



FOOD PROCESSING NEWSLETTER

EDITION- II
(Aug - Oct, 2020)

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GLIMPSES OF KEY ACTIVITIES OF FOOD PROCESSING DIVISION

About Us

Established in 1927, FICCI is the largest and oldest apex business organisation in India. Its history is closely interwoven with India's struggle for independence, its industrialisation, and its emergence as one of the most rapidly growing global economies.

A non-government, not-for-profit organisation, FICCI is the voice of India's business and industry. From influencing policy to encouraging debate, engaging with policy makers and civil society, FICCI articulates the views and concerns of industry. It serves its members from the Indian private and public corporate sectors and multinational companies, drawing its strength from diverse regional chambers of commerce and industry across states, reaching out to over 2,50,000 companies. FICCI provides a platform for networking and consensus building within and across sectors and is the first port of call for Indian industry, policy makers and the international business community.

FICCI & Food Processing Committee

FICCI Food Processing Division plays a key role in dealing with policy issues to get an audience with the government and make industry's voice heard. It has been working very closely with industry members for the growth and business sustainability of the food industry.

The division work is guided by the Food Processing committee which is chaired by **Mr. Hemant Malik, CEO-Food Division, ITC Ltd. and Co-chaired by Mr. Mohit Anand, Managing Director, Kellogg South Asia**. Majority of the members of the committee are CEOs from the large Food Processing Companies. FICCI Food processing committee meetings are being organized with the objective to provide a platform to the industry captains for the discussion on the key policy issues pertaining to the sector and chalking down the roadmap for the growth of the sector.

Brief About Other Synergies in FICCI for Facilitating Food Processing Sector

CIFTI Food Regulatory Wing of FICCI

Confederation of Indian Food Trade and Industry (CIFTI) is the Apex body representing Indian Food Trade & Industry. It was established by Federation of Indian Chambers of Commerce and Industry in 1985 to cater specifically to the need of Food Industry and Trade and thereby addressing the issues and concerns of the food industry at various forums

FICCI Codex Cell

FICCI CODEX Cell was established in 2004 under the aegis of Ministry of Food Processing Industries, to provide a platform for Indian Food Processing industries to meet, share, discuss and get engaged in Codex activities which will in turn assist the National Codex Contact Point at Codex Alimentarius Committee.

Food Industry Capacity and Skill Initiative (FICSI)

Food Industry Capacity & Skill Initiative (FICSI) is a Not-for-Profit Organization promoted by FICCI with financial support by National Skill Development Corporation (NSDC). It creates Occupational Standards and Qualification Packs, develop competency framework, conduct Train the Trainer Programs, conduct skill gap studies and Assess and Certify trainees on the curriculum aligned to National Occupational Standards developed by us. To know more visit: www.ficsi.in

FICCI Research Analytical Centre (FRAC)

FRAC provides analytical services to all the industries; undertake research and development for quality improvement; help in providing quality to the consumers and raising the general standards of purity particularly in the small-scale sector. It is dedicated exclusively to analysis and research following ISO/ IEC 17025:2005 International Standards. To Know more visit: www.fraclabs.org

FICCI Centre For Nutritional Excellence

FICCI Centre For Nutritional Excellence established to review the agenda of nutrition in India and to work towards creating awareness among the stakeholders on the different key aspects of nutrition, fortification, reformulation, etc. The Excellence Centre aims to Strengthen food nutrition ecosystem, debunking the myths among the stakeholders & informed choices to consumers about safe and nutritious food.

Nutraceutical Committee

FICCI Nutraceutical Committee was established to cater to the issues and concerns of niche sector of nutraceuticals in India. FICCI Maharashtra State Council drives the national agenda on this niche sector.

From Chair's Desk



Mr. Hemant Malik
Chair FICCI Food
Processing
Committee &
CEO-Food Division
ITC Limited

Dear Food Industry Members,

I am pleased to share the second edition of FICCI Food Processing Division's Newsletter Series. The Indian Food Processing Industry was the first one to start its operations on ground amid the ongoing COVID-19 pandemic. FICCI Food Processing Committee played an important role for industry to navigate through these unprecedented times.

The Newsletter edition highlights the progress made by the industry in the last three months. It showcases important news and details of Indian Processing Industry, COVID-19 Impact on Consumer behaviour & preferences, New Product and Portfolio launches around them and much more.

Other important developments reported in this second issue comprise Government & Ministerial Notifications Tracks, New Trends in Global Food Industry with Discussions around them, Key Events timeline of FICCI Food Processing Division.

We wish you a pleasant reading and welcome your suggestions and comments to make our periodical newsletter series more productive and constructive.

From Co-Chair's Desk

The food processing industry in India has been accorded 'high priority' status with an overall objective of positioning India as the 'Food Basket' to the world. While certain initiatives have already been undertaken with the objective of promoting investments, innovation and bringing best practices, there is need to look for ways to work and the support the Government also on the agenda of promoting the exports of processed food products as a whole. This vision is also in line with the 'Make in India' initiative of the Government and can help promote the growth of processed food industry.

I am pleased to share with you all the second edition of FICCI Food Processing Newsletter Series which brings forward all the important updates on Indian Processing Industry & discussion around them.

It would be our endeavour to enrich you with many such interesting news and updates in our newsletter series.

Happy Reading!



Mr. Mohit Anand
Co- Chair FICCI
Food Processing
Committee &
Managing Director,
Kellogg, India &
South Asia

About Indian Food Processing Sector

Food Processing Industry is one of the most crucial sectors in India as it links the agriculture sector to the industrial segment of the economy. The sector is connected with the Farmers as it procures their farm/fresh produce and processes it in the value-added products for end consumers in domestic as well as international market. Thus, it is imperative to strengthen this link to improve value of agricultural produce, ensure remunerative prices to the farmers and create favourable demand for Indian Agriculture products in global market. A push to the food processing sector indicates noteworthy development of agriculture sector by means of waste reduction, promotion of value addition, encouraging crop diversification, strengthening of domestic supply chain and providing alternative employment opportunities.

In India, the food processing industry engages approximately 1.85 Million Indian people in around 39,748 registered units spread across the country. It is pertinent to note that the Food Processing Sector contributes 11.6% share in total employment, 32% in India's food market and 10.7% share in India's total exports. While in terms of Gross Value Addition (GVA) Food Processing contributes a share of 10.6% in Agriculture Forestry and Fishing. The share of Food Processing in GVA of Manufacturing is around 8.83% in 2017-18 as per Annual Survey of Industries Report.

