

# Indian Cold Chain Industry: Challenges & Impact

Mike Chew, Senior Vice President, AISATS stresses on the necessity to identify the challenges plaguing the cold chain logistics and the pressing need for solutions that would spur its demand.

Growing at a dynamic pace, India's cold chain sector is now an integral part of supply chain management. Since, storage and transportation of temperature sensitive products is essential, not only for extending their shelf life, but more importantly, for maintaining quality of

the product in order to ensure consumer safety. A robust cold chain network also helps in avoiding transport bottlenecks during peak production.

### Growth in the industry

The growth is largely attributed to globalisation, which enabled the

import and export of perishable products, growing preference for frozen foods, technological advancements in cold chain storage and transport; and the need to reduce food loss in developing countries like India, China and Latin America. North America, being one of the largest exporters and importers of perishable foods, garners the largest market share, followed by Europe and the Asia-Pacific region, where China and India are the fastest growing markets.

### Challenges faced

The cold chain logistics system involves two main elements, namely, surface storage- refrigerated warehouses for storage of the perishable products; and refrigerated transportation- reefer trucks, containers, ships and trains for transport of perishable products.

Since, India is an agrarian economy, its agri-supply chain can be better integrated. The biggest obstacle is the quality of infrastructure, which is below par compared

### Highlights:

- ◆ Organised players contribute only 8-10% of the cold chain industry market
- ◆ 36% of these cold storage in India have capacity below 1MT
- ◆ With the current capacity only less than 11% of the total produce is stored

\*Source: National Summit on Cold Chain: ASSOCHAM & Tech Sci Research

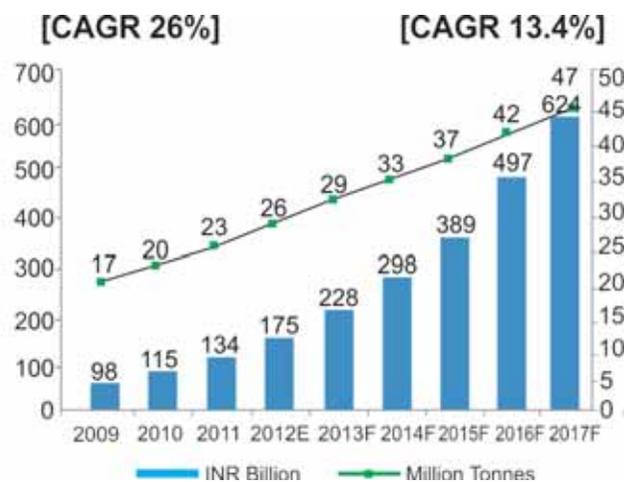
annually and at the same time, reduce wastage of perishable produce.

### Overcoming challenges

Many indigenous and foreign companies will collaborate to cater to the growing demand of cold chain by introducing latest technology and getting the required investment. It is imperative to meet growth opportunities and work towards improvement of facilities for pharmaceutical cargo by providing smooth and safe transportation services.



Mike Chew  
Senior Vice President  
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Source: National Summit on Cold Chain: ASSOCHAM & Tech Sci Research

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