



FOOD PRO

E-News Letter of All India Food Processors' Association
(Established in 1943)



NEW PRESIDENT OF AIFPA

At the AGM of the Association held on 15th December 2016 at New Delhi, Dr. Subodh Jindal, a well-known food processor has been elected unopposed as the **President of All India Food Processors' Association**, which is over 70 years old Association serving the interests of food processing industries in the country. Dr. Jindal is a highly experienced person in the area of food processing & is having a good liaison with the Union Ministry of Food Processing Industries and other Govt. agencies. He has been heading the panel as Chairman of the Taxation & Foreign Trade Committee of the Association and has contributed a lot to the progress of the Assn.

AIFPA looks forward to his dynamic leadership in taking forward the activities of the Association.

From the President's Desk

Greetings from AIFPA

Dear Friends,

It is my privilege to send you hearty greetings for a Very Happy & Prosperous New Year. May 2017 provide opportunities for new ventures and bring success in all your endeavors.

I wish to express sincere gratitude to all of you for entrusting me with the responsibility of President of this august body exclusively dedicated to the development & growth of food industry for the last 74 years. Founded by persons of great eminence, AIFPA brings with it a rich heritage of knowledge, experience and achievements. The prime objective is to integrate the immense talent & capabilities of industry members, and other experts, in the pursuit of a bright future for the sector.

Through this message, I seek your cooperation and advice in achieving the above objective.

As a first step, I would like to request you to recommend names of experts in different areas who can provide inputs in thought and action to strengthen the Association. With the rapidly changing economic environment, global competition and consumer expectations the industry has a huge challenge at hand. Issues of sustenance and growth are drawing more & more attention. To be successful, we need to be well informed, find innovative options and make better products. AIFPA strives to help the industry realize these goals. I would urge you to associate with AIFPA more closely & participate in the process of industry's rightful struggle.

Kindly send suggestions regarding issues to be taken up with the government to address difficulties faced by the food industry and for new prospects where policy frame work may need to be reviewed.

I thank you for your patronage to AIFPA and commitment to the food processing fraternity. Kindly continue your support in the fulfillment of this larger cause. A collective voice will help to raise the concerns more effectively.

With Warm Regards,
(Dr. S. Jindal)

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Published by

All India Food Processors' Association, 206, Aurobindo Place Market, Hauz Khas, New Delhi-110016

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72nd Annual Conference of AIFPA

The 72nd Annual Conference of AIFPA was held on 15/12/2016 at New Delhi. The theme of the Conference was "Levy of GST on Processed Foods" which is of topical interest to the Food Processing Industries. The presentations made therein are being published in the bi-monthly Journal, "Indian Food Packer" of Nov-Dec. 2016 issue.

The Conference urged the Govt. to keep the tax level at the lowest slab so that the food processing industry can leap-frog in the coming years and thereby utilize the enormous wastage of Fruits & Vegetables and other perishables that is happening now.

The 72nd AGM of the Association was also held on the same day at which the New President, **Dr. Subodh Jindal** has been elected as the President.

Up-coming Events

Event : **AAHAR-2017**
Dates : 07-03-2017 to 11-03-2017
Place : Pragati Maidan, New Delhi
For information : Mr. Rameshwar Maurya
Tel:- 011-41550860, Mobile:- 08744088116
E-mail:- maurya@aifpa.net

Event : **The Opportunities & Challenges of Foreign Direct Investment (FDI) in Food Retail in India**
Dates : 09-03-2017
Place : Conference Hall No. 8, Pragati Maidan, New Delhi
For information : Mr. Rameshwar Maurya
(M):- 8744088116, Tel:- 011-41550860
E-mail:- maurya@aifpa.net

<p>Co-Associate</p>  <p>All India Food Processors' Association</p>	<p>32nd Edition</p>  <p>Pragati Maidan, New Delhi, INDIA</p>	<p>Organised by</p>  <p>India Trade Promotion Organisation</p>
		
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Regulatory & Food Safety Issues

FSSAI has issued the following Draft Notifications in the month of December.

Members may send their suggestions, if any, to the office for addressing to Authority.