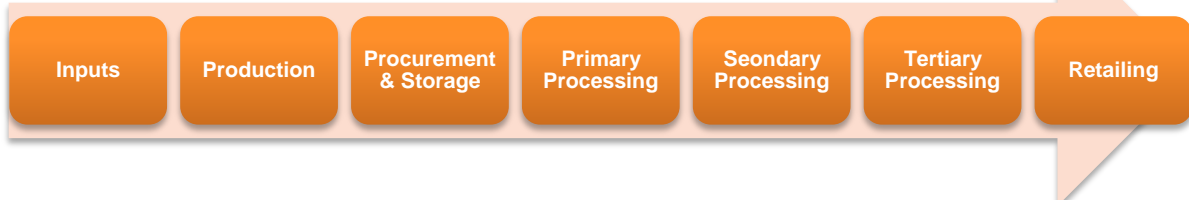
As sunrise sector in India, Food Processing offers plethora of opportunities for boosting the Indian economy. The sector has gained due prominence in the recent years with enhanced availability of raw materials, changing lifestyles and impending fiscal policies and support provided by the Government of India to push the industry's growth. The Ministry of Food Processing Industries, under the aegis of Government of India in the nodal agency responsible for the implementing a number of schemes for Infrastructure development, technology up-gradation and modernization, human resources development and R&D in the Food Processing Sector in India. Adequate focus on this sector is imperative to alleviate the concerns on food security and food inflation in India.

Food processing is defined as transforming agricultural produce into food that are in consumable form or transforming one food item into another by adding value to it. The Ministry of Food Processing Industries, Government of India categorises food processing under two sub-categories based on physical properties of the final product:

- Manufactured processes in which the original physical properties of the product undergo a change through a processes involving employees, power, machines or money and the transformed product is edible and has a commercial value
- Other value added processes where the product does not undergo any manufacturing process, but gains significant value addition like increased shelf life, shelled and ready for consumption, etc.

Before understanding the details of processes in food processing it is important to look at the supply chain of Food Processing Industries in terms of different stages of processing of manufactured food products as given below:

Supply Chain in Food Processing Industries: Different Stages in Manufacturing of Processed Foods



Depending on the type and extent of value addition Food Processing is categorised as primary and secondary processing in India. Primary processing relates to conversion of raw commodity to one that is fit for consumption and involves steps like drying, threshing, cleaning, grading, sorting, packing, etc. While the secondary processing involves creation of value added products like bread, wine, sausages, etc. With the large scale commercial production of ready to eat food items in India, a new category called tertiary processing also been brought under food processing. So Secondary and Tertiary Processing Industries usually deal with higher levels of processing where new or modified food products are manufactured.

Major Sub Sectors of Food Processing identified as in India are as follows:

Dairy products and analogues, Fats and oils, Fruits and vegetables, Confectionery Sector, Cereal and cereal products, Bakery Wares, Meat, Fishery and Poultry, Egg and egg products, Sweeteners, Spices & Conserves, Alcoholic and non alcoholic drinks, Ready to Eat Savouries, Food Additive and ingredients and Prepared Foods

SWOT Analysis of Food Processing Industry in India

STRENGTHS

- Round the year availability of raw materials and varied agro-climatic zones
- Leading producer of various agricultural commodities like milk, fruits & vegetables, marine products etc.
- Social acceptability of food-processing as important area and support from the central government.
- Wide network of manufacturing facilities all over the country.
- Growing domestic market.
- Proximity to growing international markets like Gulf, Middle East etc. via sea route.

WEAKNESSES

- Capital Intensive-High requirement of working capital because of seasonal nature of raw material.
- Low availability of new reliable and better accuracy instruments and equipment's
- Large number of intermediaries in supply chain leading to price rise and wastage.
- Inadequately developed linkages between R&D labs and industry.
- Remuneration less attractive for talent in comparison to contemporary disciplines.

OPPORTUNITIES

- Large crop and material base in the country due to agro-ecological variability offers vast potential for agro processing activities.
- Rising income levels and changing consumption patterns of Indian population
- Emerging scope for functional foods, geriatric foods, low fat foods, etc.
- Rationalisation of food laws and enabling policies of Gol & State Governments for development of the sector.
- New reforms under Agri Marketing Law changes & Contract Farming to boost investments

THREATS

- Preference to Fresh Foods over Frozen or chilled foods
- Competition from other country/players
- Loss of trained manpower to other industries and other professions due to better working conditions prevailing there may lead to further shortage of manpower.
- Rapid developments in contemporary and requirements of the industry may lead to fast obsolescence.

Source: Bull. Env. Pharmacol. Life Sci, NABARD

Article Source: MOFPI, News Articles & FICCI Research

Frozen Foods Market in India: Exploring Challenges, Opportunities & Way Forward

About Frozen Food Market in India:

The frozen foods market in India was valued at INR 85.27 billion in 2019 and is expected to reach INR 192.96 billion by 2024, expanding at a compound annual growth rate (CAGR) of ~17.74% during the 2019-2024 period. The demand for frozen foods in India has shot up in the recent years, following the rapid increase in the number of supermarkets and retail stores, along with proper refrigeration facilities.

On the basis of product type, the market has been segmented into frozen vegetable snacks, frozen meat products and frozen fruits and vegetables. Among these, frozen snacks and vegetables are the largest categories in terms of sales volume summing up to 65% among the Indian customers. Urban areas account for 80 per cent of the demand which includes bakery, dairy, canned, frozen, ready-to-eat meals, diet snacks, health products and drinks among others.

Brief about Refrigerated Warehouses Capacity in India:

The total capacity of refrigerated warehouses worldwide was 616 million cubic meters in 2018, 2.67% greater than the capacity reported in 2016. India was the single largest country market, at 150 million cubic meters, followed by the United States at 131 million cubic meters, and China at 105 million cubic meters.

Market Drivers:

- Growing Customer Cravings and preferences
- Increasing awareness and acceptance of Frozen Foods as convenient and healthy food alternative to expensive dining out
- Increase in selling points with different varieties now being available
- Rise in number of working women and changing lifestyle
- Deeper penetration by organized retail players providing Quality Products
- Increase in available freezer space at the retail stores.
- Improved shelf-life and packaging of frozen foods

Key Players & Market Competition: The market is largely dominated by select national brands and some regional players. Some of the top players of the frozen food market in India are Apex Frozen Foods, Godrej Agrovet, ITC Ltd., Venky's (India) Ltd., Capricorn Food Products India, HyFun Frozen Foods Pvt. Ltd., Innovative Foods, Mother Dairy Fruit and Vegetable, Top Fresh International, McCain Foods (India). Owing to stringent regulations in terms of food safety and higher capital requirements for building reliable infrastructure to store frozen foods, the threat of new entrants remains low in this market. Moreover, presence of established players like ITC, McCain Foods, Mother Dairy and Godrej Yummiez has further increased the entry barrier for the new players to establish their businesses.

However, the intensity of rivalry among established players is very high. Frozen food products are mostly undifferentiated, and hence market players compete in terms of pricing and brand loyalty.

Export Trends:

On the basis of product type, the market has been segmented into frozen vegetable snacks, frozen meat products and frozen fruits and vegetables. Among these, frozen vegetable snacks hold the largest market share. As per the export data available on APEDA, it is pertinent to note that the exports of Frozen Vegetables have increased from USD 34.62 million in 2017-18 to USD 43.39 Million in 2019-20. While the major export destinations for frozen Vegetables in 2019-20 were USA, Saudi Arabia, Russia, UK, Canada.

Challenges:

The penetration in the Indian market of frozen food has been limited due to infrastructure, especially in semi-urban and rural areas. Also, the customer perception regarding Frozen Food has not been very favourable.

