

Analysis of constraints faced by food processing units in Prayagraj District of Uttar Pradesh

¹ Neelam Mitra, ² Dr. J.P. Singh

¹Assistant Professor, Department of Family Resource Management and Consumer Science, ECCS, SHUATS, Prayagraj

Email - neelam.mitra@shiats.edu.in

²Ex-Professor, Department of Horticulture, SHUATS, Prayagraj

Abstract: Food processing in the method of transforming raw agriculture products into food that is safe, edible, convenient and long lasting. The present study was conducted to assess the of food processing units in Prayagraj district of Uttar Pradesh. Two food processing units namely Apex, Prayagraj and S.R. Canneries, Prayagraj were selected through purposive selection method for the present study. The primary data were collected through pre-structured interview schedule and appropriate statistical tools were used to draw logical conclusion. It was found that the major constraints faced by both processing units are erratic raw material availability, more taxation high transportation charges, mechanical trouble and lack of awareness.

Key Words: Analysis, Food processing, constraints.

1.INTRODUCTION

The food processing industry in India is segmented into food grain, pulse milling, fruit/vegetable processing, milk and milk products, beverages, fish, poultry products, soft drinks confectioneries etc. It is the higher taxed industry in India. Also India is the only country in the world with tax differentiation for branded and unbranded foods.

Processing and agri-processing industries (fruits, beverage, tobacco) typically employ about 10% of total labour force employed in manufacturing sectors in developing countries, compared to 20-30% in the developed countries. A factor under scoring the importance of agri-processing as source of employment and earlier relates to the difference in production between raw materials on one hand and gains have been appreciated in many cases as spectacular on the other hand. The agri-industry where inter-sector accessories are sometimes confusing as economic growth and development proceeds the dynamic role of agri-processing industries must be appraised in the framework of the increasing complexity of food system and other agricultural, fishery and forestry-based system. Food processing industry is taken as a priority sector for priority action.

The consumer demand for processed food is increasing day by day. The preference of people for food products that are ready to eat, easy to prepare, safe and long-lasting. People prefer the processed food due to convenience, taste and lifestyle changes.

Around 65,000 plus food processing units are currently operating in Uttar Pradesh across all districts. The state aims to increase this to 75,000 units, showing rising demand for processed food (Business standard 2025). In Uttar Pradesh 10-15% of total household food expenditure is spent on processed and packaged food. The common consumed items are biscuits, chips soft drinks, chocolates, packaged snacks. The demand is rapidly increasing due to urbanization, busy lifestyle and growth of supermarkets and online delivery.

Most of the horticultural produce are seasonal in character with short shelf life. This resists capacity utilization of plants using older technology, lower yields and also makes the produce early. It is important to have the right type of raw materials available at reasonable price over a larger period of time to overcome the deficiencies and the best way would be to encourage industry itself to invest in research and development. Extension of supply of inputs and transfer of technology of products to the farmers of producing process able varieties of raw materials with high yields. Industry on its part must ensure the farmers of procurement of these raw materials at reasonable and affordable prices.

The major constraints faced by the food processing units in India, primary driven by inadequate cold chain, storage infrastructure causing over 30% produce wastage a highly fragmented supply chain, high operational seasonality, more taxation, high transportation charges and limited access to credit for MSMEs. Other barriers include low technology adoption, lack of skilled workforce and complex regulatory compliance.

2.Objective of the Study:

To trace out the constraints faced by the food processing units in Prayagraj.

3.Research Methodology:

The present study was conducted in Prayagraj district of Uttar Pradesh which was selected through purposive sampling and used descriptive research approach to characterize the features of a population or phenomenon under study. Two food processing units namely Apex industries and S.R. canneries were selected through purposive sampling methods based on maximum coverage of area under them. The primary data were collected through pre-structured interview schedule and secondary data were collected from district food processing office and from various published and unpublished sources and written documents from individuals, experts and organization related to fruit processing activities.

4.Results and Discussion

The summary table 1 and figure 1 gives an account of both the processing units, that is Apex industries and S.R. Canneries, in the two subsequent years, the different factors in relation with the constraints countered by the said two processing units were notified as :

1. Costly raw material
2. More taxation
3. High transportation charges
4. Efficiency bottlenecks, like depreciation of machinery, unskilled behavior of processor and ineffective marginal capacity of the administration; and
5. Lack of dedication, awareness and sense of belongingness.

All the aforesaid factors were critically studied and data were collected through observation from time to time and season to season in the two processing units. After collection, the data were, further put to critical analysis and inference were drawn.

