



FOOD PROCESSING INDUSTRY IN INDIA: AN EXPORT ORIENTED SECTOR

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ABSTRACT

Indian fare handling out industriousness is primarily export oriented. With the export advance percentage of around 15%, its reveal in the intercontinental marketplace is single 1.7%. Again, no more than 2% of the entire foodstuff fashioned in India is processed for extend consumption. This is a be significant of item that even though immense potential, this sector cadaver grossly underutilized. Against this background, the in-attendance term paper aims to investigate the export outlook of Indian cuisine giving out industriousness laying focus on its trends, the harms it faces and probable corrective events to do its extraordinary potential. swelling duty be inflicted with been calculated next the finest fixed trend. discovered Symmetric Comparative lead guide has been old to degree the Comparative benefit of Indian processed chow export.

1 INTRODUCTION

Liberalization of trade resulted in a fast transformation of the export and import situations in the on the increase countries. Specially, W.T.O brought the opportunities for countries to cultivate and become conscious their export potential. India's admiration of the treaty on cultivation resulted in variation in levels of comparative improvement for many agricultural properties exported in the total markets. Structural changes in the symphony of agricultural trade were moreover practical in the planet market. fixed rations export has been progressively replaced by processed chow export. India is the second prevalent producer of food, hardly behind China. Earlier, the behaviour of cooking doling out sector in India were primarily restricted to the chow preservation, packaging and transportation. However, over the years, with the materialization of new markets and technologies, the sector has completed its scope. It has in progress producing numerous new matters like make plans for

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to consume food, beverages, processed and frozen fruit and vegetable products, oceanic and meat products, etc. It and includes organization of post-harvest infrastructure for dealing out of a variety of fodder matter like coldness luggage compartment facilities, fare parks, packaging centres, treasure new centres, irrigation conveniences and simplified abattoir. Presently Indian chow dealing out diligence predominantly consists of Dairy, Fruits and Vegetables, Grains and Cereals, Fisheries, Meat and Poultry, regulars fodder bits and pieces etc. amongst these, Dairy foodstuffs gain the biggest marketplace divide up of about 37%. With the fast evolution of the economy, lift in the ingestion design from cereals to further various foodstuffs like milk, vegetables etc. cover resulted in the expansion of fodder handing out industriousness in India. according to the eleventh five-year plan, cooking giving out manufacturing constitutes further than partially of the full amount chow crop in India. groceries doling out business in India is primarily export oriented. No manufacturing dispensation is obligatory for surroundings up of fruit & vegetable handing out industry. although the activity is chubby in provisos of magnitude in India, it is quietening at a burgeoning perform in provisions of progress and financial statement for just 1.7 apiece cent of planet trade in this noteworthy sector. Against this support ground, the give to labour aims to learning the spirit and prospects of export of fare handing out productiveness in India.

II. OBJECTIVE: The limitation objectives of the rag are as follows:

1. To analyse the export enlargement trend of cuisine dealing out Sector in India.
2. To research paper the competitive improvement of export of rations producing sector.

III. DATA SOURCES:

The look at carefully is based on minor data. A substantial brand of goods is programmed under this sector. The put forward cram primarily concentrates on processed fruits & vegetables and certain processed groceries crop explicitly Dried and preserved vegetables, Mango Pulp, Others Processed fruits and vegetables, Pulses, pulverized Nuts, Guar Gum, Jaggery and Confectionery, Coca products, breakfast cereal Preparation, Alcoholic Beverages and Miscellaneous Preparation. Time-series figures on the export of processed foods, mutually in bodily magnitude and value, for the day 2001-02 to 2009-10, were cool from bureau of fare dispensation Industries, APEDA, RBI bulletin, fiscal Survey. for the reason that of the non-availability of the point judicious figures interconnected to processed food, the offer research paper remainder classified in the understood period. However, the progress esteem for out-and-out export, export of agricultural manufactured goods and export of entire processed foodstuff has been calculated for the phase of 1993-94 to 2009-10.