Impact of COVID-19:

As India went under the lockdown due to COVID-19 pandemic, frozen-food products witnessed sharp rise in demand with most people working from home. The Corona virus having affected the restaurant business left the public in fear of ordering which in turn adding to the picking momentum of frozen foods as a convenient food. The COVID-19 pandemic has made people conscious about healthy choices while buying daily essentials. It can therefore be assumed that consumers will change their brand preference and move towards those brands which display guaranteed safe, regulated plants and processing properties for manufacturing, clean and pure ingredients and safe handling of products. Post-Covid-19, frozen food brands shall get more acceptances from consumers and the consumer penetration into the category is going to thus rapidly increase in India. The same trend is now visible not only in the Indian market but also in all the Asian markets.

Outlook for Frozen Food Sector:

There are three end users who combine to form the Indian frozen food industry; they are retail consumers, commercial businesses and exports. Before some years, players were largely dependent on export market which earned significant revenues to them. However, with growing importance of frozen food in the commercial and retail sector, domestic market has also turned to be lucrative. Today, the Quick Service Restaurants, fast food chains, hotels, and cafes from not only metros, but even from tier-II and tier-III cities are gearing up to offer their customers the finest in food along with the ambience. Hence, they have started using frozen food to serve their orders quickly and efficiently without any hassles.

The unique Indian palettes require a different taste and therefore companies have come up with new and more Indian variants within frozen foods with items like samosas, cutlets, kebabs, and parathas among others. This provides a great opportunity for companies to capture the Indian market while offering standard staples that comprise fruits like strawberries, vegetables like peas and corn, bakery and dairy products along with ready-to-cook meals, diet snacks, healthy frozen alternatives, drinks and so on.

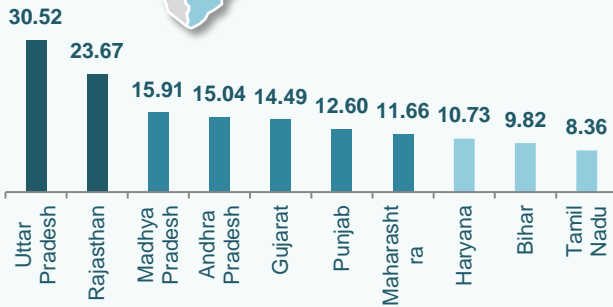
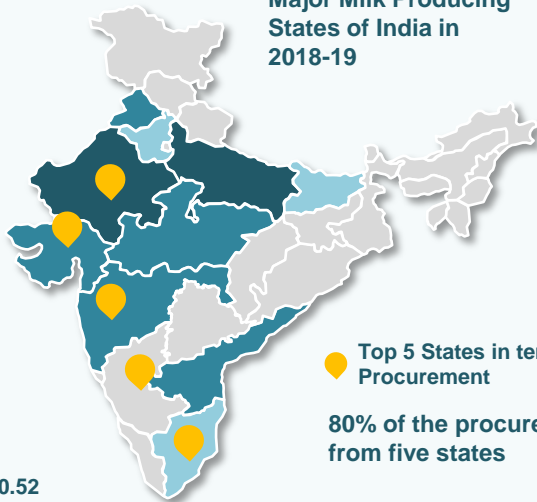
Ready-to-eat frozen foods are also majorly used in dessert application like ice cream and frozen yogurt which are further increasing the growth.

Article Source: MOFPI , FNB News , GCCA Report , AP News & Research & Markets

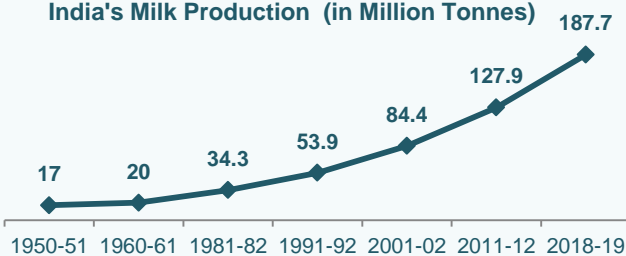
INFOGRAPHIC: Dairy Sector in India

Snapshot of Dairy Sector in India for FY 2018-19

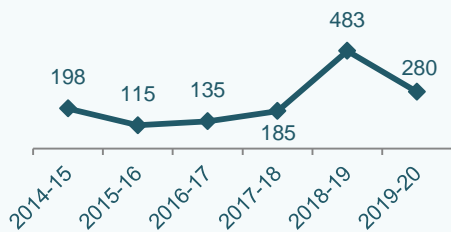
Major Milk Producing States of India in 2018-19



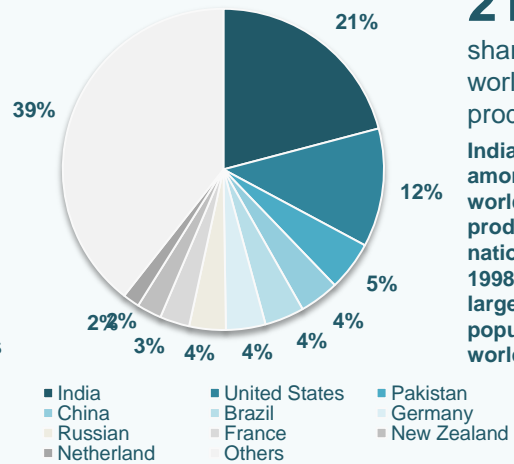
India's Milk Production (in Million Tonnes)



Dairy Exports of India in Value (In USD Million)



World's top ten milk producing countries (2017)

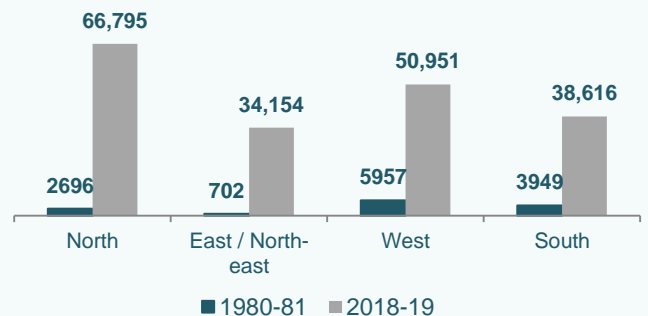


21 % share of India in world's milk production
 India ranks first among the world's milk producing nations since 1998 and has the largest bovine population in the world.