Table- 01 Constraints faced by both the food processing units

Sl. No.	Product	First Year		Second Year	
		Apex	S R C	Apex	S R C
1	Costly Raw Material	71.89	76.85	73.45	71.69
2	More Taxation	64.25	67.25	62.95	61.85
3	High Transportation charges	28.96	27.89	31.25	30.45
4	Mechanical trouble	18.23	19.45	21.21	18.39
5	Lack of awareness	62.56	66.52	64.97	63.89
	Total	245.89	257.96	253.83	246.25
	Average	49.18	51.59	50.76	49.25

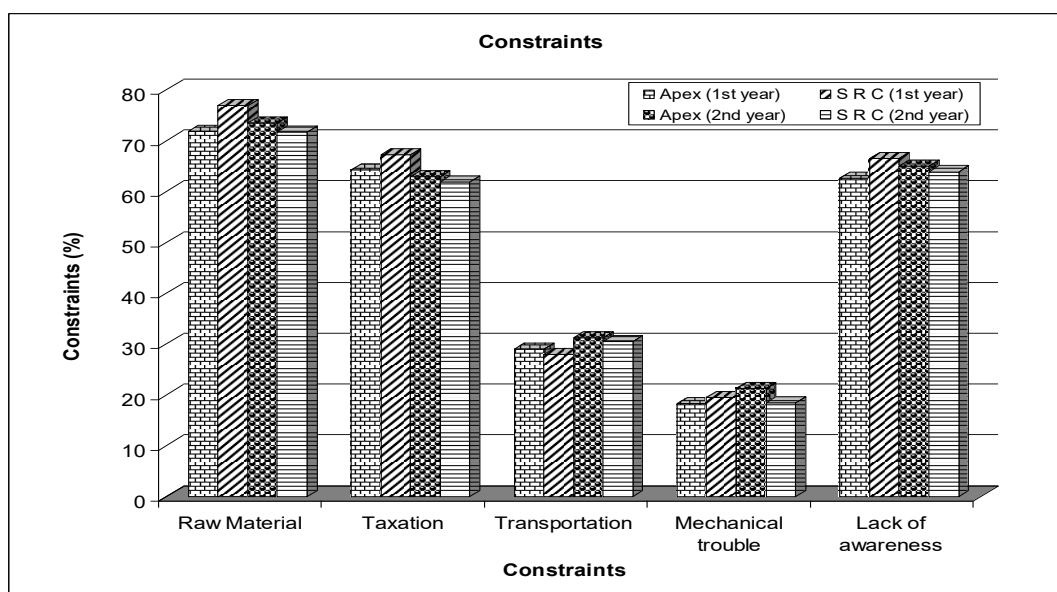


Figure No. 01

Table 1 and figure 1 reveal that in the first year of study the Apex industries had constraints of raw material to the extent of 7.89%, whereas, S.R. Canneries experience 76.85% constraints for raw material.

As far as taxation is concerned, Apex industries had 64.25% constraints in taxation, whereas, S.R. Canneries experienced up to the extent of 67.25%.

The third factor, i.e. transportation, posed constraint to the extent of 28.9% in respect of Apex Industries in the same period of study followed by S.R. Canneries, which faced transportation constraints to the extent of 27.89%.

As far as fourth constraints facto of efficiency bottlenecks, 18.23% constraints remained with Apex Industries, whereas, S.R. Canneries had 19.45% constraints on this account.

The fifth and the last constraint, Le lack of awareness, dedication and sense of belongingness affected the processing team of Apex Industries to the extent of 62.50%, whereas, the working of S. R. Canneries was affected to the extent of 66.52% during the same period. However, the mean average of constraints remained at the rate of 19.18% with Apex Industries and 51.59% in case of S. R. Canneries.

During the second year of study, the Apex Industries had a constraint of 73.45% in respect of raw material, followed by S. R. Canneries, which registered 71.69% constraint. As far as taxation is concerned, Apex Industries showed 62.95% constraint followed by S. R. Canneries with 68.85%

The third factor of transportation during the same period put 31.25% constraint before Apex Industries, followed by S. R. Canneries with 30.45% As far as fourth factor of efficiency bottlenecks was concerned, Apex Industries had 21.21% constraint followed by S. R. Canneries with 18.39% only.

In the case of constraint of lack of awareness, dedication and sense of belongingness in respect of the two processing units, Apex Industries had a higher magnitude of constraint of 64.97% while S. R. Canneries had 63.87% constraint.

As far as mean average of constraints for the year 2nd year is concerned, the Apex Industries had 51.76% followed by S. R. Canneries, which registered upto the extent of 49.25%. The above findings very well depict that both the processing industries had almost the same magnitude of constraint in all the parameters during both the years of study. Hence, the infrastructural facilities and State Government's supportive role in processing sector is necessary towards the development of viable, efficient, qualitative and profitable processing units, not only in the city of Prayagraj but also in majority of cities of this large state.

There is a clear indication that lifestyle and fooding habits of rural people is also changing at a fast pace towards complexities of life and lesser time for preparation of edible material. This, further, increases the scope of processing units to supply all kinds of production to the rural people in the rural areas.

5.Conclusion:

It is concluded that five key constraints faced by the both food processing units i.e. costly raw materials, high taxation, high transportation cost, mechanical trouble, lack of awareness. These constraints are the barriers for the food

processing units for expanding their production capacity, use of modern technology and access to the formal financial system. Policymakers can create a more sustainable environment for micro and small food processing units by addressing the issues related to taxation, transportation, mechanical trouble. Financial gap, encouraging skill development and ensuring a higher awareness and education level.

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