

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 3923**  
ANSWERED ON 19<sup>TH</sup> DECEMBER, 2024

**CLUSTERS UNDER AGRO PROCESSING CLUSTER SCHEME**

**3923. SHRI SELVAM G.**  
**SHRI C. N. ANNADURAI**

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

- (a) the total number of clusters approved and operationalized under the Agro Processing Cluster scheme;
- (b) the steps taken/being taken by the Government to expedite the implementation of pending clusters;
- (c) the impact of the said scheme on improving the income of farmers;
- (d) the details of the number of farmers directly or indirectly benefited under the scheme;
- (e) the measures taken/being taken by the Government to ensure the inclusion of small and marginal farmers;
- (f) the number of jobs created directly or indirectly through the Agro Processing Cluster Scheme;
- (g) the details of the regions having the highest employment generation along with the efforts made to train local youth for jobs in these clusters;
- (h) the infrastructure facilities provided under the said scheme including setting up of cold storage, grading, and packaging units; and
- (i) the challenges faced in developing these facilities along with measures taken/being taken to address them?

**ANSWER**

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES  
(SHRI RAVNEET SINGH)

(a) and (c) to (h). Ministry of Food Processing Industries has been implementing the Scheme for Creation of Infrastructure for Agro Processing Clusters (APC Scheme) since 2017 as one of the component scheme of Pradhan Mantri Kisan Sampada Yojana (PMKSY). Objective of the scheme is to create modern infrastructure for food processing closer to production areas, provide integrated and complete preservation infrastructure facilities from farm gate to the consumer, create effective backward and forward linkages by linking groups of producers/ farmers to food processors and markets through well-equipped supply chain. Agro Processing Clusters (APC) scheme provides for setting up infrastructure facilities as per the following two components:

- a) **Basic enabling infrastructure** may include site development such as development of industrial plots, boundary wall, roads, drainage, water supply, electricity supply including power backup, effluent treatment plant, parking bay, weigh bridges, common office space, firefighting, labour rest room, security guard room.
- b) **Core infrastructure** may include food testing laboratory, cleaning, grading, sorting and packing facilities, steam generation boilers, dry warehouse, cold storage, pre-cooling chambers, ripening chambers, IQF, specialized packaging, other common processing facilities.

The Scheme is implemented in the areas of horticulture/ agriculture production identified through a mapping exercise in order to reduce the loss of surplus produce and add value to the horticultural/ agricultural produce which will result in increase of income of the farmers and create employment.

As on date 76 Agro Processing Clusters have been approved under the scheme. Out of which, 23 clusters have been completed or operationalized.

The scheme has benefitted total 85300 farmers and has generated 4575 direct and 16825 indirect employments up till now. The major employment has been generated in the below given states:

Sl. No.	Name of State	Direct Employment	Indirect Employment	Total Employment
1.	Maharashtra	1217	3801	5018
2.	Kerala	148	2990	3138
3.	Gujarat	733	2261	2647
4.	Madhya Pradesh	461	1442	1903
5.	Uttar Pradesh	442	1384	1826

The APC Scheme is demand driven scheme and the proposals under the scheme are invited online through Expression of Interest (EOI). The scheme is not state/region specific.

Agro Processing Cluster Projects can be set up by any entity/ organization such as Govt. Departments / PSUs / Joint Ventures / NGOs / Cooperatives / Self Help Groups (SHGs) / Farmer Producer Organizations (FPOs) / Private Sector Companies / Partnership Firms / Proprietorship Firms.

Scheme has special provisions for SHGs, SC/ST, Farmer Producers Organisations (FPOs) and proposals from difficult areas with provision for grants-in-aid /subsidy @50% of eligible project cost whereas in case of general category applicants, grants-in-aid is @35% of the eligible project cost, subject to maximum of Rs.10.00 Crores. In case of proposal from Difficult Areas, applicant(s) of SC/ST category, FPOs and SHGs, combined net worth should not be less than the grants-in-aid sought whereas in case of general category applicants, net worth should be 1.5 times of grants-in-aid sought under the scheme. Infusion of equity and term loan are at least 10% of the total project cost for proposals from Difficult Areas or proposals from SC/ST or Farmer Producer Organisations or Self-Help Groups as compared to 20% of the total project cost for proposals from General Areas.

(b) & (i). Challenges faced by the projects approved under APC scheme are difficult topography mainly in NER/difficult areas, delay in obtaining statutory approvals and clearance from the respective States/UT Agencies, inflation, setting up of units/land allotment etc.

Ministry has taken various steps for expediting the implementation of the approved projects like:-

- I. Holding regular review meetings with the implementing agencies of the projects to help remove bottlenecks in implementation;
- II. Facilitating the promoters in obtaining the required statutory clearances from concerned authorities/State Governments;
- III. Ministry also takes up issues with the concerned State Government for smooth implementation of projects.
- IV. Monitors the status of the project through updated fact sheets/site visits.
- V. On an average, each agro-processing cluster has to set up around 5-10 food processing units inside the APC. The promoter(s) of Agro-Processing Clusters (APC) approved by the Ministry who are desirous to set up units in Agro-Processing Clusters, are eligible to avail financial assistance for more than one unit(s) under CEFPPC scheme, so that the criteria of setting up of at least 5 units inside the APC may be achieved.

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