

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:843  
ANSWERED ON:28.11.2005  
AGRICULTURAL MARKETING INFRASTRUCTURE PROJECTS  
Rao Shri Sambasiva Rayapati

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether there is any proposal to introduce a scheme to encourage entrepreneurs investing in agricultural marketing infrastructure projects picking up to 26 per cent equity;
- (b) if so, whether the scheme covers a wide range of agricultural and allied sectors activity including collection, cleaning, grading, quality certification, labeling, packing, ripening chambers, retailing, wholesale activity and value addition facilities; and
- (c) if so, the time by which the schemes are likely to be implemented?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): Yes, Sir. The Ministry of Agriculture is implementing a Central Sector Scheme for Agri- Business Development by providing venture capital assistance to agri-business projects and assisting producers` group in the preparation of detailed reports for such projects. The main objective of the Scheme is to catalyze private investment in setting up of agri-business projects and thereby providing assured markets to producers for increasing rural income and employment. Venture capital assistance is provided to eligible projects in the form of equity upto an extent of 26% of the project equity or 10% of the total project cost or Rs.75 lakhs whichever is less. The scheme is implemented by the Small Farmers` Agribusiness Consortium (SFAC), an autonomous organization under this Ministry.

(b): The Scheme covers a wide range of agribusiness projects related to collection, cleaning, grading, quality certification, labeling, packing, ripening chambers, retailing, wholesale activity and value addition facilities in all agriculture and allied sectors namely horticulture, floriculture, medicinal and aromatic plants, minor forest produce, sericulture, organic farming, vermin compost, apiculture, plantation crops, and fisheries. However, poultry and dairy projects will not be covered under the scheme.

(c): The Scheme has been implemented with effect from 11.07.2005.