Top Five State in terms of Procurement (in Kg/Day)

Gujarat	22,920,000
Karnataka	74,75,000
Maharashtra	3,998,000
Tamil Nadu	3,381,000
Rajasthan	2,791,000
Total	40,565,000

Growth in No of Dairy Cooperatives in India



Total no of Dairy Cooperatives in India has increased from **13,284** in 1980-81 to **1,90,516**

Source: Basic Animal Husbandry Statistics, DAHD&F, GOI, FAO, APEDA NDDDB, PIB

EMERGING TRENDS

Conscious Consumption in a Post Covid-19 Normal: INDIA

Shift in Drivers and Motivations

- With over six months of virus spread in the country, tired consumers who are seeking normalcy in their lives, are **slowly opting for 'Taste over Health' now**
- As the Indian consumers slowly get used to the 'new normal', **emphasis on Taste and Health remains, but utilitarian needs like packaging and distribution have taken a back seat**
- Consumers are now focusing more on **convenience and natural, diet-specific foods**
 - In absence of house help, consumers want **convenience in preparing meals** at home that are also **organic and natural**
 - Consumers are also trying **more of vegan and vegetarian diets**

Growing and Declining Product Categories

- **Fresh and dry cooking essentials** as well as **frozen and instant foods** continue to grow driven by need for home cooking and convenience
- Consumers relying on **natural and ayurvedic remedies** for boosting their Immunity
- High consumer interest in **plant-based options** driven by focus on vegan/vegetarian diets; pork impacted by supply chain disruptions
- **Interest in snacking continues; Milk also growing** as consumers consider it to be a nutrition essential
- Due to reduced outdoor activity in summer and closing down of eateries, **carbonates and burgers** registered a decline

Patterns and Opportunities to Tap into in the New Normal

Convenience for At Home Cooking and Consumption

- As consumers are **preferring cooking and eating more at home, need for DIY meal kits and frozen/canned foods** for at-home convenience as well and fresh foods and cooking essentials continues to surge .
- Ready-to-Cook and Ready-to-Heat products also surged driven by at home consumption

Plant-based and Keto Diets for Newness and Overall Fitness

- Food startups and QSRs tapping into vegan products after launching specific vegetarian products in the India market.
- Consumers are increasingly **exploring vegetarianism and veganism** driven by growing inclination towards conscious eating habits
- Preference for vegetarian and vegan diets driven by conscious consumption and urge to try something new. Further, rise in interest in Keto diet for fitness

Probiotics for Gut Health and Immunity

- Consumers are increasingly **seeking probiotic products that can improve their gut health, improve the absorption of nutrients and thus enhance the immunity**
- Awareness of improving gut health for a better immune system leading to increased demand for probiotic foods and drinks

Natural Foods and Ayurveda for Immunity and Holistic Health

- Consumers are relying more **on natural and ayurvedic ingredients for immunity**. In addition, **demand for natural and organic F&B options is high** driven by need for holistic health
- While natural and ayurvedic remedies are trending for immunity across regions, consumers in the **North and West** are more inclined towards Ayurvedic medicines like **Triphala and Ashwagandha**. Consumers in the **East and South** relying more on natural ingredients like **Turmeric, Gooseberry and Garlic**

Source: Study on Conscious Consumption in a Post Covid-19 Normal: INDIA published in October, 2020

From Industry Leaders



Decoding Consumer Behaviour in COVID-19 Era

Mr. Sanjay Sharma
CEO
MTR Foods

As stated in [“The 2020s: The Most Disruptive Decade in History”](#), 2020 is the most challenging yet transformative year. While this decade was touted as being the VUCA (Volatility, Uncertainty, Complexity and Ambiguity) environment, the COVID-19 pandemic has truly brought it alive across the world. And even though Unlock 4.0 is underway, we have entered a “New Normal” where consumer behaviour for a long time is likely to be governed by an “Underlying fear and uncertainty” of the external environment. This emotion will continue to dominate the consumer’s mind while evaluating any product across formats which will have a bearing on the final purchase decision.

This holds true for the Ready to Eat category as well. An RTE meal is defined as a pre-cooked packaged dish that can be consumed with minimal level of preparation for eg. Adding hot water like for MTR 3 Minute breakfast or our newly launched Instant Rasam, heating for a few minutes like the Ready to Eat Meals, or adding some ingredients like our breakfast mixes.

Before the pandemic, the primary consumers of RTE could be divided into two distinct categories – consumers who would purchase an RTE package to prepare for an extraordinary situation like unannounced visitors at their homes for a meal where something would need to be prepared in a hurry that would also be delicious to consume.

The second category of consumers were domestic travellers or students who wanted to break the food-monotony of their destination or international travellers who wanted to carry the taste of home with them. However, the perception of RTE was always that of an occasional meal that was always kept for exigencies. There were additional barriers in the purchase cycle because of the perception that RTE meals included a lot of preservatives to maintain its shelf life.

“Post the pandemic hitting us, RTE became a saviour category.”

Post the pandemic hitting us, RTE became a saviour category. The fear of infection and being locked in homes made people discover their love for food at home. With in-home food consumption becoming the moniker for safe, healthy and hygienic way of life, homemakers were ready to experiment a lot more with different cuisines and open to exploring more. There were substantial changes in consumer behaviour and the Ready to Cook and Ready to Eat options became a norm. From convenience seekers to indulgence hunters, for consumers looking for healthier alternatives and immunity boosting everyday meals, the trial barriers came down and the category gained in popularity. Today, even with the lockdown opening up, there is still uneasiness to step out of home or ordering food home, resulting in an increase in demand for the ready-to-cook and ready-to-eat categories.

“There is a “New Normal” emerging and consumers are adapting to it quite quickly.”

There is a “New Normal” emerging and consumers are adapting to it quite quickly. Although identifying and adapting to the short-term trends in the market is important, it also necessary to start anticipating the long-term impacts and be prepared for them. There is no single consumer truth anymore, these are unprecedented times that have brought forth new trends. In these dynamic times, the single most important thing would be for companies to remain agile and nimble and adapt quickly to what the consumers need and maintain communication with them. What we do know for sure is that there are exciting times ahead for the Ready to Eat and Ready to Cook categories!

India starts cultivation of Hing

Farmers of the remote Lahaul Valley in Himachal Pradesh have started taking up cultivation of asafoetida (hing), mainly due to the efforts of the Institute of Himalayan Bioresource Technology, using the vast wasteland in the cold desert conditions of the region as per CSIR. The institute introduced six accessions of seeds from Iran through ICAR-National Bureau of Plant Genetic Resources (ICAR-NBPGR) in October 2018.

FSSAI's new food safety compliance platform to become operational across India from Nov

Food Safety Compliance System (FoSCoS) will become operational in the entire country from November 1. The system is operational in nine States/UTs -- Tamil Nadu, Delhi, Gujarat, Odisha, Chandigarh, Goa, Manipur, Puducherry and Ladakh since June.

Britannia to invest Rs 550 crore in Tamil Nadu; signs MoU with the state

Britannia signed a Memorandum of Understanding (MOU) with the Tamil Nadu Government in the presence of the CM Edappadi K. Palaniswami, stating the increase of investment in the state from Rs 300 crore to Rs 550 crore over a period of seven years.

India's edible oil imports in 2019-20 seen falling to 13.5 million tonnes amid pandemic

India's edible oil imports in 2019/2020 is seen falling to 13.5 million tonnes versus 14.9 million tonnes a year ago due to the COVID-19 outbreak as per the Solvent Extractors Association (SEA)

NDDB signs MoU with Ladakh to promote dairying and rural livelihoods

NDDB's dairy potential survey will help prepare a road map to boost dairying in the UT and will help in enhancing income of the rural population in the mountainous border areas.