IV. EXPORT PERFORMANCE:

India's exports of processed foods cover been bigger over the years. It better from Rs.2563.91 Crores during 2001-02 to Rs. 8307.29 Crores in 2009-10 which includes Dried and Preserved Vegetable of Rs. 532.07 Crores, Mango Pulp of Rs. 744.61Crores of, Other Processed Fruit and Vegetable of Rs. 1434.51 Crores, Pulses of Rs. 408.32 Crores, Groundnuts of Rs. 1425.39Crores, Guar gum of Rs. 1133.31 Crores, Jaggery & Confectionary of Rs. 233.2 Crores, Cocoa harvest of Rs. 96.99 Crores,

breakfast cereal arrangements of Rs. 1013.54 Crores, Alcoholic and Non-Alcoholic Beverages of Rs. 589.93 Crores and Miscellaneous measures of Rs. 694.28 Crores. The esteem of export of dried fruits and vegetables decreased from Rs 537.15 Crores to 532.07 Crores during 2001-02 to 2009-10. The export of Jaggery and Confectionery furthermore decreased from Rs 436 Crores to Rs 233.2 Crores during the identical period. The exports of chosen processed foodstuff effect for the day 2009-10 in quantitative and quantity language bear been offered in list 2. Export of other processed fruits and vegetables which enter Apple Juice , Beans Shelled, Chips Fried ,Dried Apricots, Grapefruit Juice, Jam Jellies of Other Fruits, Lemon Juice, Pineapple Juice, Tomato Juice etc. registered greatest extent rise from Rs 201.74 Crores(61332.36MT) to 1435.51 Crores (397978.2MT) during the assumed period. During 2009-10 other processed foods emerged as the main contributor to absolute processed fodder export with 21.80 apiece cent communicate in tangible units and 17.28% in price term. This is followed by broken up nut (18.64 and 17.16% respectively) (APEDA). Coca harvest registered buck percentage share, simply .32% in corporeal entity and 1.16% in survey term. progress Rates:

The exponential swelling charge for export of Indian processed foodstuff partake of been obtainable in spreadsheet 1 and register 2. The exponential progress pace of processed groceries food was 15% during the time of 1993-94 to 2009-10 anywhere as that of sum export and export of agricultural produce was 16% and 12% apiece annum respectively.

Table 1: Growth rate of total Export and Agricultural Product in India.

Item	Absolute Export (Rs Crores)		Growth Rates
	1993-94	2009-10	1993-94 to 2009-10
Total Export	69748.85	845125.2	16%
Export of Agricultural Produce	12586.55	89522.59	12%
Export of Processed Food	725	8307.29	15%

Sources: Calculated from APEDA, Agricultural Statistics at a glance.

The Export increase proportion of the chosen processed cooking stuff equally in language of magnitude and value, from the superlative fixed functional form, for the day 2001-02 to 2009-2010 are represented in table 2.

Table 2: Export growth rate of Processed Food in India ((2001-02 to2009-10)).

	Quantity	Value
	Growth rate (%)	Growth rate
Dried and preserved vegetables	-7.3	-74
Mango Pulp	11.30	12.64
Others Processed fruits and vegetables	25.88	28
Pulses	-3.7	5.1

OTHER PROCESSED FOODS		
Ground Nuts	14.82	17.47
Guar Gum		15
Jaggery and Confectionery	20.10	21.20
Coca products	22.9	27
Cereal Preparation	22.7	22
Alcoholic Beverages	8.71	24.07
Miscellaneous Preparation	23.14	22.19

Consequently, far-flung as unquestionable number is apprehensive highest increase ratio is practical for Others Processed fruits and vegetables, 25.88% and smallest amount for Dried and preserved vegetables, -7.3%. In project of value, the numbers are 28% and -.74% respectively, for the matching products. greater discrepancy between the lump tax of extent and worth was experimental for Dried and preserved vegetables, -7.3 and -.74% correspondingly and for Pulses, -3.5 and 5.1% respectively.

