

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

UNSTARRED QUESTION NO:3304

ANSWERED ON:11.02.2014

OPPORTUNITIES IN FOOD PROCESSING SECTOR

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

(a) whether there was a proposal in the 11th Five Year Plan with regard to creating fresh opportunities in food processing/cold chains/cold storage sector; and

(b) if so, the details thereof and the achievements made thereunder, so far ?

Answer

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

(a) & (b): Yes, Madam. The Ministry of Food Processing Industries has introduced a Central Sector Scheme of Infrastructure Development for food processing with three components during 11th Plan.

The details of the each component and the achievements made thereunder are given below-

a. Mega Food Parks Scheme-

The scheme provides for creation of modern infrastructural facilities for food processing sector. The scheme envisages financial assistance in the form of grant-in-aid @ 50% of the project cost excluding land component in general areas and @ 75% in North East Region and difficult areas subject to a maximum of Rs. 50 crore per project.

During the 11th Plan, 30 Mega Food Park were approved by the Government in 3 phases. The Ministry has accorded 'final' approval to 14 Mega Food Parks while remaining 16 have been accorded 'in principle' approval. However, out of the 30 Mega Food Parks, 3 Mega Food Parks have been cancelled by the Ministry for failure of the Special Purpose Vehicle to implement the projects.

During the 12th Plan, out of 12 Mega Food Parks, Project to be sanctioned 'in principle' approval has been accorded to 10 projects for implementation. Final approval is accorded to the projects on meeting the various conditions of acquiring land, financial closure, registration of company under Companies Act, etc. as per the scheme guidelines.

b. Cold Chains, Value Addition and Preservation Infrastructure Scheme-

Financial Assistance is provided in the form of grant-in-aid @ 50% of the total cost of Plant & Machinery and Technical Civil Works in general areas and @ 75 % in North East Region and difficult areas subject to a maximum of Rs. 10 crore per project.

A total 79 Cold Chain projects were approved by Govt. for providing financial assistance during the 11th plan, out of which 74 projects have been sanctioned by the Ministry in different parts of the country. Out of these 74 projects, 27 projects have already started commercial production, 18 projects have been cancelled for violation of scheme guidelines and remaining 29 projects are in various stages of implementation.

During the 12th Five Year Plan, the scheme has been upscaled by the Government for taking up 75 new cold chain projects with financial outlay of Rs.786 crores. Out of these, 66 cold chain projects have already been sanctioned by the Ministry till date which are at various stages of implementation.

c. Setting up/ Modernization of Abattoirs Scheme-

Financial Assistance is provided in the form of grant-in-aid @ 50% of the total cost of Plant & Machinery and Technical Civil Works in general areas and @ 75 % in North East Region and difficult areas subject to a maximum of Rs. 15 crore per project.

The Ministry had taken up 10 projects under this scheme in the country during 11th Plan. The project at Ahmednagar (Maharashtra), Dimapur (Nagaland) & Kolkata (West Bengal) have been completed.

During 12th Plan, Ministry has accorded approval for 14 more Abattoir Projects in various States in the Country.

The Ministry had envisaged a new Centrally Sponsored Scheme namely National Mission on Food Processing (NMFP), which has been launched during 12th Plan w.e.f. 01.04.2012 to be implemented through State/UT Governments. Some of the ongoing schemes

of the Ministry have been subsumed in the NMFP in addition to the new components to provide better outreach for the schemes of the Ministry to the entrepreneurs throughout the country.

The NMFP scheme is implemented as a centrally sponsored scheme in all the States with the funding ratio of 75:25 by the Govt. of India and States except for North Eastern States, where the funding ratio is 90:10. All the UTs are funded on 100% grant basis by the Govt. of India.

An amount of 184.69 crore has been released to State Governments/UTs during the year 2012-13 and Rs.22.25 crore during the year 2013-14 till date.