Dhunseri Tea to sell three Assam tea estates by December 2020

Dhunseri Tea & Industries, which produces more than 10 million kgs of tea annually, has entered into an agreement with Shyam Khetojan Tea Company for sale of its Khetojan tea estate in Assam. The estate is being sold as a going concern to the partnership firm for a total consideration of Rs 6.60 crore, as per the company's filing with the stock exchanges. Khetojan estate produces 2.2 lakh kgs of tea annually.

Packaged foods company Danone revamps adult nutrition portfolio

The revamp of adult nutrition portfolio comes with launch of zero added sugar variants of Protinex. Danone kicked off its nutrition business in India in 2012 with the acquisition of the nutrition portfolio from Wockhardt Group. The company's India portfolio includes Aptamil, Neocate, Farex, Protinex, Dexolac and Nusobee.

Keventer Agro to expand milk collection centres in West Bengal

The company unveiled its ninth bulk milk collection centre (BMC) at Vidyasagar Industrial Park, Kharagpur. It intends to launch more BMCs in the state over the next few months. With the addition of the new milk collection centre, the company's milk procurement capacity stands enhanced to 150,000 litres per day (lpd).

FSSAI bans blending of mustard oil with any other cooking oil from Oct 1

The edible oil manufacturers or processors, who have the licence for production of blended edible vegetable oil with mustard oil, have been directed to sell their existing stocks of mustard oil/mustard seeds or any other edible oil as unblended cooking oils.

Instant noodle brand Wai Wai to make sauces; invests Rs 125 crore in capacity expansion in India

Instant noodle brand Wai Wai's parent CG Foods has announced that it will get into producing and selling pre-packaged sauces.

CSC eStores post record sales riding on rural demand surge

The central government-backed Common Services Centres (CSC) Grameen eStores exclusively servicing rural markets has done a record Rs 73 crore in sales in the months between April and August, with rural growth continuing to grow faster than urban for packaged consumer goods.

FSSAI moves to stop use of word 'milk' on non-dairy products

The Food Safety and Standards Authority of India (Fssai) has issued a new draft notification, proposing to prevent the use of the word on the pack of non-dairy and plant-based dairy products.

Post COVID-19 New Trends in Indian Food Industry

The fast-moving consumer goods market expanded 4.3% in volume and more than 8.5% by value during the quarter, according to data from Kantar Worldpanel. Kantar's numbers contrast with data from market researcher Nielsen, which showed the market declined 18%.

Demand for packaged sweets, dry fruits and pulses rise, likely to exceed pre-Covid levels as consumers turn to hygienically packed food during the pandemic. Coronavirus has accelerated the trend of packaged food including besan, pulses, mithai and namkeens.

Small and medium scale mithai shops have started closing down due to high rentals, non-opening of malls and lower demand over the past few months as per president of Federation of Sweets & Namkeen Manufacturers (FSNM). New social distancing norms and habits brought in by the Covid-19 pandemic have taken a toll on traditional sweets shops with customers opting for packaged sweets from organised players.

Demand for Darjeeling tea has plunged 80-90% year-on-year partly because the Covid-19 pandemic has put a stop to the evening tea parties in the upscale locales of Delhi, Mumbai, Bengaluru and Kolkata as per the retailers. At the same time, the common black tea from Assam and Dooars has seen an uptick in domestic consumption. While Darjeeling tea sells for Rs 1,000-1,200 per kg, the common black tea costs Rs 250-400. This also explains the slide in Darjeeling tea sales at a time when many people have cut back on discretionary consumption.

The Covid pandemic has boosted demand for ultra high temperature (UHT) treated milk as people try to reduce the number of visits to milk parlours by stocking milk with longer shelf life. Further, the big dairies that have been already selling UHT milk experienced increased demand during the lockdown. The tetra pack milk category in the initial days of the lockdown had seen immense demand due to panic buying among consumers, and the demand stabilized in the later days.

Source: ET



Join us in FICCI's Annual Flagship Convention on Food Processing Sector

13TH FOODWORLD INDIA

GLOBAL CONVENTION FOR
FOOD BUSINESS AND INDUSTRY

Coming Soon | Virtual Platform

FOOD INDUSTRY PARTNERS ON-BOARD



For more information, connect with Mr. Abhinav Singh at abhinav.singh@ficci.com / 9810160351

FDA Launches Voluntary Pilot Program to Evaluate Third-Party Food Safety Standards

The Food and Drug Administration launched a voluntary pilot program to evaluate alignment of private third-party food safety audit standards with the food safety requirements in two regulations under the FDA Food Safety Modernization Act (FSMA) - the Preventive Controls for Human Food (PC Human Food) and the Produce Safety rules. Read more: <https://tinyurl.com/y2ca826w>

FDA Seeks Input on Nutrition Labeling for Certain Sugars and Issues Final Guidance on Allulose

The U.S. Food and Drug Administration is taking two actions regarding the labeling of certain sugars on the Nutrition and Supplement Facts label. The FDA is issuing a Request for Information to receive information about the nutrition labeling of sugars that are metabolized differently than traditional sugars. The FDA also is issuing a final guidance regarding one of these sugars that are metabolized differently, allulose. Read more: <https://tinyurl.com/y2jtbrqm>

Recent FDA Action on Dietary Supplements Containing Cesium Chloride

On October 9, 2020, the U.S. Food and Drug Administration (FDA) issued warning letters to five dietary supplement companies whose product labeling declares cesium chloride as a dietary ingredient. The FDA considers these products to be adulterated because they are labeled as containing a new dietary ingredient, cesium chloride, and because they have not satisfied the conditions required to lawfully market a dietary supplement containing a new dietary ingredient. Read more: <https://tinyurl.com/y22wlnea>

FDA Establishes U.S. Agent Voluntary Identification System for Food Facilities

FDA issued guidance establishing a U.S. Agent Voluntary Identification System (VIS) for food facility registration. The VIS is intended to be used in conjunction with our food facility registration database, the Food Facility Registration Module (FFRM), to streamline and expedite the U.S. agent verification process. Read more: <https://tinyurl.com/y6tmod28>

Public Health England publishes third annual report on industry action to reduce sugar levels

Public Health England (PHE) has published new data showing how much progress the food and drink industry has made in reducing sugar in products that contribute most to children's sugar intakes. The voluntary ambitions are set by government and form a vital part of measures to tackle obesity by making healthier choices easier and more accessible for families. Read More: <https://tinyurl.com/y2mlxw3o>

New voluntary calorie guidelines to help industry tackle obesity released by Public Health England

The UK government is encouraging the food industry to support the national effort against COVID-19 and obesity, with voluntary calorie reduction guidelines to make it easier for the nation to choose healthier options in everyday meals and foods. A recent Public Health England (PHE) report found that being severely overweight increases people's risk of hospitalisation, Intensive Care Unit admission and death from COVID-19. Read more: <https://tinyurl.com/yxsd8q5o>

Glycoalkaloids in potatoes: public health risks assessed by EFSA

EFSA has assessed the risks to human and animal health related to the presence of glycoalkaloids in food and feed, particularly in potatoes and products derived from potatoes. Glycoalkaloids are naturally occurring compounds found in the Solanaceae family of plants, which includes potatoes, tomatoes and aubergines. Read More: <https://tinyurl.com/y35lt5ho>

PFAS in food: EFSA assesses risks and sets tolerable intake

EFSA has set a new safety threshold for the main perfluoroalkyl substances, or PFAS, that accumulate in the body. The threshold – a group tolerable weekly intake (TWI) of 4.4 nanograms per kilogram of body weight per week – is part of a scientific opinion on the risks to human health arising from the presence of these substances in food. Read more: <https://tinyurl.com/yxb4kouf>

Dietary sugars – new date in 2021 for safety assessment by EFSA

The timing of EFSA's assessment of the safety of dietary sugars has been revised due to the impact of the COVID-19 pandemic on the review of the exceptionally high volume of scientific information being considered. A public consultation on the draft scientific opinion is scheduled to take place in the middle of 2021 with final adoption coming before the end of the same year. Read more: <https://tinyurl.com/y522p6bl>

Mergers & Acquisitions



MTR Foods acquires controlling stake in Eastern Condiments. The transaction will double Orkla's net sales in the fast growing Indian market, and the combination of MTR and Eastern will create a strong base for growth and value creation.



