

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO.890
ANSWERED ON 1ST MARCH, 2016.

WASTAGE OF AGRO-PRODUCTS

890. SHRI CHARANJEET SINGH RORI:
SHRI RAMESH CHANDER KAUSHIK:
SHRI NISHIKANT DUBEY:
SHRI RAJU SHETTY:
SHRI BHARTRUHARI MAHTAB:
SHRI SHIVKUMAR UDASI:
SHRI ADHIR RANJAN CHOWDHURY:
SHRI DEVAJIBHAI G. FATEPARA:
SHRI SANJAY DHOTRE:
SHRI SUMEDHANAND SARSWATI:
SHRI ANURAG SINGH THAKUR:
SHRIMATI SANTOSH AHLAWAT:
SHRI DUSHYANT CHAUTALA:
SHRI DUSHYANT SINGH:

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

- (a) the quantum and value of food grains, fruits, vegetables and other agricultural products which go waste in the country due to lack of agro-processing infrastructure and cold storages/cold chain facilities and the corrective action taken thereon;
- (b) the details of the funds sanctioned, allocated and released for setting up of cold storage/cold chains under the existing schemes of food processing industries and the infrastructure created thereunder;
- (c) the number of cold storages and their storage capacity as on date along with the capacity required and enhanced during each of the last three years and the current year in the country, State/UT-wise;
- (d) Whether the National Centre for Cold-chain Development has conducted any study to ascertain the gap in cold-chain infrastructure, if so, the details and outcome thereof along with the reaction of the Government thereto;
- (e) whether the Government has developed cold chain infrastructure under the Public Private Partnership mode in the country during the last three years, if so, the details thereof; and

(f) whether the Government has set up a Task Force to review the development of cold storage and cold chain related schemes in the country and if so, the details thereof along with the target set for increasing the capacity of cold storage system on the recommendation of the said Task Force and the follow up action taken by the Government in this regard?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SADHVI NIRANJAN JYOTI)

(a) The study conducted by Central Institute of Post-Harvest Engineering and Technology (CIPHET), Ludhiana has estimated that annual value of harvest and post-harvest losses of major agricultural produces at national level was of the order of Rs. 92,651 crore based on production data of 2012-13 at 2014 wholesale prices. The crop-wise post-harvest losses as assessed by the study are given at **Annexure-I**.

The Ministry of Food Processing Industries is implementing a Central Sector Scheme, namely the Scheme for Infrastructure Development for Food Processing having components of Mega Food Parks, Integrated Cold Chain, Value Addition and Preservation Infrastructure and Modernization of Abattoirs.

Under the Scheme, 135 Integrated Cold Chain Projects have been sanctioned by the Ministry with the cold chain capacity of 4.75 Lakh MT of Cold Storage/Controlled Atmosphere/Modified Atmosphere storage, Deep Freezer, 114.75 MT/Hour of Individual Quick Freezer(IQF), 120.05 Lakh Litres Per Day of Milk Storage/Processing and 787 number of Reefer vehicles.

The Government is also providing various incentives to promote creation of cold chain infrastructure to reduce loss of agricultural produce. The details of such incentives are given at **Annexure-II**.

(b) Details of funds allocated and released under the scheme of Cold Chain, Value Addition and Preservation Infrastructure since 2009 are at **Annexure-III**. So far, 3.12 Lakh Metric Tonne of Cold Storage/Controlled Atmosphere/Deep Freezer, 77 Metric Tonne/Hour of Individual Quick Freezer(IQF), 95 Lakh Litres Per Day of Milk Storage/Processing and 456 Number of Reefer Vehicles have been created under the Scheme of Cold Chain, Value Addition and Preservation Infrastructure.

(c) Under the Scheme of Cold Chain, Value Addition and Preservation Infrastructure of the Ministry of Food Processing Industries stand alone cold storages are not assisted. The financial assistance is provided for creating an integrated cold chain having components of cold storage, minimal processing and reefer vehicles etc. Details of State-wise/UT-wise number of Cold chain

projects and cold storage capacity created during last three years and current year are at Annexure-IV.

