



GROWTH OF AGRO PROCESSING INDUSTRIES IN INDIA

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Abstract :-

Agro processing is now well opportunities of growth in the various countries in the world. It is source of develop the economic conditions of rural people in India. Agro processing units has great capacity to generate employment and value addition in the agricultural product. It may be noted that government and many company attracted in the development of agro processing. The growth of agro processing is based on preservation, storage, processing of agricultural product. Agricultural product has opened up the high potential of agro processing units growth in the rural India in recently.

Introduction :-

India is developing country. Indian economic depended on agricultural sector. India is country which 70% population related to rural area and 60 % population depended on agricultural sector. India is fastest growing economy in the world. India is second rank for production of agricultural product in the world. India ranking first in the world of production of Milk, Bananas, Mangoes, Papayas, Gingers etc. And second rank in the world of production of Green Pease, Potatoes, Tea, Tomatoes and many others agricultural products. India is 1.2 billion consumers increasing demand for branded food. Government runs the various policies for agro processing units run in the rural area in the India. In India 4 % to 16% wastage of fruit and vegetables inadequate facilities of modern technology, storage, marketing etc.

Objective of the Study :-

The objective of present study are :

- 1 .To study the concept of Agro Processing .
2. To study the type of Agro Processing.
3. To study the growth of Agro Processing units in the Inida.

Methodology :-

The research paper is based on the secondary data. Secondary data is collected from various reference books on agro processing , food processing., published by Books, Periodicals, research, articles , Magazine surveys, government reports, websites, include both present and historical information and Internet have been used for reference.

Concept of Agro Processing Units :-

Agro Processing : -

According to FAO (1197) , “ Agro – Processing industry is a subset of manufacturing that processes raw materials and intermediate products derived from the agricultural sector.

Agro – processing thus means transforming products that originate from agriculture, forestry and fisheries.

The Standard Industrial Classification of agro – processing industry in eleven categories are as follows :- food , beverages, paper and paper products, wood and wood products, textiles, wearing apparel, furniture, tobacco , rubber products , footwear and leather products.

Review of Importance & relevant literature on the study :-

Researcher has thoroughly gone through available literature on research topic as follows.

Manjari Desai (2014) -The Food Processing Industry plays an important role in establishing the farm sector’s formal linkages that result in high income and employment generation while minimizing the wastages. According the Economic Survey of Maharashtra 2011-12, out of the total 4221 FDI proposals (from August 1991 to September 2010) approved by the Government of Maharashtra, 173 proposals are from the Food Processing sector, that is 4.1% of the total proposals. An investment amount of Rs. 1039 crores is expected which is 1.2% of the total investment in the current year.

Type of Agro Processing Units :-

Dairy – India is the world leader in milk production producing around 146 million MT of milk. India milk production is expected to reach 180 million MT in 2020.

Fruits and Vegetables:- India is second largest producer of fruit and vegetables in the world with a production of 256 million MT. India 4.6- 15.9% wastage in fruit and vegetable due to lack of modern practice of packaging & technology, not available facilities of cold storage etc. Process level of fruit and vegetable in India is only 2% .

Agricultural food processing industry a large number of industrial units producing foods, fruits and vegetables based products, marine products, meat based products , milk and milk product alcoholic beverages, fisheries, grain processing and others. Since liberalization in 1991 proposals for projects of the food and agro processing industry. Government approved proposals for joint ventures , foreign collaboration , industrial licenses and 100% export oriented units an investment.

India exports of Processed Food was Rs. 27.263.94 Crores in 2016-2017, which including the share of products like Mango Pulp Rs. 864.97 Crores, Dried and Preserved Vegetable Rs. 1088.55 Cr. , Fruit and vegetables Rs. 3,116.08Cr., etc.

The market for processed and packaged food products is increasing day by day. Only 14 % of total food products are being processed in India , whereas 35% food is wasted during packaging and transportation . Every year 20 to 30 % of crop is wasted at farm level in India due to not proper handling , spoilage, flood , draughts, pests and diseases , climate changes and lack of knowledge of technologies and information . Fruit and vegetable wastage around 30% (Meena , Meena & Chand 2010)

According Annual Survey of Industries (ASI), the total number of Registered food processing factories in the country is 37, 445. Top five registered Food Processing Industries units as per follow.