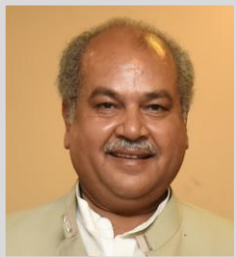
ITC, Paper Boat eye Raw Pressery. Premium cold-pressed juices producer Raw Pressery is in talks with multiple consumer goods players including ITC and Paper Boat for either divesting stake or getting on board a strategic investor at a valuation of up to Rs 200 crore (\$27.3 million) as per ET.



Mexico's Grupo Bimbo eyes majority stake in Modern Foods business. One among the largest baking companies in the world, Grupo Bimbo has presence in 33 countries, selling its 100 plus brands such as Entenmann's, Bimbo, Tia Rosa, Marinela, Barcel, Sara Lee, Oroweat and Arnold Bread. At present, Grupo Bimbo sells bakery brand Harvest Gold in India.

Source: ET

New Appointments



Shri. Narendra Singh Tomar assumes charge as the Minister of Food Processing Industries (MoFPI).

Union Minister of Agriculture and Farmers Welfare Narendra Singh Tomar assumed charge as the Minister of Food Processing Industries (MoFPI). He is also currently holding the charge of the Minister of Agriculture & Farmers Welfare, Minister of Rural Development, and Minister of Panchayati Raj. Speaking on the occasion, he said that food processing Industry is in the growing stages and MoFPI is making all efforts and contributing towards creation of new opportunities of employment for youth, bringing profits to our farmers by offering remunerative prices to them, making the goods available for its consumers etc.

Ms. Manisha Kapoor named as new Secretary General by the Advertising Standards Council of India (ASCI).

Ms. Kapoor has taken over ASCI's secretariat responsibilities, including the consumer complaints redressal process as well as the marketing, public relations and social media initiatives from 1st September. She has been part of ASCI's Consumer Complaints Council for the past five years and is, therefore, closely associated with the advertising industry's self-regulatory body. She has more than 25 years of experience in building brands and businesses.

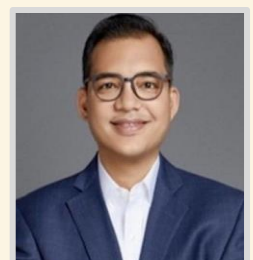


Ms. Shweta Shukla appointed as Senior Director and Head, Corporate Affairs, Asia Pacific, Middle East and Africa by Kellogg's.

Ms. Shukla will be supporting the cereal giant's sustainability plan, which includes a commitment for 1 million farmers to deliver climate-smart farming by 2030. Her role includes sustainability, philanthropy, government affairs and communications and cover's Kellogg's full product range of cereals, snacks, noodles and biscuits.

Mr. Sanket Ray appointed as the new President of India and Southwest Asia by Coca-Cola.

Beverage maker Coca-Cola Inc has named veteran Sanket Ray its new India head as part of a major restructuring of the company's operations across global markets. Prior to this role Mr. Ray was working as the chief operating officer of Coca-Cola China.





ITC confectionery brand Jelimals has shifted its portfolio offering to jellies with immunity ingredients under new brand name Jelimals ImmunoZ. With this launch, the kids brand in the FMCG conglomerate's jelly segment wants to strengthen its image.



Marico Limited extended its edible oil brand Saffola into ayurveda by launching immunity boosting products - kadha and milk mix - to cash on the increased awareness and interest in such products, especially ones with natural ingredients.



Leading ayurvedic and natural health care company Dabur India forayed into the edible oil segment with the launch of its cold pressed mustard oil. Dabur Cold Pressed Mustard Oil has been launched exclusively on e-commerce platforms like Amazon and MilkBasket.



PepsiCo India, Airtel ink co-branding pact; prepaid users to get free 4G data on Pepsi snack buys. Under the Pepsi-Airtel pact, India's second-largest telco will get its branding splashed on packs of Lay's, Kurkure, Uncle Chipps and Doritos, and also on supporting ads on TV channels being put up by PepsiCo India.



Packaging solutions firm Tetra Pak and Dabur partnered to launch the FMCG major's new low calorie juice range in a different packaging format to gain high on-shelf differentiation in the Rs 2500 crore packaged juice market.



Mondelez India forays in the breakfast cereals space with the launch of Bournvita Fills. This also marks the extension of brand Bournvita into the morning snacking space after biscuits.



Mother Dairy to launch cow ghee cookies from Gandhiji's Ashram. The heritage cookie that was invented by Mahatma Gandhi, Jamnalal Bajaj and Acharya Vinoba Bhave in 1931 to give a boost to the dairy industry at the Gandhi ashram at Wardha in Maharashtra.



Jubilant FoodWorks enters FMCG business. JFL's first sales channel for the ready-to-cook sauces and pastes franchise, called ChefBoss, will be on e-commerce platforms.



Marico enters chyawanprash segment. Marico Limited has extended its edible oil brand Saffola into the chyawanprash category, part of its strategy to cash on the increased awareness and interest in such products, especially ones with natural ingredients.

Addition of Fruits and Vegetables under Extended Operation Greens- TOP to TOTAL as a part of Aatmanirbhar Bharat Abhiyan

Ministry of Food Processing Industries | 19th Oct, 2020

Ministry of Food Processing Industries (MoFPI) has added Potato as fruit and Large Cardamon, pumpkin, Ginger, Cabbage, Squash and Turmeric (Dry) as vegetables under list of Extended Operation Greens- TOP to TOTAL as a part of Aatmanirbhar Bharat Abhiyan. To see detailed notification visit: <https://tinyurl.com/y599qz32>

Details of Proposals approved under the Scheme for CEFPPC of Pradhan Mantri Kisan Sampada Yojana (PMKSY)

Ministry of Food Processing Industries | 16th Oct, 2020

Ministry of Food Processing Industries (MoFPI) has notified the detailed State-wise numbers & names of proposals approved under the Scheme for CEFPPC of Pradhan Mantri Kisan Sampada Yojana (PMKSY). To know more visit: <https://tinyurl.com/yx9ly2sb>

