

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

STARRED QUESTION NO:374
ANSWERED ON:19.08.2010
SETTING UP OF FOOD PARKS
Bhoi Shri Sanjay;Singh Shri Ravneet

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

- (a) the names of the Food Parks functioning in the country till date, location-wise and State-wise;
- (b) the details of the new Food Parks likely to be set up during the current financial year, State-wise;
- (c) the underlying criteria adopted for setting up of Food Parks;
- (d) whether the Union Government has received proposals from the state Governments including Punjab, regarding setting up of Food Parks in their respective States; and
- (e) if so, the details thereof?

Answer

THE MINISTER FOR FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

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

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (e) OF LOK SABHA STARRED QUESTION NO.374 FOR ANSWER ON 19-08-2010 REGARDING SETTING UP OF FOOD PARKS

(a): During the operation of 8th to 10th Plan periods, a total of 56 Food Parks were approved in different parts of the country. A list of 56 Food Parks approved by the Government is placed at Annexure-I.

(b): The Infrastructure Development Scheme for Food Parks being operated during 8th to 10th Plan period has since been discontinued. In the 11th Five Year Plan, a revamped scheme of Mega Food Park has been approved. Under the new scheme, Government has approved setting up of 10 Mega Food Parks in the 1st phase out of 30 Mega Food Parks envisaged during the 11th plan period. The States approved for setting up of Mega Food Parks in the 1st phase are Andhra Pradesh, Assam, Jharkhand, Tamilnadu, Uttarakhand, West Bengal, Karnataka, Maharashtra, Punjab & Uttar Pradesh. In compliance with the above decision, final approval has been accorded for setting up of Mega Food Parks in 6 States viz., Andhra Pradesh, Assam, Jharkhand, Tamilnadu, Uttarakhand & West Bengal. "In Principle" approval has been granted for setting up of Mega Food Parks in the States of Karnataka, Maharashtra & Punjab. Expression of Interest has been called for from prospective stakeholders to set up a Mega Food Park in the State of Uttar Pradesh. Current status of these 10 projects is at Annexure-II.

(c): The selection of the States for the 1st phase was done on the basis of pre-feasibility study and on the basis of information gathered from the interaction with various sectors of the food processing industry. The responsibility of execution, ownership and management of the Mega Food Park vests with a Special Purpose Vehicle (SPV) in which Financial Institution/Banks, organized retailers, processors, service providers, producers, farmer organizations and other related stakeholders would be the equity holders. The selection of most suitable SPV for a State is done through an open bidding system and following the procedures laid in the scheme guideline. Detailed guidelines of the scheme are available at Ministry's website www.mofpi.nic.in.

(d) & (e): As per the scheme guidelines, the Mega Food Parks are to be set up by a Special Purpose Vehicle (SPV), which would be a body corporate to be registered under the Indian Companies Act comprising of minimum 3 members, out of which one should be a food processor whose equity should be at least 26%. Government Agencies including State Government can also participate in the SPV, however to ensure private sector character of SPV, their shareholding will be restricted to less than 26%. As these projects are a private lead initiative to be implemented in a PPP mode, Union Government has not received any proposal from the State Government including Punjab, regarding setting up of Mega Food Parks in their respective States.