(d) National Center for Cold Chain Development (NCCD) under Department of Agriculture, Co-operation & Farmers Welfare has conducted a study “All India Cold Chain Infrastructure Capacity (Assessment of Status & Gap)”. As per the study the Cold Chain requirement in the country stands as follows:

Type of Infrastructure	Infrastructure Requirement (A)	Infrastructure Created (B)	All India Gap (A-B)
Cold Storage*	35.10 million tons	31.82 million tons	3.28 million tons
Pack-house	70,080 nos.	249 nos.	69,831 nos.
Reefer Vehicles	61,826 nos.	9,000 nos.	52,826 nos.
Ripening Chambers	9,131 nos.	812 nos.	8,319 nos.

*Gap may be 8.25 million tones considering the operational capacity of 26.85 million tones.

The study has not covered perishable produce like milk and other milk products like cheese, yogurt, paneer, marine products, fish and meat etc. However, ice cream is included under the frozen category. Only fruits and vegetables currently consumed and capable of being handled in cold chain have been considered.

Ministry of Agriculture and Farmers Welfare has accepted the Report and it has been circulated to State Governments for reference and future development of Cold-chain.

(e) No proposal for development of cold chain infrastructure under the Public Private Partnership mode has been received till date for assistance by the Ministry under Viability Gap Funding Scheme of the Government of India.

(f) To accelerate the availability of cold storage and to improve the efficiency of Cold Chain Management a Task Force under the Chairmanship of Secretary, Ministry of Food Processing Industries was set up by the Prime Minister’s Office in 2014 with a view to re-visiting the strategies, financial incentives to all cold storage/ cold chain related schemes and recommend institutional mechanism for enhancing capacity of cold chain in the country. The Task Force has, inter alia, recommended that the Government should aim at creating an additional capacity of 7.5 million tonnes over the next five years with fund allocation of Rs. 6,100 crore. Out of this, 5 million tonnes may be created together by National Horticulture Mission and National Horticulture Board (2.5 million tonnes each) under Mission for Integrated Development of Horticulture Scheme of Department of Agriculture, Cooperation and Farmers Welfare and 2.5 million tonnes under the scheme of the Ministry of Food Processing Industries. The Government has accepted the report.

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF LOK SABHA UNSTARRED QUESTION NO. 890 FOR 1ST MARCH, 2016 REGARDING WASTAGE OF AGRO-PRODUCTS.

Details of crop-wise post-harvest losses as assessed by CIPHET

Crops	Cumulative wastage (%)
Cereals	4.65 – 5.99
Pulses	6.36 – 8.41
Oil Seeds	3.08 – 9.96
Fruits & Vegetables	4.58 – 15.88
Milk	0.92
Fisheries (Inland)	5.23
Fisheries (Marine)	10.52
Meat	2.71
Poultry	6.74

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF LOK SABHA UNSTARRED QUESTION NO. 890 FOR 1ST MARCH, 2016 REGARDING WASTAGE OF AGRO-PRODUCTS.

Details of various incentives provided by the Government to promote creation of Cold Chain sector

- Services of pre-conditioning, pre-cooling, ripening, waxing, retail packing, labeling of fruits and vegetables have been exempted from Service Tax in Budget 2015-16.
- Loans to food & agro-based processing units and Cold Chain have been classified under Agriculture activities for Priority Sector Lending (PSL) as per the revised RBI Guidelines issued on 23/04/2015.
- Under Section 35-AD of the Income tax Act 1961, deduction to the extent of 150% is allowed for expenditure incurred on investment for (i) setting up and operating a cold chain facility; and (ii) setting up and operating warehousing facility for storage of agricultural produce.
- Government has extended Project Imports benefits to cold storage, cold room (including for farm level pre-cooling) or industrial projects for preservation, storage or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat. Consequently, all goods related to Food Processing, imported as part of the project, irrespective of their tariff classification, would be entitled to uniform assessment at concessional basic customs duty of 5%.
- Refrigeration machineries and parts used for installation of cold storage, cold room or refrigerated vehicle, for the preservation, storage, transport or processing of agricultural, apiary, horticultural, dairy, poultry, aquatic and marine produce and meat under Tariff Head: Chapter 84 are exempted from Excise Duty.
- Construction, erection, commissioning or installation of original works pertaining to post-harvest storage infrastructure for agricultural produce including cold storages for such purposes are exempted from Service tax.
- Capital investment in the creation of modern storage capacity has been made eligible for Viability Gap Funding scheme of the Finance Ministry. Cold chain and post-harvest storage has been recognized as an infrastructure sub-sector.

