



Modern Food Processing

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“ The demand for dehydrated onion in India is just taking off, but the volumes are small ”

...says **Anil Jain**, Managing Director, Jain Irrigation Systems Ltd. During an interaction with **Prasenjit Chakraborty**, he discusses the dynamics of mango pulp and dehydrated onion business, in particular, and of the food processing industry, in general.

Photo courtesy: Jain Irrigation Systems Ltd

What are your top priorities at this moment with regard to the food processing industry?

Our food processing business has seen tremendous growth in the last few years. The company has moved beyond just being an India-based food processor. Today, we are processing vegetables and fruits in two different locations in the US. We have acquired a plant in the UK that blends various spices, seasonings and dry ingredients for supplying to food manufacturing and food service industry. Our priorities continue to be focussed on delivering better quality products at better value to customers in a sustainable manner with ever-increasing back-end and front-end integration. We are constantly working on improving the complete value chain from variety development, seed development, offering extension services, contract farming, providing agri-inputs to farmers, high-end processing, on-time delivery, stocks and distribution as local supplier in the major markets we operate in. We are also looking at expanding the food processing base in other countries to take advantage of different climatic conditions, access to a variety of raw materials, product expansion, market access, etc.

How is the mango-pulp business faring in India?

We ventured into the fruit processing business in mid 90s, and it was on a small-scale. We started with a small set-up in Jalgaon and focussed on few fruits such as banana and mango. At that time, the demand for fruit-based drinks in India was also taking off. Globally, the mango flavour was catching up and finding its way into select fruit juice blends. There was also a notable shift in demand from small metal-canned mango pulp to aseptically packed large drums. As the demand for aseptically packed mango pulp witnessed rise in India and worldwide, we added processing capacities in different parts of the country where raw material was available. As the demand grew, so did the pressure on raw material procurement. Although we have added lot

more capacity in processing, we have also moved beyond being a mere processor of mango pulp. We are using our existing and well-developed agricultural R&D, contract farming network and extension services infrastructure to promote high-density, high-yielding varieties of mango plants, which ensure higher income to farmers, longevity and sustainability in supply of mangoes. And, all these bring overall benefits to stakeholders in the mango supply chain. In all our activities, sustainability agenda is at the core. We are working on a few large projects – some of them also involve India's largest food and beverage companies.

What are the market dynamics for dehydrated onion?

Dehydrated onion, derived mainly from white onion, is the largest volume spice ingredient used in the food industry, with volumes surpassing largely known spices such as black pepper. Applications range from bottle packed spices, seasoning blends, condiments such as ketchups, to almost all the prepared, ready-to-eat foods. Total global market size of dehydrated onion is estimated to be around ₹ 35 billion. On the supply side, the US is the largest producer and India is number two, followed by countries such as Egypt, China, France and Spain. All major processors have their own proprietary seeds for raw material, and they work closely with farmers and get these onions grown specifically for the purpose of dehydration.

The manufacturing process is technology-intensive with focus on moisture or water reduction from say 80-85 per cent, in fresh onion, to 5 per cent in the dehydrated form. Other focus areas include microbiology reduction, good colour, flavour retention, cut size, product cleanliness, and the overall quality of the product. There is a large difference between the quality of products from top companies and the rest of the lot. On demand side too, the US is the largest market constituting more than half of world's consumption, followed by Europe and other parts of the world. The

Up close & personal

What motivates you every single day?

Our vision 'Leave this world better than you found it'

Which is your all-time favourite book?

The Fountainhead by Ayn Rand

Can you mention one business etiquette that you always follow?

Being open and transparent in all types of communication, regardless of situation

demand for dehydrated onion in India is just taking off, but the volumes are small.

Looking at the economic slowdown, are you focussing on new export markets?

When it comes to our India-based food business, exports account for around two-third quantity on a value basis. We are exporting from India to Europe, North and South America, Asia-Pacific and almost to every market where there is demand for our products. From our US-based food processing business, about one-third is exported and two-third quantity of products is sold locally. These products include dehydrated onion processed in the US and reduced moisture frozen vegetables from our new facility in California. In our UK-based business, export to other countries is small but growing. Our food business in mature markets has done well and showing good year-on-year growth. We have increased our marketshare in new and emerging markets. We are continuously growing in both developed and developing markets. By being innovative, we have been able to face the general economic slowdown well, and our businesses have witnessed growth. ■

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