



GOVERNMENT OF ARUNACHAL PRADESH
OFFICE OF THE DEPUTY COMMISSIONER :: SIANG DISTRICT
PANGIN

No. DCP/SD/Misc-01/2016-17/

Dated: 07/11/2017

To,

The Development Commissioner,
Finance, Planning & Investment
Govt. of Arunachal Pradesh
Itanagar

Sub: Forwarding of Policy Paper.

Ref: Your Letter No. PD(SPD)27/NitiAyog/2017-18/713 Dtd:
12/10/2017.

Sir,

With reference to your letter no. cited above please find enclosed herewith the Policy Paper on Theme "Expanding Agriculture and Allied Sectors" - Developing an Integrated Value chain for Agri-Horti Commodities pertaining to Establishment of an integrated processing unit for fruits, spices and its value added products at Siang belt in the state of Arunachal Pradesh for your kind information and necessary action please.

Enclo: As stated.

Yours faithfully,

(Rahul Singh) IAS
Deputy Commissioner
Siang District; Pangin



**GOVERNMENT OF ARUNACHAL PRADESH
OFFICE OF THE DEPUTY COMMISSIONER:: SIANG DISTRICT
PANGIN**

**Policy Paper on Theme “Expanding Agriculture and Allied Sectors” –
Developing an Integrated Value chain for Agri-Horti Commodities**

*Establishment of an integrated processing unit for fruits, spices and its
value added products at Siang District in the state of Arunachal Pradesh*

Submitted By:

***Rahul Singh, IAS
Deputy Commissioner
Siang District; Pangin***

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EXECUTIVE SUMMARY

The project is proposed for processing of raw Pineapple and Oranges, which would be processed and packed into various types of aerated and soft drinks. The semi processed raw Juices would also be sold to various high end juice manufacturing companies. The project will also have the integrated state of art cold chain.

Apart from processing the fruits, the project is proposed to Dry and Pack Spices like Large Cardamom, Ginger, Turmeric and Chilies.

The promoters of the project would be farmer producer organizations, Non-Governmental Organizations, Cooperative Societies through competitive biddings.

The technology and marketing of the products will be supported by North East Mega Food Park, Nathkuchi, Tihu, Nalbari Assam under the Ministry of food Processing Industries, Govt. of India.

The targeted consumers for the product within the country are health and nutrition sector, supermarkets and huge shopping malls, luxury hotels, clubs, tourism industry, railways, airways etc.

AIM AND OBJECTIVE OF THE PROJECT

Aim of the project

To produce and its value added products utilizing modern technology and to make available processed Drinks, Dried Spices and its value added products in attractive consumer packs in all the districts in the state, nearby towns in Assam and various other metropolitan cities in India, providing a decent income to the Growers/farmers, creating rural employment opportunities and improving the GDP of the State.

Objectives of the project

Setting up of an integrated Processing Unit for Fruits, Spices and its value added products functioning through competent farmer producer organization/ NGOs/Cooperative Societies.

Maximum utilization of Locally Grown Fruits and Spices Produces for producing a diverse range of value added products from the District.

PURPOSE OF THE PROJECT

The purpose of the project is:

- a. Overall development of Food processing sector.

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- b. Developing a consistent market for Marginal Farmers, the rural population who are growers by tradition and its value added products.

THE PROJECT

Introduction

Entire Siang belt (East, West, Lower, Upper Siang and Siang Districts) in Arunachal Pradesh has the huge area under cultivation of Oranges, Pineapple, and Pears and also it is the unexplored hub of various spices crops. The concerned area with its hardworking people is mainly dependent on Agro-based economy and occupies the number one position in production among other Districts in the State. The production occurs in the peak producing months from July to December. The cultivations in the Districts are undertaken mainly in small and marginal scattered holdings. This hampers the prospects of processing and value addition in their produces. Further, the mindset of the traditional grower is attuned to distress sells in raw forms to various middlemen as they do not have the capacity and facility for value addition of their produces. Harnessing the potential of the local farmers to enable production of value added products will help in protecting the farmers from the annually recurring price fall during the peak production months.

It is in this context that products from the proposed unit will greatly help the rural population in safeguarding their markets, which should be promoted due to its potential for value addition, employment generation and better returns to the farmers.

Products

Products initially proposed in the project are Soft Drinks (Aerated and non-aerated), Non-Alcoholic Beverages, Juices, Jams , Semi-Processed Juices and Packaging and Drying and Packaging of Spices like Large Cardamom, Ginger, Turmeric and Chilly and its Packaging.

Technology

The technology for processing and preservation is available with various institutes like, SCMS Institute of Science and Technology, Defense Food Research Laboratory, Kerala Agricultural University and Central Plantation Crops Research Institute (CPCRI). The Process ensures hygienic collection of sap using anti ferment agents approved by FSSAI. All fruits are processed into a non alcoholic nutritious drink through centrifugal filtration and pasteurization at the desired temperature and packed into consumer packs.

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Land

The land requirement for the project is available at Sangam area near Pangin at Siang District.

SWOT Analysis of the Proposed Project:-

<i>Strength</i>		<i>Weakness</i>
Project implementation through Farmer		Availability of trained technicians on Regular basis.
Producer Organizations/NGOs/Self -Help Groups/Cooperative Societies.		
Financial support from state		
Government		
Choices of technology		
1.	CDB Institute of Technology	
2.	Defence Research And Development Organization	
3.	National Chemical Laboratory , Pune	
4.	SCMS Institute Of Bioscience And	
	Biotechnology Research And Development	
<i>Opportunity</i>		<i>Threat</i>
Low glyceemic index or (35 GI)-		Quality standards should be at par with International standards, Malpractices at field level
Competitive advantage.		
Market penetration.		
Health conscious society.		
Economic growth of farmers.		
Improvement in lifestyle.		

Economic cost benefit analysis

Economic impact analysis (EIA) is done in two aspects of economy; micro economy and macro economy. Demand and its value added products give a wider opportunity

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for export, which will bring huge hike in macro economy of the concerned Districts. At micro level, its value added products could contribute to the Gross Domestic Product (GDP) immensely in the coming financial years.

This project creates much *direct effects* on the economy. As this is an initiative of farmer collectives, it brings direct benefit to the farmers both in case of business and personal income. The project employs producer societies, federations and companies, thus improving the employment rate and creating a new set of 'green collar employees' in the State.

Indirect effect of the project is the simultaneous growth or expansion of beverage, food and confectionary industries to a newer range.

Social cost benefit analysis

The social cost-benefit analysis (SCBA) facilitates the weighing up of all current and future social benefits of the project. The society shall witness a remarkable improvement in the lifestyle and health habits of the people. The producers could expect a consistent income flow in a year which could ensure poverty eradication.

Environmental cost benefit analysis

The integrated unit and its value added products ensure economic returns without creating any ecological impact in the short or long term process. It ensures proper utilization of resources and the project shall be considered a Greenfield project as there is an effluent treatment system to treat the waste water which is the only waste created out of this unit and also there is no threat of greenhouse gas emission. Also there is a scope for using solar energy as the energy consumption of the unit is quite significant.

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