S.No.	Draft Notifications	Last Date for Comments
1	Draft Food Safety and Standards (Contaminants, toxin and Residues) Amendment Regulations, 2016 regarding 'fixing of limits of HCN in sago'. (Uploaded on: 13.12.2016)	13.01.2017
2	Draft Food Safety and Standards (Food Products Standards and Food Additives) Amendment Regulation 2016 sub-regulation 3.2.1 relating to "Standards of Additives". (Uploaded on: 14.12.2016)	14.01.2017
3	Draft Notification on FSS (Food product Standard and Food Additives) Amendment Regulation related to standards of Durum Wheat Maida, Quinoa, Instant Noodles, Tapioca Sago & Pearl millet flour. (Uploaded on: 16.12.2016)	16.01.2017
4	Draft Food Safety and Standards (Food Products Standards and Food Additives) Amendment Regulations, 2016 related to general standards for Milk and Milk Products. [Amendment in the Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011, (a) omission of some definitions from regulation 1.2 and (b) substitution of regulation 2.1]. (Uploaded on: 22.12.2016)	19.01.2017
5	Draft Food Safety and Standards (Prohibition and Restrictions on Sales) Amendment Regulations, 2016 related to restriction on sale of cream. [Amendment in the Food Safety and Standards (Prohibition and Restrictions on Sales) Regulations, 2011, substitution of item (1) of sub-regulation 2.1.1 of regulation 2.1	19.01.2017
6.	Draft Notification issued by FSSAI on the Food Safety and Standards (Fortification of Foods) Regulations, 2016 (Uploaded on: 03.01.2017)	02.02.2017

News Briefs

Patanjali Food Park in Assam to get mega industry status

Patanjali Ayurved's proposed Rs 1,000 crore herbal and food park in Assam will receive the status of a mega industry, the state government said. Chief Minister Sarbananda Sonowal laid the foundation stone for the Patanjali Herbal and Mega Food Park at Balipara on November 6.

The park will be spread over 150 acres and manufacture products such as cosmetics, nutrition and kitchen essentials. The facility will have an annual production capacity of 6.57 lakh metric tonnes.

Calorie is new MRP for packaged food

As consumers become more mindful about what they eat, 'calorie' count is the new 'MRP' for packaged food products. Traditionally, nutritional information is printed on the back of a product pack, while MRP (maximum retail price) is used as the unique selling proposition for the price-sensitive consumer.

Now, to engage with the new-age calorie conscious consumer, marketers are turning conventional wisdom on its head and displaying nutritional information on front of the pack. The trend could become more pronounced in impulse-driven categories, triggering innovation. Food products, which were hitherto marketed by highlighting the price among other 4Ps (product, price, place and promotion) of marketing, are now being sold on the basis of their nutritional value including calorie counts. Lower the calories, better the prospects of a brand to gain consumer acceptance.

Coke launches non-carbonated drink Aquarius

Cola major Coca-Cola India today expanded its portfolio by launching an active hydration beverage. Aquarius is one of the top \$20-billion brand of the American beverages giant globally. Aquarius is a lemon flavoured non-carbonated, low calorie beverage containing sodium, calcium and potassium, and the lemon flavoured drink will be available at Rs 30 for 400ml.

Food processing sector may attract existing rates under GST

Food processing industry is unlikely to have any adverse impact in terms of taxation under the proposed GST regime as the sector will continue to be taxed at existing rates, a top Food Processing Ministry official said.

The industry has demanded the sector be levied with minimum tax under the GST regime to fuel growth and attract investments. Addressing an international conference on 'India Farm 2 Fork 2016', Special Secretary in the Food Processing Ministry, J P Meena assured the industry that there will not be any adverse impact of GST regime on the sector.

"The GST regime is unlikely to adversely affect this sector with higher taxation slabs, as the available indication suggests that it would continue to be taxed at existing rates even post GST. The government has reduced significantly the taxes, particularly excise on food processing industries from 10 per cent to 6 per cent, Minister of State for Food Processing Sadhvi Niranjana Jyoti said.

On post-harvest losses of agri-produce, Meena earlier said the government is evolving policies to boost food processing and reduce agri-wastage by 50 per cent in the next 5-6 years. He called upon the industry to manufacture quality processed foods which are accepted in global markets, besides asking the food safety regulator to streamline standards in this regard.

He also shared that foreign direct investment in the sector has been USD 500 per annum in the last three years and mega food parks are coming up in 42 locations.