Sr. No.	Name of State	Food Processing Industries Register Units	% of Register Units
1	Andhra Pradesh	5,735	25
2	Tamil Nadu	5,161	14
3	Telangana	3,716	10
4	Maharashtra	3,077	8
5	Panjab	2,792	7.5

Source :- Annual Survey of Industries

Contribution of food processing India to Gross Domestic product at 2011-2012 Prices (Rs. In crore)

Sr. No.	Economic Activity	2011-2012	2012-2013	2013-2014	2014-2015
1	GDP- All India	81,95,546	85,99,224	91,69,787	98,27,089
2	GDP – in Manufacturing	14,82,158	15,74,471	16,58,176	17,76,461
3	GDP in Agricultural Forest and fisheries	15,05,580	15,23,470	15,79,296	15,82,851
4	GDP Food Processing Industries	1,50,370	1,43,364	1,49,555	1,60,224
		% Growth			
5	GDP – All India	4.93	6.64	7.17	6.23
6	GDP - in Manufacturing	6.3	5.32	7.13	6.23
7	GDP – in Agricultural Forest and Fisheries	1.19	3.66	0.23	1.69
8	GDP Food Processing Industries	4.66	4.32	7.13	2.26
		% Share of FPI			
9	GDP – All India	1.83	1.67	1.63	1.63
10	GDP - in Manufacturing	10.15	9.11	9.02	9.02
11	GDP – in Agricultural Forest and Fisheries	9.99	9.41	9.47	10.12

National Account Statistic 2015 CSO GD

Food processing industry in India in the form of MSMEs on one hand and agro based on the other and agro based industry is an enterprise that processes bio- mass . It include two categories 1) Agro food industries and 2) Agro non food industries. Agro based industry help to agricultural development, adding value to farmers produce, development employment and increasing farmers net income.

Food Processing Scenario In India :-

Processing industries in India is very low develop as per the develop nation. Overall processing product in India 10% , USA 80%, Malaysia 80%, France 70%, Thailand 30%, Australia 25% The processing level for various type of product in India are Fruit and Vegetable – 2% , Marine Product – 23%, Poultry – 6%, Meat – 21% ,& Dairy – 35%.

As per the above data clear the highest processing sector is Dairy product and lowest are Fruits and Vegetable. The India processing industry stands at \$ 135 billion and these industry growing to reach \$ 200 billions by 2015. These industries contributed 7% in India's GDP. These industries generate 13 million workers directly and 35 million workers indirectly.

India has versatile climate conditions. India has above 50 types of soil and 20 agro climate zones. India expected from processing industries is reach \$482 billion in 2020. These industries are contribute 14 % in GDP in Indian economic in future. These industries increase export contribution in future very fast. One of the major agriculture product producer which is biggest potential for investors and exporters.

Growth point of food processing sector :-

- Changing the life style of children, men, and women.
- Women participation increase in job, business and increase the income of women.
- Increase the capacity of the expenditure on health.
- Increase the requirement nutritional foods.
- India has various agro climate conditions. So there is available various type of raw material.
- India has huge scientific and research talent pool.
- Well developed infrastructure and distribution network.
- Rapid urbanization, increased literacy, changing life style, increased number of women in workforce, rising per capita income leading to rapid growth and new opportunities in food and beverages sector.
- 50 per cent of household expenditure by Indians is on food items.
- Strategic geographic location (proximity of India to markets in Europe and Far East, South East and West Asia). Mega Food parks
- Logistics and cold chain infrastructure
- Food safety Management Systems
- Machinery and packaging

Conclusion :-

Agro processing industry is considered to be the sunrise sector of the Indian economy. India has a strong potential for production, consumption and exports. Vegetable, Fruits, Dairy and Poultry, Banana, is the major product grown in India. Favorable agro-climatic conditions make India a potential producer of fruits and vegetable, agriculture product. Due to inadequate cold chain facilities, transport facilities, water irrigation facilities, light facilities.

Now there are opportunities like developed nations are the export destinations in India. High competition from global players and fast development in scientific approach, technology, skill labour, awareness and education farming are the threats faced by the industry.

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