

# North East Mega Food Park, as a Landmark for Economic Development

## Abstract

Northeast India is the eastern-most region of India. It is connected via a narrow corridor squeezed between independent nations of Bhutan and Bangladesh. The region is considered as one of the agricultural based regions. North east India is generally considered one of the most challenging regions of the country in all respects.

During eleventh five year economic plan Ministry of Food Processing Industry (MOFPI) had launched eighteen Mega Food Park in the country and fortunately one of such park is sanctioned in North East India. The site is selected at Nathkuchi area of Tihu town under Nalbari District of Assam. Present paper tries to analyse the role of the Food Park on Economic development of the region along with its Networking and its future prospects.

The paper is based on the secondary data collected from different sources.

**Keywords:** Agricultural based, Food Processing, Mega Food Park, Economic development

## Introduction

After years of hopes and aspiration, Assam gets the opportunities of the Food Park after the Inauguration of the North East Mega Food Park (NEMFP) at Nathkuchi, Tihu town under Nalbari district (Assam), by Harsimrat Kaur Badal, Minister of Food Processing Industries (MOFPI), on May 28, 2015. It carries a ray of hope not only for the processors, cultivators and unemployed youth of Nalbari district but for entire North East as a whole. Local people and economists called it a major boost to the food processing sector which will help the state add value and reduce food wastage.

## Concept of Mega Food Park

Mega Food Park is an inclusive concept which is aimed at establishing direct linkages from the farm to processing units and on to the consumer markets, through a network of Collection Centres (CC) and Primary Processing Centers (PPC). For developing common food processing infrastructure the Ministry of Food Processing Industry has launched the scheme of Mega Food Park during the 11<sup>th</sup> Five Year Plan. The scheme consists of a grant of 50 percent of capital cost excluding land cost subject to a ceiling of Rs.50 crores. The Ministry has proposed to establish 30 such food parks with an estimated investment of US \$110 million. During the 11<sup>th</sup> Five Year Plan the ministry has taken up 15 projects under the scheme. Among these, final approval has been accorded to 8 food parks, in the states of Andhra Pradesh, Jharkhand, Karnataka, Punjab, Tamilnadu, Uttrakhand, West Bangle and Assam.

## Vision of the Scheme

The scheme was launched to achieve the Vision 2015 of the Ministry of Food Processing Industries, which aims at increasing the processing of perishables from the current 6% to 20%, value addition from the current 20% to 35% and at increasing India's share in global food trade from the current 1.5 percent to 3 percent. The primary objective of the scheme is to provide adequate infrastructure for food processing along the value chain from the farm to the Market. It includes creation of infrastructure near the farms, transportation, logistics and centralized processing centres. The main feature of the scheme is a cluster based approach

## Food and its Processing

Foods are classified in different ways. From the nutritional point of view they can be grouped into energy giving, body building and protective foods. On the basis of the process of spoilage food can be classified into three groups.

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1. The stable or non perishable foods like sugar, flour, grains etc.
2. The semi perishable foods like potatoes, onions, some varieties of apples, etc.
3. The perishable foods like meat, fish, poultry, eggs, milk and most fruits and vegetables, etc.

Processing is an integral part of agricultural activities. The conversion of raw agricultural ingredients (plants and animal products) into food and food into other value added product is identified as food processing which is a large sector that connects with the activities such as agriculture, horticulture, plantation, animal husbandry and fisheries. It converts fresh harvested crops and animal product into attractive, marketable and value added long life products. In India food processing is considered as sunrise sector due to its large prospects in economic development of the country. It also includes other industries that use agricultural inputs for manufacturing of edible products.

Food processing is a vast sector and covers all the activities of agriculture, horticulture, plantation, animal husbandry and fisheries. The extent of processing is broadly divided into following segments;

**Primary Processing:** cleaning, grading, powdering and refining of agricultural produce, e.g. grinding wheat into flour.

**Secondary Processing:** basic value addition, like, tomato-puree, ground coffee, processing of meat products.

**Tertiary Processing:** high value addition products like jams, sauces, biscuits and other bakery products ready for consumption.

