

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

UNSTARRED QUESTION NO:2521

ANSWERED ON:12.03.2013

MEGA FOOD PARKS

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

- (a) the criteria and objectives for establishing Mega Food Parks in the country;
- (b) the details of Mega Food Parks approved and functioning so far, along with the present status of ongoing projects across the country, State- wise;
- (c) whether the Government is considering to set up more such parks in the country;and
- (d) if so, the details thereof along with the locations selected for the purpose, State-wise?

Answer

MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (DR. CHARAN DAS MAHANT)

(a) The execution, ownership and management of the Mega Food Park is vested with a Special Purpose Vehicle (SPV). The main eligibility criteria of the SPV is indicated below:

- i. The SPV shall be a Body Corporate registered under the Companies Act.
- ii. Each SPV would have at least three entrepreneurs / business units, with the entrepreneurs being independent of each other and business units with no common directors.
- iii. The promoter holding maximum equity in the SPV will be the lead promoter. The lead promoter will be primarily responsible for co-ordination with all stakeholders including with the Ministry of Food Processing Industries to ensure effective implementation of the project.
- iv. At least 26 percent of equity of the SPV should be held by food processor(s) within the SPV.
- v. The combined net worth of shareholders of the SPV should not be less than Rs.50 crore with food processor(s) having at least Rs. 10 crore of net worth.
- vi. Each member in SPV must have a net worth at least 1.5 times of their proposed equity contribution in order to ensure requisite contribution for the project.
- vii. The SPV needs to bring in at least 20 percent of the total project cost as equity in general areas and at least 10 percent of the total project cost in difficult and hilly areas.

The objective of Mega Food Parks Scheme is to provide state of the art infrastructure for Food Processing Industries in a demand driven manner with an effective supply chain management from farm gate to market. The Scheme envisages a cluster-based approach and Hub and Spoke Model comprising of farm proximate facilities such as Collection Centres, Primary Processing Centers (PPC) linked with a Central Processing Centre (CPC).

(b) The Ministry has so far approved 30 Mega Food Park projects out of which 14 projects have been accorded 'Final' approval and the remaining 16 projects have been accorded 'In-principle' approval. Out of the 14 finally approved projects, 2 projects, one each in Andhra Pradesh and Uttarakhand are partially operational. The present status of the 30 approved projects is at Annexure.

(c) & (d) The Ministry has already initiated process for seeking approval of the Competent Authority for upscaling of the Scheme to set up more Mega Food Parks in the country.