

**GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA**

STARRED QUESTION NO:430
ANSWERED ON:09.12.2010
COLD STORAGE
Rajbhar Shri Ramashankar

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

- (a) whether a large quantity of vegetables and fruits get perished in the absence of adequate cold storage facilities in the country;
- (b) if so, whether any assessment has been made in this regard;
- (c) if so, the details thereof;
- (d) whether the Government proposes to construct new cold storages in the country; and
- (e) if so, the details of financial assistance proposed to be given for new cold storages?

Answer

THE MINISTER OF FOOD PROCESSING INDUSTRIES(SHRI SUBODH KANT SAHA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 430 FOR 9TH DECEMBER, 2010 REGARDING COLD STORAGE

(a) to (c): Yes, Sir. The data on losses of agricultural and horticultural produce in the country is not centrally maintained by the Ministry of Food Processing Industries (MFPI). However, the level of wastage of agricultural food items is estimated to be 30-35% amounting to about Rs. 50,000/- crores in the country as a whole, occurring at various stages of handling after harvesting due to fragmented farming, provisions in Agricultural Produce Marketing (Development & Regulation) Act, lack of adequate post-harvest infrastructure such as lack of cold chain facilities, transportation, proper storage facilities etc. The loss due to wastages could be reduced by promoting the development of food processing industries, strengthening of post-harvest infrastructure and filling the gaps in the supply chain.

In order to increase level of processing and to promote food processing industries to exploit both the domestic and international market potential for processed food products, Vision 2015 Document has been finalized by the Ministry of Food Processing Industries (MFPI), which envisages tripling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20% value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015. An integrated strategy for promotion of agribusiness-Vision, Strategy and Action Plan for the Food Processing Sector has also been approved by the Government.

The fixing of time limit to stop wastage of vegetable is not possible at this stage, however, to prevent such wastage, Ministry of Food Processing Industries (MFPI) has been implementing various schemes for promotion and development of food processing industries in the country. MFPI through its various schemes for financial assistance and other promotional measures, facilitates creation of food related infrastructure including processing facilities aimed at reducing wastages, enhancing value addition and increasing shelf life.

(d): Yes, Sir

(e): To encourage setting up of cold chain facilities in the country, Government is operating several Plan Schemes under which financial assistance is provided for setting up of cold storages / cold chain facilities. Ministry of Food Processing Industries (MFPI) has also a Plan Scheme for Cold Chain, Value Addition and Preservation Infrastructure during the 11th Plan to provide financial assistance to project proposals received from public / private organizations for cold chain infrastructure development. The scheme envisages financial assistance in the form of grant-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North Eastern Region and difficult areas subject to a maximum of Rs.10.00 crore. The initiatives are aimed at filling the gaps in the supply chain, strengthening of cold chain infrastructure, establishing value addition with infrastructural facilities like sorting, grading, packaging and processing for horticulture including organic produce, marine, dairy, poultry, etc.

Ministry of Agriculture and Cooperation as well as Ministry of Commerce and State Governments also provide financial assistance for cold storages under their respective schemes through their agencies like National Horticulture Board (NHB), Agricultural and Processing Food Products Development Authority (APEDA), National Cooperative Development Corporation (NCDC).

Ministry of Agriculture and Cooperation through State Governments scheme provides financial assistance under National Horticulture Mission (NHM) for construction / modernization / expansion of cold storages @40% of capital cost of the project in general areas and @55% in case of hilly and schedules areas for a maximum storage capacity of 5000 MT per project @Rs. 6000 per MT and for CA storages @Rs. 32000 per MT for 5000 MT storage capacity.

Ministry of Agriculture also provides back ended capital investment subsidy through National Horticulture Board (NHB) for construction / modernization / expansion of cold storages @40% of capital cost of the project in general areas and @55% in case of hilly and schedules areas for a maximum storage capacity of 5000 MT per project @Rs. 6000 per MT and for CA storages @Rs. 32000 per MT for 5000 MT storage capacity.

Ministry of Commerce provides financial assistance through Agricultural & Processed Food Products Export Development Authority (APEDA) for setting up specialized storage facilities such as CA / MA cold storages, deep freezers etc. @25% of the cost subject to maximum of Rs. 10 lakh per beneficiaries.

As per the information available with Directorate of Marketing & Inspection (DMI), Ministry of Agriculture, total capacity of cold storage in the country as on 31.12.2007 was 23.33 Million MT, which has been increased to 24.45 Million MT as on 31.12.2009 on account of the initiatives taken by Government.