

Centre to attract FDI for Chattisgarh's Proposed Food Park in Creating Jobs

The Central Government is making all out efforts to draw Foreign Direct Investment (FDI) under its 'Make In India' programme for drawing investment in the Mega Food Park being set up in Chhattisgarh's Dhamtari district in an area of 68.68 hectares.

In a section titled 'Projects Ready for Procurement in FY 2016-17' in its 'Make in India Investment Book,' which had been circulated in Indian Missions abroad, the

Centre had mentioned that work on the project started in 2015 with the anticipated project completion time line of 2018-19.

It mentioned that the Mega Food Park intends to provide modern infrastructure facilities for the food processing units along the value chain from farm to market.

The Centre's scheme of Mega Food Parks is aimed at providing modern infrastructure facilities along the value chain from farm gate to the market with strong backward and forward linkages. It is expected to facilitate the efforts to increase the level of processing of agricultural and horticultural produce, with particular focus on perishables, in the country and thereby to check the wastage.

The scheme has a cluster based approach based on a hub and spokes model. 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 at Central Processing Centre (CPC).

The PPCs are meant for functioning as a link between the producers and processors for supply of raw material to the Central Processing Centres (CPCs). A CPC has need based core processing facilities and basic enabling infrastructure to be used by the food processing units setup at the CPC. The minimum area required for a CPC is 50 acres.

The scheme is demand-driven and would facilitate food processing units to meet environmental, safety and social standards.

The financial assistance for Mega Food Park is provided in the form of grant-in-aid at the rate of 50 per cent of eligible project cost in general areas and at the rate of 75 per cent of eligible project cost in NE Region and difficult areas (Hilly States and ITDP areas) subject to maximum of `50 crore per project.

It is expected that on an average, each project will have around 30-35 food processing units with a collective investment of `250 crore that would eventually lead to an annual turnover of about `450-500 crore and creation of direct and indirect employment to the extent of about 30,000 people.

Chhattisgarh is also among only 13 States in the country which had notified the rules to implement the provisions of Agricultural Produce Marketing Regulation (APMR) Act to facilitate contract farming in the State, officials stated.

The other States which had notified the rules are —Andhra Pradesh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Maharashtra, Madhya Pradesh, Odisha, Rajasthan and Telangana, officials stated.

Overall so far, a total of 21 States (Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Maharashtra, Madhya Pradesh, Mizoram, Nagaland, Odisha, Punjab (separate Act), Rajasthan, Sikkim, Telangana, Tripura and Uttarakhand) have amended their Agricultural Produce Marketing Regulation (APMR) Acts to provide for contract farming.

Agricultural marketing is regulated by the States' Agricultural Produce Marketing Regulation (APMR) Acts.

In order to regulate and develop practice of contract farming, the Central Government had been actively advocating to the States/ Union Territories (UTs) to reform their Agri marketing laws to provide a system of registration of contract farming sponsors, recording of their agreements and proper dispute settlement mechanism for orderly promotion of contract farming in the country.

Contract farming has a direct linkage with supply of superior quality farm produce to the food processing units and ensures better farm produce prices for the farmers.