



UTKARSH ODISHA

MAKE IN ODISHA CONCLAVE '25
BHUBANESWAR | 28th - 29th JAN | 2025



Shri Narendra Modi
Prime Minister



Shri Mohan Charan Majhi
Chief Minister, Odisha

FINANCIAL ASSISTANCE TO COLD STORAGEES

MANDATE

58 no. of
Cold storage units
to be established.

**Announcement by Hon'ble CM
for establishment of 58 Cold
storages in each subdivision of
the state.** 6th July 2024 | Krushi Bhavan

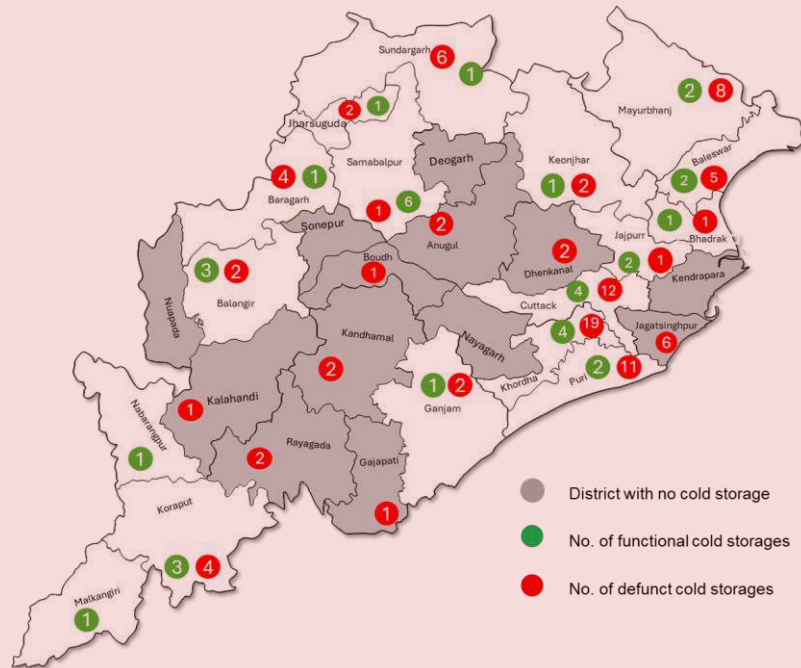
"In the first step to strengthen storage facilities, steps will be taken to construct at least one cold store in each of the 58 sub-divisions of the state. Such facilities at the sub-division level will benefit the farmers by reducing their post-harvest losses and increase the values of agricultural products."

**– Shri Mohan Charan Majhi,
Hon'ble Chief Minister**

OBJECTIVES

The scheme **"Financial Assistance to Cold Storages"** is introduced with an objective to strengthen cold storage facilities and infrastructure, **to establish at least one cold storage in each of the 58 sub-divisions of the state** to encourage private entrepreneurs to set up cold-storages in hitherto uncovered and economically feasible locations, to enhance income of farmers by providing better market opportunities, value-addition and processing of agriculture, horticulture and allied sector commodities, to address post-harvest losses, and to prevent distress sale of harvested crops.

Quantitative and qualitative loss after harvest of fruits, and vegetables substantially affects income of growers. It is evident that poor infrastructure and knowledge gap are major determinants for post-harvest losses. Under such situation, post-harvest management is an effective intervention to minimise the loss and to increase per capita availability of fruits and vegetables. Such facilities at the sub-division level would benefit the farmers by reducing their post-harvest losses and increase the value of agricultural products.




FINANCIAL OUTLAY


₹ **252.00 Crore**


The scheme is beneficial for establishment of new cold storage units as well as expansion and/or revival of potential existing functional and defunct units. **The scheme has already been approved by the Hon'ble Cabinet with a budget outlay of Rs. 252.00 crores over a period of 5 years from 2025-26 to 2029-30.**

The patterns of assistance for the new cold storages and the existing cold storages (sick/ stressed/defunct) on different components shall be considered as detailed below:


Pattern of assistance	New cold storages	Existing cold storages														
Capital Investment Subsidy	<p>i. SC/ ST/ Women/ Transgender beneficiaries and beneficiaries from scheduled areas: 60% of fixed capital expenditure limited to Rs.6.50Cr., whichever is lower</p> <p>ii. Other Beneficiaries: 50% of fixed capital expenditure limited to Rs.6.00Cr, whichever is lower.</p> <p>Capital Investment Subsidy (CIS) assistance available under this Scheme shall be provided by including cost of land and building in capital expenditure.</p>	Not applicable														
Interest subvention	Interest subvention up to 6% (3% through AIF by Govt. of India + additional 3% top up from the State)	Not applicable														
Working Capital Support	Cold storage units will be entitled to reimbursement of interest paid by them to banks on Cash Credit Working Capital loans availed from banks similar to the provisions under CM-SRIM scheme of MSME Department.															
	<table border="1"> <thead> <tr> <th>Slabs</th> <th>Limit of Working Capital Loan Sanctioned (i.e., Cash Credit limit) by banks</th> <th>Reimbursement of interest paid (in Percentage)</th> </tr> </thead> <tbody> <tr> <td>Slab-1</td> <td>Up to Rs. 10 Lakh</td> <td>100%</td> </tr> <tr> <td>Slab-2</td> <td>Above Rs.10 Lakh and up to Rs. 50 Lakh</td> <td>75%</td> </tr> <tr> <td>Slab-3</td> <td>Above Rs. 50 Lakh and up to Rs. 1 Crore</td> <td>50%</td> </tr> <tr> <td>Slab-4</td> <td>Above Rs. 1 Crore and up to Rs. 5 Crore</td> <td>25%</td> </tr> </tbody> </table>	Slabs	Limit of Working Capital Loan Sanctioned (i.e., Cash Credit limit) by banks	Reimbursement of interest paid (in Percentage)	Slab-1	Up to Rs. 10 Lakh	100%	Slab-2	Above Rs.10 Lakh and up to Rs. 50 Lakh	75%	Slab-3	Above Rs. 50 Lakh and up to Rs. 1 Crore	50%	Slab-4	Above Rs. 1 Crore and up to Rs. 5 Crore	25%
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Electricity subsidy	<p>i. Tariff subsidy @50% on total electricity bill shall be given for a maximum period of seven years from the date of commencement of new cold storage units.</p> <p>Instead of reimbursement (which takes months), electricity tariff subsidy will be factored in at the time of preparing the monthly bill by the electricity distribution company, who shall directly be reimbursed by the Government.</p>	<p>i. In case of existing operational units, and units that may be revived in future, the electricity tariff subsidy will be paid for a maximum period of 7 years.</p>														
Revival of non-functional cold storages	Not applicable	In addition to the financial and other assistances mentioned above (excepting Capital Investment subsidy), special financial assistance up to maximum Rs.1.5Cr may be considered, on a case-to-case basis, in case of non-functional units willing for revival. The special financial assistance can be given only towards arrear electricity dues, arrear taxes, arrear bank dues and such other statutory and non-statutory dues to be paid to the Government or public utility service providers.														
Convergence & Policy Support	Cold storage units will be tagged to potential Agriculture Production Clusters (APC). Agriculture Production Clusters will be set up in the catchment of the cold storage units. Training and capacity building of farmers and stakeholders will be taken up. Cold storage units are to take up the role of facilitating agency, and Directorate of Horticulture will provide financial assistance as being given to NGO partners, for convergence of related schemes through a hub (cold storage) and spoke model. The Department of Agriculture & FE will leverage funds from available schemes under Gol, wherever possible. Storage and transport subsidies will be paid through the Post-Harvest Management scheme of Directorate of Horticulture, DA&FE.															


 The scheme shall be implemented through APICOL.


 All subsidy payments under the scheme will be made through mirror bank accounts as per existing mechanism adopted for MKUY scheme.


 In case of multiple applications for establishment of new Cold Storage units in a particular Block, applicant seeking least financial assistance from Govt. (CIS, etc.) will be selected.


Expected Outcomes


 Post harvest **loss of horticulture crops to be reduced by 40%-50%** across the production clusters.

 **Around 3,00,000 MT storage capacity will be developed** in addition to the existing storage capacity.

 **About 20% increased sales to export market** both at national and international level.

 At least **20% - 30%** increased price realization by farmers/FPOs/SHGs due to output marketing, value-addition and processing.

 **Creation of around 1000 no. of direct and 5000 no. of indirect employment opportunities** in the rural areas.

 **Increased awareness and adoption of post-harvest management practices** among farmers/FPOs/SHGs.