Modified Scheme guidelines for the Scheme for Setting UP/ Up gradation of Food Testing Laboratories of PMKSY

Ministry of Food Processing Industries | 22nd Sept, 2020

MoFPI notified the Modified Scheme guidelines for the Scheme for Setting UP/ Up gradation of Food Testing Laboratories of PMKSY. To know more visit: <https://tinyurl.com/y5nlth54>

Electronic filing and Issuance of Preferential Certificate of Origin (CoO) for India's Exports under GSP, GSTP, India-Malaysia CECA, India-Singapore CECA

DGFT | 13th Oct, 2020

Directorate General of Foreign Trade vide Trade Notice No. 30/2020-2021 notified that electronic platform for Preferential Certificate of Origin(CoO) is being expanded to add four more FTAs/PTAs to facilitate electronic application of CoOs. To detailed notification visit: <https://tinyurl.com/yym7qmpy>

Amendment in Export Policy of Onions

DGFT | 14th Sept, 2020

Directorate General of Foreign Trade notified for the restricted exports of Onions from India. To see detailed notification visit: <https://tinyurl.com/yxklrp83>

Ceiling/ cap on MEIS benefits available to exporters on exports

DGFT | 1st Sept, 2020

Directorate General of Foreign Trade vide Notification No. 30/2015-2020 capped export incentives under MEIS at INR 2 crores per exporter on outbound shipments made during the period from September 1 to December 31, 2020. To detailed notification visit: <https://tinyurl.com/y33sz4ny>

Draft Advertising Guidelines

Ministry of Consumer Affairs | 4th Sept, 2020

Under the Consumer Protection Act, 2019 (Act 35 of 2019), the Central Consumer Protection Authority (CCPA) is empowered to issue necessary guidelines to prevent unfair trade practices and protect consumers' interest. To view detailed guidelines, visit: <https://tinyurl.com/yyns6338>

FSSAI notifies the Gazette Document for School Children Regulation

FSSAI | 4th Sept, 2020

To view detailed document, please visit: <https://tinyurl.com/y4rymvxj>

Import Export Updates

Advisory: Inclusion of import condition for import of Tomato, Onion and Okra from India in the Plant Quarantine Rules and regulations of Bhutan, 2018

APEDA | 19th Oct, 2020

Bhutan has granted market access for Tomato, Onions and Okra. The import conditions for export of Tomato, Onion and okra to Bhutan is enclosed for reference and necessary compliance by the exporters of Fresh vegetables. To view details visit: <https://tinyurl.com/y49n62df>

Condition for export of Fresh Mangoes from India to Mauritius

APEDA | 19th Oct, 2020

The conditions for importation of fresh mango fruits by Mauritius from India were notified by APEDA for reference and necessary compliance by the exporters of Fresh Mangoes. To read detailed notification visit: <https://tinyurl.com/y68hqjuu>

Advisory for Exports to Australia

APEDA | 24th Sept, 2020

To read more visit: <https://tinyurl.com/yxb4e67u>

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For further queries and participation, reach out to us at ficciexpo@ficci.com or visit us at www.ficciexpo.in

Ministry of Food Processing Industries launched Project Development Cell to Fast Tracking Investments by Improving Ease of Doing Business

Ministry of Food Processing Industries has set up a focused Project Development Cell (PDC) with the prime objective of facilitating and accelerating investments in the Food Processing Sector of India and fast tracking the overall project implementation process. Under this, the Ministry is seeking information from companies to assist them on issues pertaining to FSSAI / Import Duty / Taxation Issues / Issues related to Policy or Incentives / Fast Tracking of projects / Regulatory & Licensing Issues and any other issues a company is facing at the ground level but Not Exhaustive in nature.

Project Development Cell

Composition

- Joint Secretary (Chairperson)
- Director (Cold Chain)
- Director (Mega Food Parks)
- State Govt. (Member)
- Industry Ass. (Member)
- Invest India (Member)
- Director, Promotional Activities Division

Roles & Responsibilities

- Review of List of potential investors
- Interact with potential Investors & Associate State Governments
- Identify suitable industrial clusters/ geographic locations
- Identification of investible projects
- Evaluation of pipeline of existing & upcoming projects
- Build complete list of projects
- Fast Track of implementation process

Issues to be taken up by PDC (Not Exhaustive)

Import Duty/Taxation Issues

Issues related to Policy

Issues pertaining to FSSAI

Issues related to Incentives

Fast Tracking of Projects

Regulatory/ Licensing Issues

Meeting Schedule

- ✓ With State Governments- Weekly
- ✓ With Investors- Weekly
- ✓ With Industry Associations- Monthly

Nodal Officer

Ms. Reema Prakash,
Joint Secretary,
Chairperson, MOFPI PDC

FICCI as a member of MOFPI Project Development Cell, invites industry members to share the issues which can be taken up by PDC with our Food Processing Division.

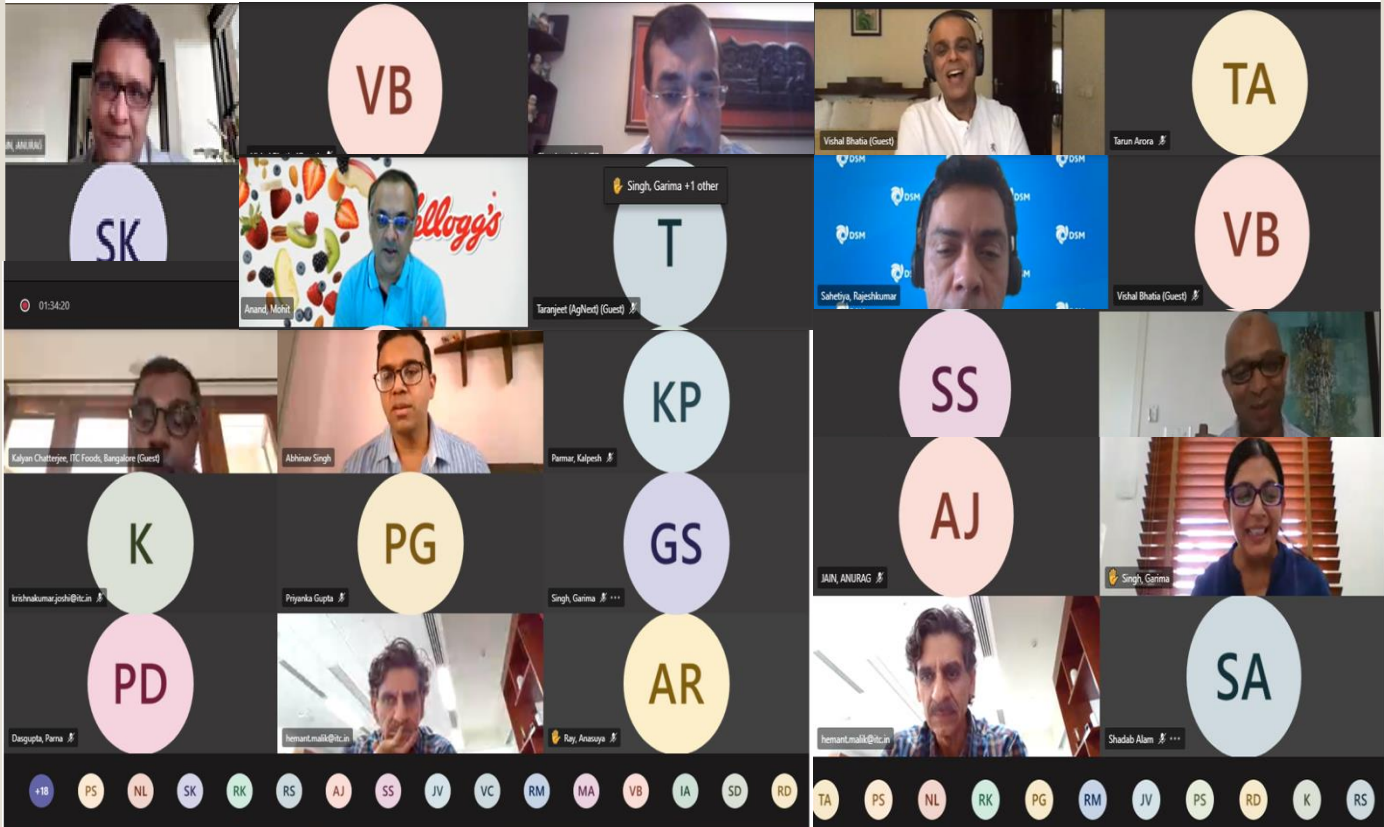
For more information, please write to us at abhinav.singh@ficci.com / sakshi.saini@ficci.com and we will be happy to assist you.

