

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. †4943
ANSWERED ON 23RD JULY, 2019

GUIDELINES FOR MEGA FOOD PARKS

†4943. DR. VIRENDRA KUMAR:

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

- (a) the details of the objectives and guidelines regarding setting up of Mega Food Parks in the country and the extent to which these objectives have been achieved;
- (b) whether the Union Government has received several proposals from the States regarding setting up of Mega Food Parks in various parts of the country during the last three years and the current year; and
- (c) if so, the details thereof, State-wise including Gujarat and Madhya Pradesh?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI RAMESWAR TELI)

(a): The details of objectives and salient features of the scheme guidelines regarding setting up of Mega Food Parks in the country are at **Annexure-I**. The detailed Guidelines of the Scheme of the Mega Food Parks (MFPs) are also available on Ministry's website: www.mofpi.nic.in

A total of 42 Mega Food Parks have been approved by the Government to create modern infrastructure facilities for food processing sector in the country. Out of these, 38 MFP projects have been accorded final approval and 4 projects have been accorded in-principle approval. These projects are at various stages of implementation. So far Sixteen Mega Food Park projects at Chittoor (Andhra Pradesh), Haridwar (Uttarakhand), Tumkur (Karnataka), Fazilka (Punjab), Nalbari (Assam), Khargone (Madhya Pradesh), Murshidabad (West Bengal), Rayagada (Odisha), Satara (Maharashtra), Ajmer (Rajasthan), Udham Singh Nagar (Uttarakhand), Surat(Gujarat), Aurangabad(Maharashtra), Una(HP), West Godavari(Andhra Pradesh) and West Tripura(Tripura) are operational.

(b) & (c): Yes sir, State-wise details of proposals received for setting up of Mega Food Park Projects under Scheme for Mega Food Park during last three years and current year in the country including Gujarat and Madhya Pradesh are at **Annexure-II**.

**ANNEXURE REFERRED TO IN REPLY TO PART (a) OF LOK SABHA
UNSTARRED QUESTION NO. 4943 FOR ANSWERED ON 23RD JULY,2019
REGARDING GUIDELINES FOR MEGA FOOD PARKS**

SALIENT FEATURES OF THE MEGA FOOD PARKS SCHEME

Objective of the Scheme

The primary objective of the MFPS is to provide modern infrastructure facilities for the food processing along the value chain from the farm to the market. It will include creation of processing infrastructure near the farm, transportation, logistics and centralized processing centres.

The scheme functions with a cluster based approach based on a hub and spokes model by establishing Mega Food Parks. It includes creation of infrastructure for primary processing and storage near the farm in the form of Primary Processing Centres (PPCs) and Collection Centres (CCs) and common facilities and enabling infrastructure like roads, electricity, water, Effluent Treatment Plant (ETP) facilities etc. at Central Processing Centre (CPC). These PPCs and CCs act as aggregation and storage points to feed raw material to the processing units located in the CPC. The scheme will be demand-driven, and will facilitate food processing units to meet environmental and safety standards.

Pattern of Assistance

The scheme provides for a capital grant at the rate of 50 percent of the project cost (excluding land cost) in general areas and at the rate of 75 percent of the project cost (excluding land cost) in difficult and hilly areas i.e. North East Region including Sikkim, J&K, Himachal Pradesh, Uttarakhand and ITDP notified areas of the States subject to a maximum of Rs.50 crore per project.

Land

The requirement of land for establishing the CPC is minimum 50 acres either by purchase or on lease of at least 75 years for the Central Processing Centre of the Mega Food Park.

Key Project Components

- **Enabling Basic Infrastructure** –Internal Roads, drainage, water supply, electricity supply including captive power plant, ETP & STP, weighbridges etc.
- **Core Processing** –Sorting & grading, packaging, warehouses & Specialized storage, Pre-cooling and Ripening chambers, IQF, Cold chain infrastructure, Steam generation, QC Lab etc.
- **Standard Design Facility Sheds for Micro and Small Enterprises (MSEs)** – plug and play facility for small units.
- **Non – Core Infrastructure** - Admin buildings, training centres, canteen, workers' hostel, trade/display centre etc

Implementing Agency

The responsibility of execution, ownership and management of the Mega Food Park vests with a Special Purpose Vehicle (SPV) registered under the Companies Act. However, State Government/ State Government entities/Cooperatives applying for the project under the scheme will not be required to form a separate SPV.