North East India including Assam is rich in horticultural production with varieties of fruits and vegetables. Horticulture crops have grown almost equally to each state of the Region. Particularly banana, pineapple, papaya, litchi, Assam lemon, Bhoot Jolokia, Rabi and Kharif vegetables, ginger, turmeric etc are produced all parts of North East with varieties of cultivars. For example the different cultivars for bananas in the Region are Jahaji (Dwarf Cavendish) Barjahaji (Robusta) Honda, Manjahaji, Chinia (Manohor), Kanch kol, Chini Champa, Bhim kol, Jatikol, Digjowa and Bharat Moni etc. Though the region is rich in raw materials yet the existing processing level and value addition are very low. The processing activities in our country are dominated by unorganised sector. The highest share of the processed food is in the dairy sector, where 37 percent of total produce is processed, of which only 15% is processed by the organized sector. The processing level is around 21% in case of meat and 6% in poultry products. In case of fruits and vegetables only 2.2 percent are processed compared to USA (65%), Philippines (78%) and China (23%). Out of 2.2 percent only 48% are in organized sector and the remaining is in unorganized sector (Merchant, 2008). The post harvest losses are also more than 30 percent as the processing activities are neglected though it has large demand. The Mega Food Park will

definitely create sufficient infrastructure for processing activities and reduces the post harvest losses.

#### **Objectives of the study**

The main objectives of the study are

1. To analyse the networking system of North East Mega Food Park.
2. To analyse the facilities available here for the economic development of the region.
3. The last but not the least is to analyse the future prospects of the Food Park.

#### **Methodology:**

The paper is completely based on secondary data collected from different sources, like journal, Newspapers and electronic devices. Simple statistical tools like percentages, diagrams are used to analyse the data.

#### **Networking System of North East Mega Food Park**

The Mega Food Park (NEMFP) constructed in Nalbari district of Assam provides a Central Processing Centre (CPC) at Nathkuchi, Tihu covering 50 acres of land supported by a network of 6 Primary Processing Centres and 19 Collection Centre. These are spread across the entire North East Region with total cost of the project Rs.75.97crores. The park definitely helps to create infrastructure for food processing industry in entire North East India.

The NEMFP has a Central Processing Centre at Tihu, as the nuclei of all value addition activities facilitated by Primary Processing Centres, which will act as point of aggregation and primary handling to provide ready to use raw materials to be processed further in the units to be set up in the CPC. The PPCs will be fed by field Collection Centres which will be the first point of contact with growers. There are six primary processing centers namely Badarpur, Tinsukia, Nagaon, Chaygaon, Barapani and Kajalgaon. These six Primary Processing Centers will get raw materials from 19 collection centers situated in different parts of the remote areas. Among the six collection centers Badarpur has four, Tinsukia has two, Nagaon has highest collection centers (seven), Chaygaon has one, Barapani has two and Kajalgaon has three collection centers. These sixteen collection centers will collect the raw materials for food processing from different farmers groups, self help groups and individual farmers. As a result all the producers either large or small will come to a direct contact with the processors and able to enjoy the benefit.

#### **Future Prospects**

This Mega Food Park will leverage an additional investment of about Rs. 250 crore in 30-35 food processing units in the Park and generate a turnover of about Rs. 450-500 Crore annually. The park is estimated to provide direct and indirect employment to 6000 people and benefit about 25000-30000 farmers in the CPC and PPC catchment areas. The modern infrastructure for food processing created at North East Mega Food Park will benefit the farmers, growers, processors and consumers of North East and adjoining areas immensely and prove to be

