



# A STUDY ON PRACTICE AND PROBLEMS FACED BY SMALL FOOD PROCESSING UNITS WITH SPECIAL REFERENCE TO TIRUPUR CITY

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## ABSTRACT

*Food processing is the transformation of raw ingredients, by physical or chemical changes into food. It combines raw ingredients to produce marketable food products that can be easily prepared and served by the consumer. The objective of the study is to examine the practices followed by the small food processing units. The various tools like Percentage Analysis, Ranking Analysis and Likert Scale were used in this study. The study suggests to use modern machines to decrease time consumption. Finally, the selected units favor the growth of industries in Tirupur. Thus, it brings all around prosperity and improvement in the standard of living of people.*

**KEYWORDS:** Small food processing units, Practice and Problems, Usage of Modern Machines.

## 1. INTRODUCTION

Food processing is the transformation of raw ingredients, by physical or chemical changes into food. It combines raw ingredients to produce marketable food products that can be easily prepared and served by the consumer. Food processing industry in India is a industry that has gained prominence in the recent years and it has a great potential for the development. This sector helps to create income and employment opportunities that ensures higher living standard of people. The problems and prospects of modern small food processing units in India has often been the theme of discussions in many forums.

## 2. STATEMENT OF THE PROBLEM

Maintaining the standard of quality is a major problem, due to poor infrastructure for storing raw food materials (warehouse and the cold storages) as well as poor quality standards and control methods for implementing the quality standards for processing and packaging the processed foods. This was

estimated on the basis of peak season production and highest arrival/ harvesting of storable fruits and vegetables in a month. Further, due to power shortage the quality of food material in the cold storages becomes questionable. High costs and low availability of credit remains a problem because even within the priority sector, lending by banks for food processing receives only 4.5 per cent of the credit.

## 3. OBJECTIVES OF THE STUDY

- To examine the practices followed by the small food processing units.
- To know what kind of promotional techniques that are followed to sell their products.
- To find the marketing needs of the small food processing units.
- To know the financial problems faced after post Covid.



#### 4. RESEARCH METHODOLOGY

<b>Data collection</b>	Both primary and secondary data
<b>Area of study</b>	Tirupur city
<b>Sample size</b>	92 Respondents
<b>Sampling techniques</b>	Convenience Sampling Method

#### 5. STATISTICAL TOOLS

The following tools were used to analyses the data:

- Percentage Analysis
- Likert – scale
- Rank analysis

#### 6. REVIEW OF LITERATURE

**Makda Sakina (2019)** has made a study on The Food Processing Industry in India : challenges and prospects. The objectives is to study the current status and trends in food processing industry. The method followed is review of relevant literature and analysis of secondary data available on food processing sector. The study concludes that the Government of India focus towards food processing industry as key to double farmers income is expected to ensure policy and will promote the growth of this industry.

**Dr. Vishal B.Gaikwad, Dr.Vimal Deep Saxena and Dr. Prashant M. Kotasthane (2019)** has made a study on challenges faced by fruits and vegetables

firms under small scale agro food processing industry in Pune. The study focuses to understand the processing and challenges of fruits and vegetables in agro food processing industry in Pune. The data was collected from 68 respondents through questionnaire method. Hypotheses testing is used to analyse the data. The study concluded that the food processing units must appoint a separate marketing manager who will look after the marketing function and should adopt the marketing efforts and practice it professionally.

**Maeeana Naman Shafiee and Sheba Drabu (2017)** has made a study on assessment of quality control systems in Food Processing Units in Khunmoh food park Kashmir, India. The study was conducted to explore the status of the research and development across food processing industry in the said food park and status of quality control in the same. The study concludes that the status of research and development in the food processing sector of Kashmir is below average.

#### 7. TABLE

**Table Showing the Marketing Needs That Will Satisfy More in Small Food Processing Units**

S.NO.	Factors				TOTAL	Likert Scale	
	Likert Scale Value (x)	3	2	1			
1.	Modern marketing practices	f	88	4	0	92	2.95
		fx	264	8	0	272	
2.	Buyer and Seller meet	f	56	33	3	92	2.57
		fx	168	66	3	237	
3.	Packaging	f	44	36	12	92	2.34
		fx	132	72	12	216	
4.	Finance	f	41	38	13	92	2.30
		fx	123	76	13	212	
5.	Storage	f	42	34	16	92	2.28
		fx	126	68	16	210	

#### INFERENCE

- The respondents agree with the factor of modern marketing practice is the marketing need that will satisfy more in small food processing units.
- The respondents agree with the factor that buyer and seller meet is the marketing need that will satisfy more in the small food processing units.
- The respondents agree with the factor that packaging is the marketing need that will satisfy more in the small food processing units.
- The respondents agree with the factor that finance is the marketing need that will satisfy more in the small food processing units.
- The respondents agree with the factor that storage is the marketing need that will satisfy more in the small food processing units.



**Table Showing the Ranking on Problems Faced By Small Food Processing Units**

S.NO.	Particulars	1	2	3	4	5	Total	Rank
1	Competition	23 (5)	14(4)	12(3)	15(2)	28(1)	265	3
2	Lack of finance	18(5)	20(4)	16(3)	24(2)	14(1)	280	2
3	Delayed payments	21(5)	15(4)	19(3)	23(2)	14(1)	282	1
4	Poor Packaging	13(5)	11(4)	9(3)	36(2)	23(1)	231	4
5	No brand name	11(5)	14(4)	13(3)	25(2)	29(1)	229	5

### INFERENCE

Delayed payments ranked 1 for the problems faced by the small food processing units.

### 8. SUGGESTION

- All the food processing units should try to have their Trademarks.
- Respondents suggest to adapt to the changing trends.
- Respondents suggest to increase the warehouse facilities for storage purpose.
- Respondents suggest to use modern machines to decrease time consumption.
- Respondents suggest to increase their branding.
- Respondents suggest to use good quality raw materials to increase the quality of the product.

### 9. CONCLUSION

Small food processing units help to bring balanced development in the country. The units have come out as the greatest benefactor of rural development. Its responsibility in initiating industrial development in urban and rural areas is high. So, initiating new manufacturing units and expanding its scale of operations should be encouraged. Industrial units should be setup according to local availability of basic resources. Thus, to conclude the study, selected units favour the growth of industries in Tirupur. Thus, it brings all around prosperity and improvement in the standard of living of people.

### WEBSITES

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