Annexure-III

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF LOK SABHA UNSTARRED QUESTION NO. 890 FOR 1ST MARCH, 2016 REGARDING WASTAGE OF AGRO-PRODUCTS.

Details of funds allocated and released under the scheme of Cold Chain, Value Addition and Preservation Infrastructure

(Rs. in Crore)

Year	BE	RE	Expenditure
2009-10	70.00*	--	43.50
2010-11	27.53	22.02	21.65
2011-12	110.00	89.99	83.70
2012-13	86.00	81.37	81.13
2013-14	100.00	103.73	103.72
2014-15	160.00	153.36	153.36
2015-16	181.00	181.00	158.20 (As on 25.02.2016)

* Allocation of BE for the entire Infrastructure Development Scheme comprising of Mega Food Park, Cold Chain and Modernization of Abattoirs.

Annexure-IV**ANNEXURE REFERRED TO IN REPLY TO PART (c) OF LOK SABHA UNSTARRED QUESTION NO. 890 FOR 1ST MARCH, 2016 REGARDING WASTAGE OF AGRO-PRODUCTS.**

Details of State-wise/UT-wise number of completed Cold chain projects and cold storage capacity created during last three years and current year.

State	2012-13		2013-14		2014-15		2015-16		Total	
	No. of projects	Capacity Created in MT	No. of projects	Capacity Created in MT	No. of projects	Capacity Created in MT	No. of projects	Capacity Created in MT	No. of projects	Capacity Created in MT
Andhra Pradesh	0	0	1	10000	0	0	0	0	1	10000
Arunachal Pradesh	0	0	0	0	0	0	0	0	0	0
Assam	0	0	0	0	0	0	1	5000	1	5000
Bihar	0	0	0	0	0	0	0	0	0	0
Chandigarh	0	0	0	0	0	0	0	0	0	0
Chhattisgarh	0	0	0	0	0	0	1	5030	1	5030
Delhi	0	0	0	0	0	0	0	0	0	0
Goa	0	0	0	0	0	0	0	0	0	0
Gujarat	2	12500	0	0	2	6520	1	900	5	19920
Haryana	0	0	0	0	0	0	1	5000	1	5000
Himachal Pradesh	2	3400	2	10000	0	0	0	0	4	13400
Jammu & Kashmir	0	0	0	0	0	0	2	2000	2	2000
Jharkhand	0	0	0	0	0	0	0	0	0	0
Karnataka	1	15000	0	0	0	0	1	2500	2	17500
Kerala	0	0	1	4000	1	15000	0	0	2	19000
Madhya Pradesh	0	0	0	0	1	4000	0	0	1	4000
Maharashtra	2	6030	2	15000	3	5500	7	28120	14	54650
Manipur	0	0	0	0	1	2900	0	0	1	2900
Meghalaya	0	0	0	0	0	0	0	0	0	0
Mizoram	0	0	1	250	1	280	0	0	2	530
Nagaland	0	0	0	0	0	0	0	0	0	0
Odisha	0	0	0	0	0	0	0	0	0	0
Punjab	1	7400	0	0	2	12420	0	0	3	19820
Rajasthan	0	0	0	0	0	0	0	0	0	0
Sikkim	0	0	0	0	0	0	0	0	0	0
Tamil Nadu	0	0	0	0	0	0	0	0	0	0
Telangana	0	0	0	0	0	0	0	0	0	0
Tripura	0	0	0	0	0	0	0	0	0	0
Uttar Pradesh	2	12200	1	1200	0	0	1	3100	4	16500
Uttarakhand	1	2890	0	0	1	6900	5	18000	7	27790
West Bengal	1	1500	2	12450	1	2853	1	5000	5	21803
Total	12	60920	10	52900	13	56373	21	74650	56	244843