

Ministry of Food Processing Industries

Cold Chain Division

**FAQs RELATED TO EXPRESSION OF INTEREST DATED 23.01.2019 FOR
APPLICATION UNDER SCHEME FOR INTEGRATED COLD CHAIN AND VALUE
ADDITION INFRASTRUCTURE**

**Queries raised/clarifications sought during the Pre-Bid Meeting held on
04.02.2019**

1. Will the collection centers/project locations proposed in restricted states be considered eligible for assistance?

Clarification: No, the collection centers/project locations proposed in restricted states will not be considered eligible for assistance. Further it is clarified that the restriction on five states (i.e. Andhra Pradesh, Gujarat, Maharashtra, Uttar-Pradesh and Uttarakhand) for assistance of grant will be applicable for all the components of the project.

2. Will it be considered if raw material used for the project doesn't require the cold store but the final product require the cold store?

Clarification: Such projects can be considered provided the proposed project meets the minimum requirement of project components as per clause 4 and clause 5 of the guidelines dated 18.01.2019.

3. Would the cost of land and building be considered towards calculation of net worth in case of partnership firms?

Clarification: Yes, the cost of land and building shall be considered towards calculation of net worth in case of partnership firms. However, the net worth shall be calculated as per the criteria mentioned in the clause 8 (a) of the scheme guidelines. The worth of assets for land (unconstructed) shall be considered on the basis of the submitted land ownership documents duly supported by the circle rate notification along with the self-certified non-encumbrance for the land parcels.

Further, the worth of assets for the land with the constructed building shall be considered on the basis of the submitted land ownership documents duly supported by the circle rate notification and valuation report of the constructed building from the Government approved valuer along with the self-certified non-encumbrance.

4. What would be the criteria for calculation of net worth for the newly formed companies?

Clarification: The net worth calculation for the newly formed companies would be calculated as per the criteria mentioned in clause 8 (a) of the scheme guidelines.

5. If processing is part of the integrated cold chain project, would facilities such as ready to eat/ ready to cook be considered eligible under the scheme?

Clarification: Yes, in case processing infrastructure is a part of the integrated cold chain, the same would be considered eligible under the scheme.

6. Whether in the criteria for evaluation of cold chain proposals, experience of the promoters in Cold Chain/Food processing industry as an employee will be considered?

Clarification: Yes, provided supporting documents are uploaded.

7. How many applications will be approved against the EoI dated 23.01.2019 of this scheme?

Clarification: The number of applications to be approved is subject to number of project proposals meeting the eligibility as per the scheme guidelines and restricted to vacant slots available.

8. In reference to the criterion 1 (i) of Appendix-VI for scoring, if the Government published data on raw material availability is not available then can we submit the data on raw material availability certified by the competent governing body of the state?

Clarification: Yes. However, the scoring will be as per the criteria indicated in Appendix VI.

In case the latest published data for raw material is older than the last 3 years, the latest published data along with the letter from the concerned state/central governing body must be provided to establish the latest year of data publication.

9. The GST charges on equipment are 28%, which forms a major cost for the project. Are the GST charges considered under eligible or ineligible components of the project cost?

Clarification: The taxes including GST will be considered as ineligible cost towards the project.

10. Is there any cap on minimum size of investment/project cost under this scheme?

Clarification: No.

11. In case of partnership firms, is the registration of the partnership firm compulsory for submission along with the EoI or would the submission of partnership deed suffice the purpose?

Clarification: In case of partnership firms, the applicant is required to submit the partnership deed along with the registration certificate of the partnership firm. If the registration certificate of the partnership firm is not available, then the same would be required at the time of release of grant-in-aid for the approved projects.

12. What would be the criteria for assessment of net worth for the commercial vehicles owned by the applicant?

Clarification: The net worth of the commercial vehicles owned by the applicant will be calculated based on the Insured's Declared Value [IDV] mentioned in the valid insurance document of the concerned vehicle, duly supported by valid Registration Certificate [RC] in the name of the applicant and same is to be uploaded as net worth supporting document.

13. What is the criteria for assessment of capacity of the reefer vehicles?

Clarification: The capacity of the reefer vehicles will be assessed as per the MIDH guidelines. In this context, for refrigerated transports, 3 cubic meter of chamber volume shall be equivalent to one MT of storage capacity.

14. What is the eligible grant for reefer vehicles?

Clarification: The eligible cost for the reefer vehicles will be calculated as per the MIDH norms applicable for refrigerated vehicles. The eligible grant will be calculated @ 35% of the approved eligible cost for projects proposed in general areas and @ 50% of the approved eligible cost for projects proposed in NE/Himalayan/ITDP areas.

15. Whether the proposed grant in the DPR will be the final grant or would there be any change?

Clarification: The eligible grant will be calculated for the eligible items only as per the applicable cost norms adopted by the Ministry (an indicative list of eligible and ineligible items is mentioned in the guidelines). Only those eligible items will be considered for the calculation of grant which are mentioned in the Chartered Engineer Civil Certificate and Chartered Engineer Mechanical certificate. Any item which is mentioned in the DPR but is not mentioned in the CE certificates, will not be considered towards calculation of grant. The component wise cost breakup of technical and other civil work should be provided in the Chartered Engineer (Civil) certificate in the prescribed format of the guidelines. The component wise cost breakup of P&M should be provided in the Chartered Engineer (Mechanical) certificate in the prescribed format of the guidelines. The cost of common utilities may be provided in Chartered Engineer (civil) and Chartered Engineer (Mechanical) certificate wherever applicable.

Further, the envisaged capacity and cost of the components mentioned in the CE Certificates **must be** in line with the proposed project, such as projection of 5000 MT of cold storage for procurement of 20 MT per month of raw material would be not considered eligible.

16. If 50% of P&M and TCW of the project is completed before the date of EOI. Is the remaining 50% work of P&M and TCW eligible for subsidy?

Clarification: No. Ongoing projects as well as partially completed projects will not be considered eligible for subsidy under this scheme.

17. Will the project be considered eligible for grant if there is already a cold store at the proposed location?

Clarification: No. The proposed facility/component will be considered eligible only if it is in separate premises.

18. Can we include the land cost in the project cost and means of finance?

Clarification: The cost of land will not be considered for assessment of total project cost as well as means of finance. In case the cost of land is included in the total project cost as well as means of finance, then the amount for land will be deducted from the total project cost as well as proposed promoter's contribution and thereafter the minimum eligibility requirement as well as scoring will be assessed.

19. Will the mortgaged land be considered for assessment of net worth?

Clarification: Yes. The mortgaged land (supported by the land ownership documents and circle rate notification) will be considered for assessment of net worth. However, the mortgaged amount for the land will be deducted from the total calculated worth of the land for net worth assessment.

20. Whether proposals for Spices will be considered under the EOI dated 23.01.2019?

Clarification: Standalone cold chain proposals for Spices shall not be considered. However, proposals for Spices with cryogenic processing shall be considered provided the project meets the eligibility criteria as per the scheme guidelines.