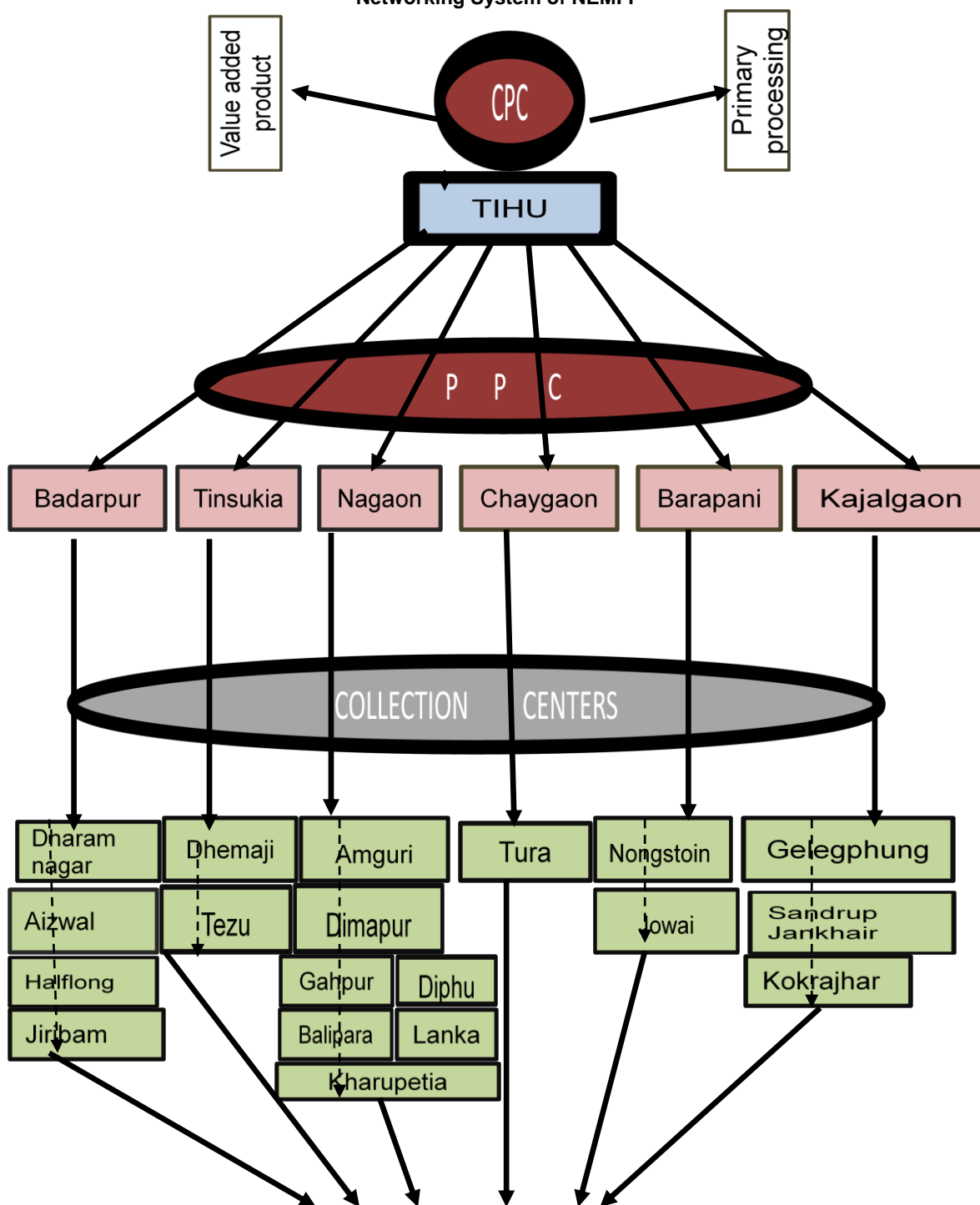
a big boost to the growth of the food processing sector in the North Eastern Region. The Mega Food Park shall go a long way in helping the farmers of the North East. The NE Region has great potential for Food Processing and the Government has taken many steps to promote the Food Processing sector as well as Organic Farming in the region

### Facilities in NEMFP

The NEMFP scheme provides a grant of 75% (for the NE region) of the capital cost excluding land cost, subject to a ceiling of Rupees Fifty Crores.

The NEMFP provides several facilities to the processors, farmers, growers and consumers as well as suppliers which are indicated below in a nutshell.

The Networking System of the North East Mega Food Park is Represented with the Help of box Diagram  
Networking System of NEMFP





1. The park would provide accommodation for 30 processing units and produce about 1, 80,000 tons of processed food per annum.
2. Four (4) modular ware houses with capacity 2500 tons in each are planned.
3. A cold storage with capacity 3000 tons divided into 6 modules with capacity of 500 tons each is planned.
4. Refrigerated van will be provided to PPC of Tinsukia and Badarpur for easy and convenient transportation.
5. A common facility building will be provided with 2400 sq. meter of floor area for convenience.
6. A corridor from CPC to Borjan canal is planned for garbage disposal.

7. A truck terminus is planned to construct with capacity of 67 numbers of trucks at a time in an area of 1.69 acres.

**Conclusion**

In conclusion it can be said that the newly constructed Mega Food Park of north east in Nalbari district helps the different classes of people in the region in different ways. The government, authorities and the local people must look after the project that helps us in all-round development of the region.

**References**

1. Different news papers.
2. Websites and lectures by scholars.