

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

STARRED QUESTION NO:290

ANSWERED ON:11.02.2014

COLD STORAGE CHAINS

Chaudhary Shri Haribhai Parthibhai;Karwariya Shri Kapil Muni

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

- (a) whether the Government proposes to construct additional cold storages/chains in the country to promote food processing industries under the National Mission on Food Processing (NMFP) during the current year;
- (b) if so, the details thereof and the places selected for the purpose, State-wise;
- (c) the steps taken by the Government to increase awareness about the importance of cold chains for farmers;
- (d) the funds allocated for improvement of infrastructure for cold chains, food preservation and food processing during each of the last three years and the current year, State-wise; and
- (e) the incentives provided/steps taken to increase the funding for cold chains in the country?

Answer

THE MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD PAWAR)

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

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO. 290 FOR ANSWER ON 11th FEBRUARY, 2014 REGARDING COLD STORAGE/CHAINS.

(a) & (b): Ministry of Food Processing Industries (MoFPI) is implementing a scheme for Cold Chain, Value Addition and Preservation Infrastructure for Non-Horticultural Products as part of Centrally Sponsored Scheme - National Mission on Food Processing (NMFP) during 12th Five Year Plan through State / UT Governments. All the States / UTs have been empowered to receive the applications, sanction and release the grants-in-aid to the eligible beneficiaries under various schemes of the Mission including Cold Chain for Non-Horticultural Products. Mission also provides flexibility to State / UT Governments in the selection of beneficiaries, location / region of the projects etc. for the development of cold chains as per their local requirements.

(c):Ministry of Food Processing Industries is also operating a Central Sector Scheme of Cold Chain, Value Addition and Preservation Infrastructure with the objective of providing integrated and complete cold chain and preservation infrastructure facilities without any break from farm gate to the consumer. Under the scheme, the cold chain projects can be set up by individuals, groups of entrepreneurs, cooperative societies, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/State PSUs, etc. with business interest in cold chain solutions and also by those who manage supply chain. Applications under this Scheme are invited through publication of Expression of Interest (EOI). The Ministry gives wide publicity to the EOI by publishing it in all the leading news papers in addition to hosting it on Ministry's website to create awareness among the prospective entrepreneurs and farmers of the country.

In addition to above the Ministry participate in seminar, conferences, and exhibitions organized by Industry associations, farmer groups and other stakeholders to make the farmers and other investors aware of the importance of the cold chain infrastructure.

(d):The details of grants approved and funds released for setting up of integrated cold chain projects under the Central Sector Scheme of Cold Chain during each of the last three years State-wise are at Annexure-I. In addition, State/UT Governments are also sanctioning Cold Chain Projects for non-horticultural projects under NMFP in their States.

(e):Under the Central Sector Scheme of Cold Chain, the Ministry provides grant-in-aid @ 50% of the total cost of Plant & Machinery and Technical Civil works in general areas and 75% in difficult areas i.e. North-Eastern States, Sikkim, J&K, Himachal Pradesh and Uttarakhand subject to a maximum of Rs.10 crore per project.

For non-horticulture based cold chain projects, the Ministry under National Mission on Food Processing (NMFP) provides financial assistance as

(i) Capital Subsidy: Grant-in-aid @35% of the bank appraised project cost for general areas, and @ 50% of the project cost for difficult areas including North Eastern region, subject to maximum of Rs. 5 crore.

(ii) Interest Subsidy: Interest subsidy @ 6% per annum subject to a maximum of Rs. 2.00 crore per project or actual interest accrued on term loan, whichever is lower, for a period of 5 year from completion of the project for general areas, and @ 7 % per annum subject

to a maximum of Rs. 3.00 crore per project or actual interest accrued on term loan, whichever is lower, for a period of 7 years from completion of the project for difficult areas including NER.

In addition National Horticulture Mission (NHM), National Horticulture Board (NHB), and National Cooperative Development Corporation (NCDC) under Department of Agriculture and Cooperation, Ministry of Agriculture and Agricultural and Processed Food Products Export Development Authority (APEDA) under Department of Commerce, Ministry of Commerce and Industries, Government of India are also providing assistance for setting up cold storages under their respective schemes. Various other incentives provided by the Government to promote this sector are at Annexure-II.