Amul to launch camel milk in next three months

With food safety regulator FSSAI setting new standards for camel milk, dairy major GCMMF, which sells products under the Amul brand, said it will launch camel milk in the next three months.

Amul will first start selling camel milk in Ahmedabad and will later launch in other cities. "We operationalized standards for camel milk today. We took two years to come out with standards. The standards will help better marketing of camel milk in cities," Food Safety and Standards Authority (FSSAI) CEO Pawan Agarwal said at an exhibition organised by NGOs 'Sahjeevan' and 'Foundation for Ecological Security' here.

This will also help create awareness about the health benefits of camel milk, he added. Aggarwal assured that it would take possible measures if any fine tuning is required in the standards going forward. Speaking on the occasion, Gujarat Cooperative Milk Marketing Federation's (GCMMF) Marketing Manager Hardeep Banga said that the co-operative will launch camel milk in 500 ml bottle in the next three months.

Indian dairy firms now look to sell protein supplements added milk

After seeing the benefits that value added products offered in terms of improved profit margins, the Indian dairy firms are now looking at selling milk added with protein supplements to cash in on growing awareness among customers on health benefits. Many private dairies, who have already started importing the protein supplements that currently attract high import duties, are also looking at setting up manufacturing units for production of protein supplements like whey eying higher margins.

Dairies like Parag Milk Foods and Amul who are already present in this segment are planning to scale up their production while others like Prabhat Dairy are looking to foray.

Kind Attention of Readers

The E-Newsletter is being sent to over 50,000 E-mail Ids every month for the last few years. We would welcome suggestions/comments from the readers to enable us to improve upon the contents.

Please support the effort with release of advertisements are also welcome (½ page/Full page) which carries nominal charges, which are as follows:-

In colour	:	Full Page	Rs. 3000/- per insertion
In Colour	:	Half Page	Rs. 1500/- per insertion
In Black & White	:	Full Page	Rs. 2000/- per insertion
In Black & White	:	Half Page	Rs. 1000/- per insertion

Print Area: - Full Page: 24 CM (H) X 17 CM (W) & Half Page: 12 CM (H) X 17 CM (W)

Note: - For twelve advertisements published in a year, only ten insertions will be charged for and two insertions will be treated as free.

Chief Editor

4.2 percent growth in milk output

According to Union Agriculture Minister, Mr. Radha Mohan Singh India has achieved an average growth of 4.2 percent in milk production against the world average of 2.2 percent. In 2015-16, the growth in milk production in India was as high as 6.7 percent.

Mr. Singh said India has achieved 4.2 percent average growth in milk production during the last 10 years but there was a need to boost productivity of the bovine population to raise per capita milk availability and income of farmers. It is the efforts of small milk producers, who have made it possible to make India first in milk production in the world for last 15 years. The demand of milk and milk-made products is increasing, which is likely to go up by 24 crore tonnes by the year 2025, he said.

Owing to the enhancement in milk production, the availability of milk statistics based on daily basis per capita with the existing level of 337 gram is likely to go up 500 gram daily by the year 2021-22, he added at a conference at National Dairy Development Board.

Fortified milk from Mother Dairy

As part of its effort to address malnutrition, Mother Dairy will only be selling milk fortified with Vitamin A and D. The dairy company sells about 30 lakh litres of milk each day in Delhi, NCR region.

By the end of this year, it will switch to selling only fortified milk, the company said. We are already adding Vitamin A in our token milk sold at milk booths. Now, we have decided to add Vitamin A and D in both poly-packed and token milk, said Mr. S Nagarajan. He said the company is taking this initiative as a large part of the city population faces deficiency of micro-nutrients.

Mr. Nagarajan said the company would follow standards fixed by the Food Safety and Standards Authority of India on fortification of food. The FSSAI has developed comprehensive standards for fortification in wheat flour, rice, edible oil and milk. As per these standards, fortification of vegetable oil and milk can be fortified with Vitamin A and D.

Asia's largest dairy plant

Gandhinagar in Gujarat is set to house Asia's largest dairy plant at a single location with GCMMF expanding the milk processing and product manufacturing capacity of its AmulFed Dairy, formerly known as Mother Dairy, located at Bhat Village. The federation is increasing the capacity of the plant by 15 lakh liters per day (LPD) to total 50 LPD.