Eligibility criteria for SPV

The main eligibility criteria of the SPVs are as under:

- i. SPV shall be a body corporate registered under the Companies Act. However, in case of State Government/ State Government entities/Cooperatives implementing the project, registration of a separate SPV under the Companies Act will not be necessary.
- ii. 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.
- iii. The combined net worth of the promoters/proposed shareholders of SPV should not be less than Rs.50.00 crore. Each member in SPV must have a net worth at least 1.5 times of his/her proposed equity contribution in order to ensure requisite contribution for the project from each shareholder.
- iv. 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 i.e. North East Region including Sikkim, J&K, Himachal Pradesh, Uttarakhand and ITDP notified areas of the States.
- v. Central Government agencies becoming shareholders in the SPV, can only hold up to 26 percent of equity in the SPV. However, there will be no such restriction on State Govt./ State Govt. entities/ Cooperatives.
- vi. Every SPV will publish the user charges/hiring rates for common facilities and lease rental rates for plots and factory buildings for MSEs in the Mega Food Park on their websites for wider information of the prospective investors. Rate of plots in the Mega Food Park may also be made available to Ministry of Food Processing Industries and State Government concerned for uploading on their websites. SPVs are not permitted to sell plots/facilities in Mega Food Parks and can only give plots/facilities on lease to other food processing units.
- vii. The common facilities in the park cannot be sold or leased out. They can only be offered to units on rental basis.

Programme Management Agency(PMA)

The Ministry will appoint a Programme Management Agency (PMA) to assist it in implementation of the Scheme. The PMA will be a reputed institution with extensive experience in project development, management, financing and implementation of infrastructure projects.

Project Management Consultant (PMC)

In addition to the PMA, for ensuring smooth implementation of projects at ground level, Ministry has drawn up a panel of Project Management Consultants (PMC) with experience in preparation of DPRs for large projects and in project implementation. Any of these Ministry's empanelled agencies may be engaged by the SPVs for preparation of DPRs and for assistance in implementation.

Time schedule

The time schedule for completion and successful operationalization of a Mega Food Park project is 30 months from the date of final approval to the project.

ANNEXURE-II.

ANNEXURE REFERRED TO IN REPLY TO PART (b) AND (c) OF LOK SABHA UNSTARRED QUESTION NO. 4943 FOR ANSWERED ON 23RD JULY, 2019 REGARDING GUIDELINES FOR MEGA FOOD PARKS

State-wise details of proposals received for setting up of Mega Food Park Projects under Scheme for Mega Food Park during last three years and current year in the country including Gujarat and Madhya Pradesh.

Sl. No.	State	2016-17	2017-18	2018-19
		Received (Nos)	Received (Nos)	Received (Nos)
1.	Andhra Pradesh	1	0	0
2.	Arunachal Pradesh	1	1	0
3.	Assam	2	0	0
4.	Bihar	1	0	0
5.	Chhattisgarh	1	0	0
6.	Goa	0	0	0
7.	Gujarat	4	0	0
8.	Haryana	1	0	0
9.	Himachal Pradesh	0	0	0
10.	Jammu & Kashmir	0	0	0
11.	Jharkhand	2	0	0
12.	Karnataka	3	0	0
13.	Kerala	0	0	0
14.	Madhya Pradesh	3	0	0
15.	Maharashtra	9	0	0
16.	Meghalaya	0	1	1
17.	Manipur	0	1	2
18.	Mizoram	0	0	0
19.	Nagaland	3	0	0
20.	Odisha	2	0	0
21.	Punjab	0	0	0
22.	Rajasthan	2	0	0
23.	Sikkim	0	0	0
24.	Tamil Nadu	1	0	0
25.	Telangana	6	0	0
26.	Tripura	0	0	0
27.	Uttarakhand	0	0	0
28.	Uttar Pradesh	9	7	1
29.	West Bengal	2	0	1
30.	All UTs	1	0	0
	Total	54	10	5

Note:-No EoI has been invited during financial year 2019-20 .