्याण मंत्री
be pleased to state:

- (a) the procedure for setting up of cold storages by the Government;
- (b) the number of cold storages operating in the State of Karnataka, district-wise; and
- (c) the manner in which assistance is provided by the Government for setting up such cold storage?

ANSWER

MINISTRY OF AGRICULTURE AND FARMERS WELFARE

कृषि एवं किसान कल्याण मंत्री (SHRI NARENDRA SINGH TOMAR)

(a) to (c): Government does not setup cold storage of its own. However, Government is implementing following schemes under which financial assistance is provided for setting up of cold storage throughout the country.

Department of Agriculture Cooperation and Farmers Welfare (DAC&FW) is implementing Mission for Integrated Development of Horticulture (MIDH) under which financial assistance is provided for various horticulture activities including setting up of cold storages. The component is demand/entrepreneur driven for which Government assistance in the form of credit linked back ended subsidy is available at the rate of 35% of the project cost in general areas and at the rate of 50% of the project cost in Hilly and Scheduled areas.

Under MIDH, cold storages are sanctioned by State and Central level Committees constituted for this purpose under operational guidelines of MIDH. The powers for sanction of projects up to project cost of Rs.500 lakh including setting up of cold storage have been delegated to State Level Executive Committee (SLEC). Projects with a project cost of more than Rs. 500 lakh and upto a capacity of 5000 MT are approved by the Empowered Monitoring Committee (EMC) of DAC&FW on recommendation of SLEC. For seeking assistance for setting up of cold storage under MIDH, promoter/entrepreneur submits the proposal to the concerned State Horticulture Mission.

Besides, National Horticulture Board (NHB) is implementing a scheme namely “Capital Investment Subsidy for Construction/Expansion /Modernization of Cold Storages and Storages for Horticulture Products”. Under the scheme, credit linked back-ended subsidy at the rate of 35% of the capital cost of the project in general areas and 50% in case of North East, Hilly & Scheduled areas for construction/expansion/modernization of cold storage and Controlled Atmosphere (CA) storage of capacity above 5000 MT and up to 10000 MT is available. In case of North East region, the units with capacity above 1000 MT, are also eligible for assistance under NHB. The Scheme is demand/ entrepreneur-driven. As per Scheme Guidelines, applicant has to make an online application to NHB for In-Principle Approval (IPA). After receipt of IPA, applicant is required to get the Term Loan sanctioned from Bank/Financial Institution. Thereafter, NHB issues Grant of Clearance to start the project. Upon completion of project using promoter’s equity and bank term loan, the subsidy claim is to be submitted to NHB. After physical joint inspection of the project, subsidy claim is considered and approved by the Project Approval Committee of NHB. Thereafter, NHB subsidy is released in the subsidy reserve fund account of the lending Bank/Financial Institution.

Further, Ministry of Food Processing Industries (MOFPI) is implementing a Scheme for Integrated Cold Chain, Value Addition and Preservation Infrastructure as one of the component of Pradhan Mantri Kisan Sampada Yojana with the objective of reducing post-harvest losses of horticulture and non-horticulture produce and providing remunerative price to farmers for their produce. Under the scheme, Ministry provides financial assistance in the form of grant-in-aid at the rate of 35% for general areas and 50% for North East States, Himalayan States, ITDP areas and Islands for storage and transport infrastructure and at the rate of 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 including irradiation facility. The integrated cold chain and preservation infrastructure can be set up by individuals, groups of entrepreneurs, cooperative societies, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/State PSUs, etc. Standalone cold storages are not covered under the Scheme. The entrepreneurs desiring to set up a cold chain project has to apply against Expression of Interest (EOI) issued from time to time.

As per report received from Government of Karnataka, details of number of cold storages operating in the State of Karnataka, district-wise under MIDH including NHB are at **Annexure – I**.

Annexure – I**Details of District – wise number of Operating Cold Storage in the State of Karnataka**

S. No.	District	Nos.
1.	Bengaluru Urban	14
2.	Bengaluru Rural	02
3.	Bagalkote	03
4.	Belgavi	06
5.	Bellary	23
6.	Bidar	05
7.	Vijayapura	25
8.	Chikkaballapura	01
9.	Chikkamagaluru	01
10.	Chitradurga	03
11.	Dakshina Kannada	01
12.	Dharwad	05
13.	Gadag	01
14.	Hassan	08
15.	Haveri	24
16.	Kalaburgi	02
17.	Kolar	02
18.	Kolar	01
19.	Mysuru	05
20.	Raichur	05
21.	Ramanagara	02
22.	Shivamogga	02
23.	Tumkur	02
24.	Uttar Kannada	03
25.	Yadgiri	01
	Total	147
