

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO. 3446
ANSWERED ON 01ST JANUARY, 2019

COMMITTEE ON MEGA FOOD PARKS

3446. SHRI VINCENT H. PALA:

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

- (a) whether the Government has constituted any expert committee to review the Mega Food Parks Scheme in the country and if so, the details thereof;
- (b) whether any reports reviewing the working of the 9 functional Mega Food Parks have been generated till date and if so, the details thereof;
- (c) the details of the sanctioned and commissioned projects in the North East Region, out of the total sanctioned 42 Mega Food Parks;
- (d) whether the Government plans to set up any Mega Food Park in Meghalaya;
- (e) if so, the details thereof; and
- (f) the details of funds released for the Mega Food Parks projects in the North East Region during the last three years?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SADHVI NIRANJAN JYOTI)

(a): No, Madam.

(b): The Indian Council for Research on International Economic Relations (ICRIER) has carried out an assessment of Mega Food Parks in its study titled "Report on Evaluation of the Impact of the Scheme for Mega Food Park of the Ministry of Food Processing Industries". ICRIER has submitted its final report on September, 2015 to the Ministry. The brief of the finding of the report are at **Annexure-I**.

(c) & (f): Government has approved 5 Mega Food Parks in the North East Region, out of total 40 Mega Food Park projects approved in the country. Detail of Implementation of 5 Mega Food Park Projects sanctioned by Ministry in the North East Region along with amount of grant released to these projects in last three years is at **Annexure-II**.

(d) & (e): Ministry of Food Processing Industries does not establish Mega Food Parks in the country on its own under the Mega Food Park Scheme. The proposals under scheme are invited through Expression of Interest (EOI) from time to time. Selection of suitable proposals for these projects is done as per the Scheme guidelines, based on the merit, through a stringent appraisal process as per the prefixed criteria. As on date, no proposal is under consideration for establishing Mega Food Parks in state of Meghalaya. Ministry has issued fresh Expression of Interest to seek proposals for setting of new mega food parks in uncovered States i.e. Goa, Manipur, Meghalaya, Sikkim, Tamil Nadu and all UTs to fill up vacant slots on 23.12.2018 with the last date of submission of proposals as 09.02.2019.

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF LOK SABHA UNSTARRED QUESTION NO. 3446 FOR ANSWERED ON 01ST JANUARY, 2019 REGARDING “COMMITTEE ON MEGA FOOD PARKS”

A BRIEF NOTE ON ICRIER’S FINAL REPORT SUBMITTED TO MOFPI ON THE IMPACT OF THE SCHEME OF MEGA FOOD PARKS

MoFPI awarded the evaluation study for assessment of the impact of the Scheme of Mega Food Parks of the Ministry to Indian Council for Research on International Economic Relations (ICRIER). The recommendations made in the Report are summarized as below:

- i) While preparing the DPR, there is a need for a detailed diagnostic study that should have detailed inputs of the end users of the facilities;
- ii) MoFPI should consider revising the time frame for completion of the project to five years as in case of cluster development scheme of the Ministry of MSME;
- iii) The scheme should be made flexible in terms of land requirement, the amount of grant and contribution of SPV. It is also suggested that to ensure that the scheme is not misused, the guidelines should be more generic rather than specifying 30-35 units to be set up in the park. A more generic requirement of the units like “more than 10 units” may be provided in the scheme guidelines.
- iv) Making provision for forward linkages has also been suggested alongwith existing provision of backward linkages
- v) MoFPI should design innovative incentives to attract the units to the Mega Food Parks. These can be in the form of support for machinery purchasing, use of green technology and R&D. The individual investor setting up unit in the park may be given priority in other schemes of the Ministry
- vi) Ministry should select DPRs which have more realistic provisions rather than those which provide large numbers
- vii) To ensure collaboration with the State Governments in the project implementation, it has been suggested to have a tripartite agreement signed between the MoFPI, State Government and the SPV. Such provisions reportedly exist in the MSE–CDP Scheme of Ministry of MSME and National Investment and Manufacturing Zones (NMZs)
- viii) It has also been suggested that MoFPI can explore the possibility of having an empaneled set of public and private banks that pre-approve the scheme guidelines and spread information about it.
- ix) It is also essential to take bank’s feedback while redesigning the scheme guidelines
- x) MoFPI should do a detailed study on the dovetailing of the MoFPI scheme with other central and state government schemes and this should be published in its website.
- xi) The State should be encouraged to promote Mega Food Parks in their agro-processing and industrial policies
- xii) It has been suggested that a bidding and selection procedures have to be made on-line. The project evaluation documents and consultations on modification of the scheme guidelines should also be made available on the website for comments by the stakeholders. Similarly, the decisions of the IMAC and TC should also be made online and regularly published in the website of the Ministry
- xiii) MoFPI schemes should clearly mention the objective of the Mega Food Parks to link Indian farmers and processors with global value chains
- xiv) MoFPI should push for regulatory reforms focusing on Acts such as the APMC Act, which help the SPV and farmers to connect with each other. MoFPI should work with the FSSAI to speed up the approval process
- xv) Ministry should have proper infrastructure mapping based on the mapping of fruits and vegetable availability to streamline the supply chain and assist the SPV to plan their infrastructure. There should be mapping of existing PPCs

- xv) The SPV should be allowed to select their consultants and if they need help of MOFPI in that case they can be referred to empaneled PMCs.
- xvi) It is important for the Ministry to have field visits to some of the global food parks and learn from their best practices.
- xvii) MoFPI should reconsider the number of Mega Food Parks which it wants to create. Rather than having more food parks it should focus on few food parks and make them operational.
- xviii) MoFPI should work with the operational MFPs to help them to attract units in their parks and help SPVs to develop brands and market them.
- xix) MoFPI should focus on closing the projects which have received third installment of the grant but taking very long time in completion of the projects. This has been also recommended that MoFPI should release the final amount of grant in advance and not before the completion of the project so that the bank can release the entire term loan to the SPV to complete the project.

ANNEXURE REFERRED TO IN REPLY TO PART (c) AND (f) OF LOK SABHA UNSTARRED QUESTION NO. 3446 FOR ANSWERED ON 01ST JANUARY, 2019 REGARDING “COMMITTEE ON MEGA FOOD PARKS”

Detail status of Implementation of 05 Mega Food Park Projects sanctioned by Ministry in the North East Region with amount of grant released to these projects in last three years.

(Rs. in Cr)

S. No.	Project Name	Project Cost	Date of In-principle Approval	Date of Final Approval	Amount of grant approved	Total Amount of grant released	2016-17	2018-17	2018-19
Arunachal Pradesh									
1.	Rongoge Mega Food Park Pvt. Ltd, Papum Pare	71.83	21.12.2017	---	SPV is in the process of meeting the conditions for “Final Approval”.		0.00	0.00	0.00
Assam									
2.	North East Mega Food Park Ltd., Nalbari	80.85	16.12.2008	30.03.2009	50	45	0.00	0.00	0.00
Mizoram									
3.	Zoram Mega Food Park Pvt. Ltd., Aizawl	75.20	19.12.2013	10.06.2015	50	44.24	14.46	14.77	0.00
Nagaland									
4.	Doys Agri Resources Pvt Ltd, Dimapur	71.80	03.01.2017	16.08.2017	50	15.00	0.00	15.00	0.00
Tripura									
5.	Sikaria Mega Food Park Pvt. Ltd., West Tripura	87.45	29.04.2011	30.11.2011	50	43.50	22.71	0.00	0.00