

## INTRODUCTION

The agro and food processing industries sector is one of the largest in terms of production, consumption, export and growth prospects. This sector ranks fifth in the country in size, employs over 1.6 million workers (20% of the nation's labour force) and accounts for 15.19% of total industry output with 5.5% of the GDP. India's growing domestic demand for value added processed foods and its self-sufficiency in supply is the contributing factors for the growth of this sector. It is estimated that the Food Processing Industry in India will attract phenomenal investment - capital, human, technological and financial- of over Rs. 1,40,000 crore in the next decade.

The state of West Bengal is a significant producer of many horticulture and agriculture produce. The state has achieved significant growth in agriculture production over the past decade (CAGR of 4.5% during 1996-2001). The state accounts for nearly 20% rice, 28% potato & 27% pineapple out of the national production. While there has been a spectacular rise in food grains production over the years, only 1% of the total production is utilized for processing and the post harvest loss accounts for nearly 30%. The State has attained self-sufficiency in food production with reasonable amount of marketable surplus for most of the key crops and fast emerging as the "Food Bowl" of the country.

The wide raw material base and market surplus give the State a natural advantage to invest in Fruit and Vegetable Processing, Spices and Grain Processing Industries. Besides this, the state also produces other Food Products like fish, meat and poultry products in abundance, which also has enormous processing prospects. The Eastern & Northeastern regions have an easy access to bordering countries like Bangladesh, Nepal, Myanmar and Asia-Pacific region for exports.

The trends in investment in food processing sector in the State during past five years are indicated below:

Year	No. of Project approved	Investment Rs. Crore	Employment Generated (No.)		
			Direct	Indirect	Total
2002-03	118	212.22	2814	11256	14070
2003-04	115	327	9492	37968	47460
2004-05	204	524	3999	15996	19995
2005-06	443	380.9	6300	25200	1500
2006-07	95	451.58	4032	16128	20160

Considering all the above situations, Department of Food Processing Industries & Horticulture, Govt. of West Bengal has planned to conduct a survey on food processing industry of the state with the following objectives:

- To prepare a useful document for the investors of the sector
- To understand the existing scenario

## Scope of the study

Scope of the studies is as follows:

Raw material sources:

- Quantity
- Seasonality
- Variety
- Yield

Land & Infrastructure:

- Land for Industry Development
- Cold chain facilities/Warehousing
- Availability of water
- Availability of power
- Road network/ Port net work

Technology & Credit:

- Requirement of Technology (Scale wise)
- Cost of Technology
- Sources of Technology
- Suitability of Technology
- Requirement and sources of credit

Existing Players:

- Sourcing of raw materials
- Sourcing of waters
- Marketing
- Registered/Unregistered units
- Cluster of units (if any)
- Requirement of manpower according to their skill sets

Future plan:

- Potential location
- Potential sub sector
- Infrastructure & other technical requirement

## Approach & Methodology of the study

Approach of the study was:

- Geographical coverage up to block/ Municipality level
- Sector & sub sector coverage
- Demand Driven

Methodology used for the study was as follows:

- Reconnaissance survey
- Primary survey
- Secondary survey
- Stake holder's consultation

## Coverage of the study

A survey on Food Processing Industries has been conducted under the aegis of Department of Food Processing Industries and Horticulture, Government of West Bengal. The survey covered 341 blocks of 18 districts and Kolkata and period covered was April, 2012 to September, 2012.

Districts of the states have been divided under following zones:

**North:** Darjeeling, Jalpaiguri, Coochbehar, Uttar Dinajpur, Dakshin Dinajpur and Malda

**South:** Murshidabad, Nadia, Hooghly, Howrah, North 24 parganas, South 24 parganas,

**West:** Birbhum, Burdwan, Bankura, Purulia, Purba Medinipur, Paschim Medinipur

## Introduction

West Bengal is a state of 9,13,47,736 consumers, the fourth largest market in India (in terms of total population) after Uttar Pradesh, Bihar and Maharashtra and 2<sup>nd</sup> densely populated state after Bihar among these four states. Around 13550 registered micro & small, 721 medium and 360 large units are operating in the state.

## Survey of Food Processing Industries

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The survey covers district wise information on

- Consumer base in terms of age group, population concentration
- Patterns of livelihood
- Connectivity in term of road ways, rail ways and airways
- Other infrastructure covering technical education, financial institutions, power supply station
- Raw material base in terms of availability of Agriculture, Horticulture, Live stock resources
- Related infrastructure like major markets for sourcing of raw materials, cold storage including multipurpose facilities, cold chain facilities, agriculture & horticulture research station, milk chilling plants, irradiation facilities
- Category wise food processing industry
- Employment scenario
- Major players
- Investment opportunities

## West Bengal in context of India

West Bengal, a riverine state with decent rain fall, has a huge agricultural and horticultural base as compare to entire nation. Its favourable agro climatic zones have made it one of the leading producers of many products in India. According to National Horticulture Board Report, 2010-11 the state is:

- 1<sup>st</sup> in Pineapple production
- 1<sup>st</sup> in Brinjal production
- 1<sup>st</sup> in Cabbage production
- 1<sup>st</sup> in Cauliflower production
- 1<sup>st</sup> in Fish production
- 2<sup>nd</sup> in Potato production
- 2<sup>nd</sup> in Litchi production
- 2<sup>nd</sup> in Sweet Potato production
- 2<sup>nd</sup> in Okra production
- 4<sup>th</sup> in Papaya production
- 4<sup>th</sup> in Tomato production
- 5<sup>th</sup> in Guava production

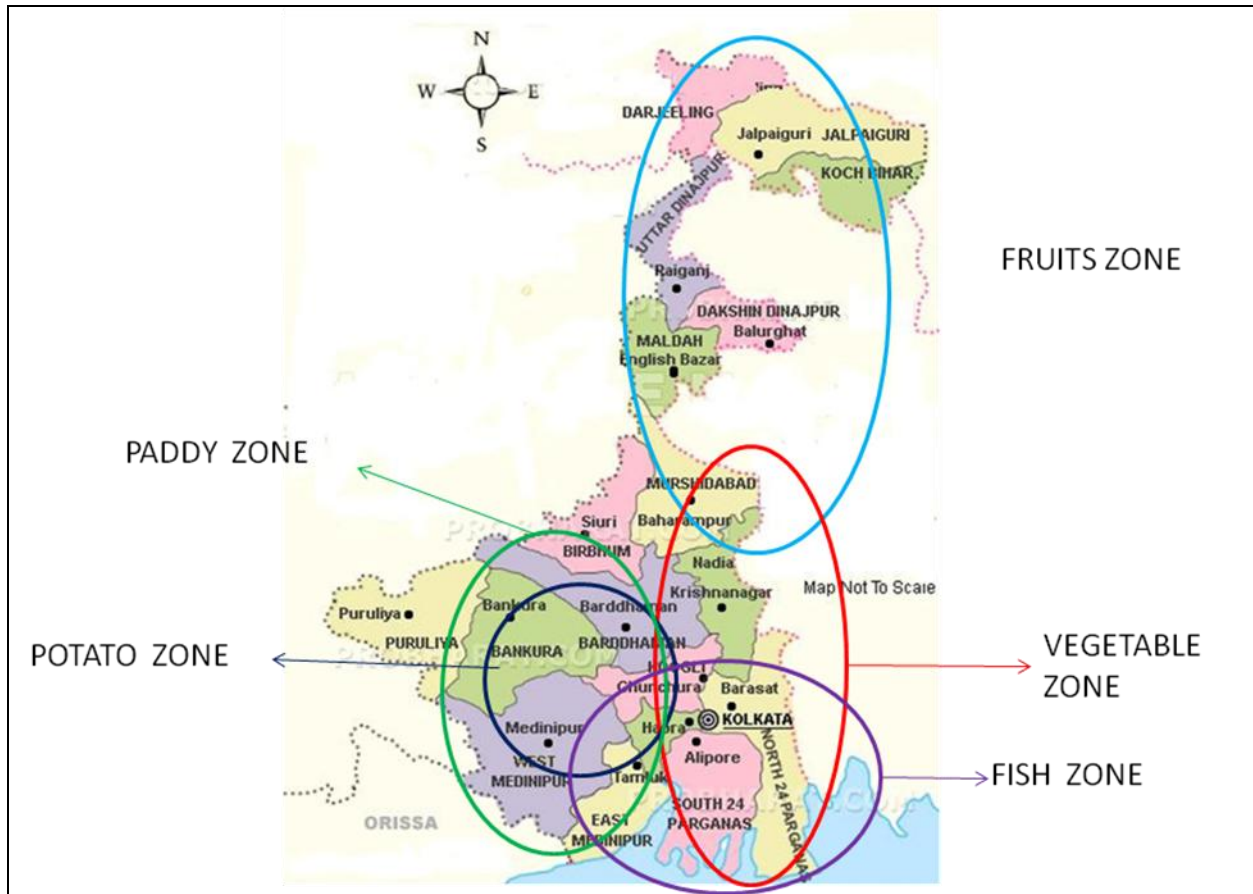
## Production of West Bengal

Production of West Bengal is as follows:

Production - 2010-11 - in MT			
Product	West Bengal	India	% Share
<b>Fruits</b>			
Pineapple	304	1,415	21%
Litchi	85	497	17%
Papaya	324	4,196	8%
Guava	179	2,462	7%
Mango	620	15,188	4%
Orange	36	3,255	1%
<b>Vegetables</b>			
Potato	13,391	42,339	32%
Cauliflower	1,777	6,745	26%
Cabbage	2,088	7,949	26%
Brinjal	2,871	11,896	24%
Okra	862	5,789	15%
Tomato	1,064	16,526	6%
Green Pea	129	3,517	4%
Banana	1,010	29,780	3%

Sources: Dept. of food processing and horticulture, West Bengal

Broad concentration of different produces is depicted here:



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