V. WORLD AGAINST INDIAN EXPORT:

Share of India in the planet export of these cargo during the day 2009-10 has been untaken in index 3. The maximum allocate was practical for Guar Gam, i.e. 45.75%. The go halves for deck nut was 21.35% that of Dried Fruits and Vegetables was 6.02%, pulses 1.47%, Cereals measures .55%, Alcoholic Beverages .21%, jiggery and Confectionery .32% and just about insignificant percentage of coca product.

Table 3: India and World Export of some important processed food (2009-10); Value US \$ Millions.

Product	World Export	Indian Export
Dried and preserved vegetables	1865	112.25 (6.02)
Pulses	5866	86.14(1.47)
Ground Nuts	1409	300.83(21.35)
Guar Gum	523	239.09(45.75)
Jaggery and Confectionery	15468	49.2(.32)
Cereals Preparation	38841	213.80(.55)
Coca Products	30948	20.42(.07)
Alcoholic Beverages	60185	124.35(.21)

Source: Calculated from APEDA

In the introduce vocation laboratory analysis has been complete for the elected processed rations items. Table-3 shows that India has comparative gain for Guar gum, found nut, Dried Fruits and Vegetables and Pulses. India enjoys greatest comparative help in Guar Gum. The Gur Gum during 2009-10 was calculated at 0.98. India is the distinct biggest producer of Guar in the world, having

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85% of total promote communicate which is reflected. This is followed by establish Nut with 0.88. Dried Fruits and Vegetables .64 and Pulses. The exports of Jaggery and Confectionery, Cereals Preparation, Coca Products, Alcoholic Beverages from India did not like any comparative help during 2009.

VI. GOVERNMENT INTERVENTION:

Since liberalization Food-processing sector has been identified as above what is usual priority sector and a come to of schemes and incentives were announced by Indian Government. FDI up to 100% in beverages is acceptable under the preset forward for processed fodder stuff not including alcoholic beverages and an only some other confidential items. for the most part of the processed groceries matter was exempted from the licensing and expurgate duties. During 1999, foodstuff giving out industries were established as a priority sector for accessing have an account credits in 2001, the administration of India launched the syllabus of establishing Agri export zone (AEZ). THE key OBJECTIVE BEHIND IS TO associate the possible of the Agri effect in a close region. APEDA was constituted as the nodal outfit to promote the group of AEZ.

VII. CONCLUSION:

The here analysis reveals that out of eight processed provisions objects at hand are four stuff everywhere India enjoys comparative gain in the globe market. Except not many processed products, on the whole of the hand baggage the progress tax was utterly high. However, the gift of this sector to the planet trade is very nearly in significant. even though soul one of the world's chief rations producers, with giant promise for exporters, Indi's balance sheet in the humanity cooking trade is single 1.5%. The constraints like non-availability of sufficient infrastructural facilities, age-old technology, not have of acceptable eminence control, inefficient give chain, ineffective famine facility, area of high-pressure list cost, climax packaging expense are creating damaging environment to the enlargement of this sector. It is estimated that around 20 to 25% groceries pigs is bewildered payable to be deficient in of decorous cargo space facilities. an alternative influential aspect is that suitable to its consciousness a capital-intensive Industry, it leads to a lesser figure of producers in this dedicated sector. The citizen advertise of Processed chow is calm down little for the reason that of that the exporters break down to get economies of climb over which indirectly influencing the humankind trade distribute of processed food. foodstuff dispensation sector is additionally unfavourably precious by be deficient in of funding. lengthy conception epoch and depressed profits establish expose to lending cash for this sector. As a result, a big portion of its amount has remained unutilized. The stationary penalty realisations in the global bazaar bear additionally smashed the view of more or less Indian processed fare in the overseas market. a number of other countries enjoy happening flooding of processed provisions in the overall marketplace at cheaper prices. Despite each and every one these problems, this sector has a quick future. quite a lot of giant firms contain entered in to this sector. near be supposed to be property management, definite loyalty to export commitments and acquisition of apt negotiation skills.



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