

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

UNSTARRED QUESTION NO:2952  
ANSWERED ON:27.08.2013  
PRIMARY PROCESSING CENTRES  
Owaisi Shri Asaduddin

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

- (a) whether the Government has established Primary Processing Centres (PPCs) and Strategic Distribution Centres (SDCs) in view of better handling of fresh farm produce;
- (b) if so, the details thereof, State-wise;
- (c) whether the Government conducts any techno feasibility studies in regard to better utilisation of these centres;
- (d) if so, the details of such studies conducted, so far;
- (e) whether the Government proposes to set up more PPCs and SDCs in various parts of the States for better handling of fresh farm produce; and
- (f) if so, the details thereof and the steps taken/being taken by the Government in this regard?

**Answer**

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

(a) & (b): Under the Scheme of National Mission on Food Processing, financial assistance is provided to individual entrepreneurs, farmers, group of entrepreneurs, farmers association, co-operative societies, self-help groups and NGOs to set up Primary Processing Centre in rural areas for creation of effective backward linkages by providing primary processing and preservation facilities at village level which will result in enhancement of shelf life of perishables and remunerative prices to the farmers. The Scheme envisages grant-in-aid @ 50% of eligible project cost for general areas and 75% in North-East ITDP and Difficult Areas (NE States including Sikkim, notified ITDP areas and hilly States like H.P, J&K, Uttarakhand), subject to a maximum of Rs.2.50 cr. per project.

The Strategic Distribution Centres concept has been integrated in ongoing schemes of Integrated Cold Chain, Value Addition & Preservation Infrastructure and Mega Food Parks. Integrated cold chain provides components for taking care of products requirement right from farm to market through reefer vans, Controlled Atmosphere/Modified Atmosphere cold storages, distribution centres as well as retail outlets. Similarly, the mega food parks have also been designed to run on hub and spokes method. The Central Processing Centre (CPC) of a Mega Food Park is supported by Primary Processing Centres (PPCs) located in raw material catchment areas near the production centres. These PPCs are further supported by Collection Centres (CCs) which are located in the cluster of villages surrounding PPCs. The PPCs and Collection Centres have the basic infrastructure for primary processing like grading, sorting, packaging and storage etc. to take care of the supply chain from farm to processing centres.

(c) & (d): The Ministry had conducted a techno-feasibility study for establishing Strategic Distribution Centres (SDCs) at strategic locations in the country. The SDC concept envisaged the last leg of the supply chain from where the finished products would directly be sent for export and retail/ wholesale outlets. The SDC also envisaged to handle fresh produce which are sorted and graded properly to meet the customer requirements. The grades fit for the fresh segment were going to the retail markets, whereas the processable grades were available for the food processors for further value addition. The study suggested setting up 6 SDCs in different locations in the country. However, due to fund constraints and integration of this concept in the Integrated Cold Chain projects and Mega Food Parks this Scheme was not taken up.

(e) & (f): Yes, Madam. Government is providing funds to the States/ Union Territories Governments for implementation of the various schemes of the National Mission on Food Processing including setting up of PPCs/ CCs in the rural areas in the country for better handling of fresh farm produce.