Glimpses of Key Meetings of FICCI Food Processing Division

Virtual Interactive Session with Ministry of Food Processing Industry held on 7th August, 2020



FICCI Food Processing Committee Meeting held on 13th October, 2020 (Virtually)



CONFEDERATION OF INDIAN FOOD TRADE AND INDUSTRY (CIFTI)

Food Regulatory Wing
of FICCI

About CIFTI

Confederation of Indian Food Trade and Industry (CIFTI) is the Apex body representing Indian Food Trade & Industry. It was established by Federation of Indian Chambers of Commerce and Industry in 1985 to cater specifically to the need of Food Industry and Trade and thereby addressing the issues and concerns of the food industry at various fora.

Key Areas Addressed (Aug-Oct, 2020)

- ✓ Seeking extension to comply with revised BIS standard 'IS 15495: Printing Ink for Food Packaging — Code of Practice' related to Gazette notification on FSS (Packaging) Regulations 2018
- ✓ Proposal on the Agenda related to the re-drafting of standards on Squashes, Crushes, Fruit Syrups/Fruit Sharbats, Barley Water, synthetic syrup and sharbat
- ✓ Representation related to study of Harmonization Exercise of FSSAI Food Additive Regulation with Codex General Standards for Food Additives (GSFA)-2019
- ✓ Draft Central Consumer Protection Authority (Prevention of Misleading Advertisements and Necessary Due Diligence for Endorsement of Advertisements) Guidelines, 2020
- ✓ Representation for seeking extension for the import of the speciality foods for IEM and hypoallergenic conditions
- ✓ Representation on the Food Safety & Standards (Safe Food & Balanced Diets for Children in School), Regulations, 2020 (F.No.15(1)2016/School Children Regulations/Enf/FSSAI)
- ✓ Representation on FSSAI draft notification related to the MRL of pesticide, Tolerance Limit of Antibiotic and Toxins
- ✓ Representations on Indian Standards-Dehydrated Fruit Squashes

21+

Representations
submitted to
FSSAI, BIS, etc.

32+

Interactions
with Industry
Professionals

6+

Interactions
with
Government
Officials

36+

Advisories/
orders issued
by FSSAI

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Raising
Regulatory &
Policy Concerns



Exclusive FICCI
CODEX Cell



4 Core Technical
Working Groups



Business
Networking



Advisory
Support



Capacity Building
Programs,
Trainings &
Seminars

At CIFTI-FICCI, we value your membership and your participation. In order to take full advantage of our services, you can join as member in range of membership categories.



For Membership Details & Queries , Please contact:
Mr. Abhinav Singh
Head- Food Processing & CIFTI
Tel: +91-9810160351
Email: abhinav.singh@ficci.com

FICCI Food Processing Division & CIFTI Events Timeline

August 2020

- **FICCI Interactive Session with Honourable Minister for Food Processing Industries Smt Harsimrat Kaur Badal on 7th August, 2020**

September, 2020

- **Tackling Impact of COVID-19 on Micronutrient Deficiencies through Food Fortification 3rd Sept, 2020**
- **CEO Session: Exploring Scope, Opportunities & Benefits of Food Ingredient Solutions in Changing Times on 8th Sept, 2020**
- **Role of Dietary Fiber, Probiotics and Prebiotics in inducing Immunity & Strength on 30th Sept, 2020**

October, 2020

- **FICCI Supported Webinar on “Conscious Consumption in a Post Covid-19 Normal” organised by Food Industry Asia & Ai Palette on 5th Oct**
- **National Webinar on Scaling up Wheat Flour/Maida Fortification in Food Processing Industry on 8th Oct**
- **FICCI Food Processing Committee Meeting held on 13th October, 2020**
- **Consumer Health & Wellness: Exploring Health Benefits of Micronutrients & Nutraceutical Products on 15th Oct, 2020**

November 2020

- **Session on “Reformulation Towards Calorie Reduction: Understanding Consumer Behaviour Around Healthy Lifestyle” on 9th Nov, 2020**
- **Session on “Perspectives on Healthy Snacking: Opportunities and Future of Snacking” on 26th Nov, 2020**

December, 2020

- **Session on “Exploring the Era of Food Innovation: Trends in the Food Processing Ecosystem” on 18th Dec, 2020**

For more information, please write to us at foodprocessing@ficci.com and we will be happy to assist you.

FUN FOOD FACTS MOST OF US DO NOT KNOW



Around **67 million tonnes of food** is wasted in India every year which has been valued at around **INR 92,000 crores**; enough to feed all of Bihar, one of the India's largest state for a year.

The most stolen food in the world is cheese. Around **4%** of ALL the cheese made in the world gets stolen.



There are so many varieties of apples that it would take over **20 years** to taste them all if you ate one every day

There are more than **25,000 known phytonutrients**, or health-promoting compounds that come from plants, and scientists are discovering new ones every year.



Nutella is so popular, **25%** of all hazelnuts end up in a jar!

About **73%** of calcium available in the food supply is provided by milk and milk products.



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- ✓ Keep Abreast of initiatives across 70 Economic Sectors
- ✓ Connect with over 2,50,000 members from public and private sectors who FICCI represents directly or indirectly

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- Sectoral Committee nominations as per eligibility
- Events, Exhibitions & Policy Work
- Information Dissemination

Ordinary Member:

Chambers of Commerce and Sectoral Industry Associations

- Be your member's voice
- Voting Rights for Policy Change
- Interaction with other Member Bodies
- Pre & Post Budget Memoranda

Interested? Get in Touch With Us at parminder.juneja@ficci.com or tripti.kataria@ficci.com



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