

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

STARRED QUESTION NO:303  
ANSWERED ON:11.08.2015  
Mega Food Parks  
Biswas Shri Radheshyam

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

- (a) the core objectives of Mega Food Parks (MFPs) Schemes including its key features, funding pattern along with institutional mechanism and guidelines outlined for setting up of MFPs;
- (b) the details of sanctioned, approved, withdrawn, cancelled, under implementation and operational MFPs along with the reasons for the withdrawal, cancelled and delayed projects during the 12th Plan Period;
- (c) the funds earmarked, released and utilized during the above Plan period, project-wise and State-wise including Assam;
- (d) whether the Government proposes to set up more MFPs in Assam and other parts of North Eastern Region and if so, the details thereof; and
- (e) the steps taken/being taken by the Government for expediting the setting up of MFPs in the country?

**Answer**

THE MINISTER OF FOOD PROCESSING INDUSTRIES  
(SMT. HARSIMRAT KAUR BADAL)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. \*303 FOR ANSWER ON 11TH AUGUST, 2015 REGARDING MEGA FOOD PARKS

(a): The core objective of the Mega Food Parks Scheme is to facilitate the creation of modern infrastructure facilities for food processing along the value chain from the farm to the market through a cluster based approach known as "hub and spokes" model. It includes creation of infrastructure for Collection Centres (CCs), primary processing and storage near the farm through the Primary Processing Centres (PPCs) and common facilities alongwith enabling infrastructure like roads, electricity, water, ETP facilities etc. at Central Processing Centre (CPC). These CCs and PPCs act as aggregation and storage/ primary processing points to feed raw material to the food processing units located in the CPC. The minimum land required for a CPC in Mega Food Park is 50 acres and implementation period is 30 months.

The Mega Food Park project is implemented by a Special Purpose Vehicle (SPV) which is a Body Corporate registered under the Companies Act. However, State Government/ State Government entities/ Cooperatives applying for the project under the scheme are not required to form a separate SPV. Grant-in-aid @ 50% of eligible project cost in general areas and @ 75% of eligible project cost in NE Region and difficult areas (Hilly States and ITDP areas) subject to maximum of Rs. 50 crore per project is provided under the scheme.

(b): The details of sanctioned, approved, withdrawn, cancelled, under implementation and operational MFPs along with the reasons for the withdrawal, cancellation and delayed projects during the 12th Plan period are at Annexure-I.

(c): An allocation of Rs. 1714 crore has been made by the Government for the scheme of Mega Food Parks during the 12th Plan. Out of which, an expenditure of Rs.286.34 crore has been incurred by the Ministry till date against the provision of Rs.442 crore in Budget Estimates, reduced to Rs.387.35 crore in Revised Estimates. The project-wise details of fund released and utilised during 11th and 12th Plan including Assam under the scheme Mega Food Parks are given at Annexure-II.

(d): Mega Food Parks scheme is demand driven and not State or area centric. Mega Food Parks are important capital intensive projects implemented by a Special Purpose Vehicle (SPV), a registered Company, which is selected on the basis of the evaluation of the proposal received against Expressions of Interest (EoI) invited by the Ministry. So far only 42 MFPs have been approved under this scheme. Three Mega Food Parks have been approved in North-East one each at Nalbari in Assam, Agartala in Tripura and Aizawl in Mizoram. There is no proposal to invite fresh EoIs at present under the scheme.

(e): To expedite the implementation of MFPs in the country, the Ministry is providing all the necessary support including interaction with various concerned Departments/ Agencies of the State and Central Governments to remove the bottlenecks in implementation, making suitable amendments in the scheme and its guidelines and pursuing State Governments to extend fiscal and other benefits to these projects to attract investment. Progress of implementation of each of the MFP project is monitored/reviewed regularly by the Ministry. The Ministry has engaged Program Management Agency (PMA) to assist it in implementation. PMAs undertake field visits of the projects and assess progress of implementation periodically. The Inter-Ministerial Approval Committee (IMAC) headed by Hon'ble Minister for Food Processing Industries also reviews progress of the projects periodically and based on the experience, corrective measures are taken to remove bottlenecks in the implementation process. A provision for imposing penalty has also been made in the Revised Scheme guidelines (applicable w.e.f. 10.02.2014) in case of non-adherence to stipulated timeline for completion of

project by the implementing agencies.

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