GCMMF is investing Rs. 400 crore for the expansion. It has recently decided to expand manufacturing capacity of their Gandhinagar plant by 15 LPD. With 50 LPD capacity post expansion, it will be Asia's largest single location plant in terms of processing and manufacturing capacity. Construction of the new unit is expected to be completed within 15 months.

Cash squeeze cuts import of exotic fruits and veggies

The cash squeeze unleashed by demonetisation has had a direct impact on sales of imported fruits and vegetables, as people save scarce cash for more essential things. Sales have dropped by about 70 per cent. Importers are trying to liquidate stocks through organised retail, while substantially cutting down on new consignments.

“Exotic fruits and vegetables are costly and there is still scarcity of currency in the market. As retailer vendors are not able to make payments, we had to reduce import volumes”, said Dinesh Shinde, managing director, Anusayafresh, which has an annual turnover of about ` 100 crore. Companies trying to liquidate stocks are offering discounts through organised retail.

“Our products are significantly discounted. The demand had not gone down so much even during recession”, said Tarun Arora, chief executive officer of IG International, adding that his company has stopped new import orders.

Arora fears prices may spike for a brief while when the currency situation improves as supplies would have dwindled significantly by then.

Say Cheese!

Prabhat Dairy Limited, a leading player in the Indian Dairy Sector is setting up one of the India's largest production lines for cheese at its Shrirampur facility in Ahmednagar district of Maharashtra with an investment of Rs. 140 crore. The Dairy produces cheese from the fresh unadulterated cow's milk procured directly from dairy farmers. Three varieties of cheese: mozzarella, cheddar and processed are produced.

Prabhat's automated production facility is equipped with advanced technology which ensures operational efficiencies including lower production losses, strict quality control and ability to process large orders. Cheese is now the fastest growing segment in the domestic dairy and milk products industry.

Heinz India introduces new healthy products

Post the merger with Kraft Foods, Heinz's Indian operations are now being revamped with new products. Among the first off the block is Heinz Power Sprouts, a multigrain health drink with power sprouts created specifically for the local market.

Heinz had acquired Glaxo's OTC portfolio with strong brands such as Complian and Nycil to enter the FMCG category in India. Currently, more than 50 percent of the company's sales turnover (almost 2,000 crore) is contributed by its largest selling milk solids brand, Complian.

Heinz Power Sprouts will supplement Complian in the malt food segment and the company will now have a multi-brand strategy addressing different consumers, said Jagdeep Kapoor, M.D., Samsika Marketing Consultants.

Last year, Kraft and Heinz merged into Kraft Heinz Company, the third largest food and beverage company in North America and the fifth largest in the world.

Nestle will reduce sugar in its products by 40%

Nestle has claimed to have made a major break-through that could reduce the amount of sugar in its chocolate bars by 40%. Using only natural ingredients, Nestle researchers have found a way to structure sugar differently so that consumers perceive almost identical sweetness, even if much less sugar has been used in the chocolate.

The Swiss multinational will patent its findings, and said it would use the faster-dissolving sugar across a range of its confectionery products from 2018 onwards.

This truly ground breaking research is inspired by nature and has the potential to reduce total sugar by up to 40% in our confectionery, said Stefan Catsicas, Nestle chief technology officer.

Our scientists have discovered a completely new way to use a traditional natural ingredients.

The company expects to provide more details about the first roll-out of reduced-sugar confectionery sometime next year, and the research will accelerate Nestle efforts to meet its continued public commitment to reducing sugar in its products.

Bikano to launch 'Ready to Eat' foods

FMCG company Bikano on Tuesday said it will launch 'Ready to Eat' product ranges in the domestic food market early next year. According to the company, the new packaged food products will be launched in native flavours such as Shahi Paneer, Rajma and Saag.

"Bikano's vision is towards a healthy India with focus on preparations of products in a hygienic environment with strict quality measures and the correct proportion of nutritional value, which ultimately supports idea of being healthy yet keeping the traditional taste alive," Manish Aggarwal, Director, Bikanervalva Foods, said in a statement.

"We plan to enhance our production capacity to meet the increasing demand in domestic market over the next two to three years."

The company has already started exporting 'Ready to Eat' products in overseas markets including the US, Dubai, the UK, Canada and New Zealand, the statement added.