

FOOD AND BEVERAGES

Overview of the Industry



- The global food and beverages industry is made up of many segments, including groceries, oils and fats, food additives, functional foods and beverages, packaged foods, health and natural foods, canned food, baked food, baby food, animal food, soft drinks, alcoholic drinks, energy drinks, and packaging.
- The industry is driven by consumer demand for more nutritious food and better packaging, which also spurs technology advances in the field. Today, pasteurization, high-pressure processing, UV treatment, and nanotechnology are influencing the industry. A concern for the environment has led to the use of more recycled material for packaging.
- The growth of the food and beverages industry is propelled mainly by developing countries such as India, China, and Brazil, as the economies of these nations improve, and more people are lifted into the middle class.
- The global food, beverage, and grocery industry was estimated to be worth \$7.8 trillion in 2015, or about 10 percent of the world GDP, according to Plunkett Research. The global packaged-food industry was worth \$2.5 trillion. In 2013, global food exports added up to \$1.43 trillion.
- By market size, the top ten countries for the overall food and beverages (grocery) industry are the US (about \$1.7 trillion, according to approximations from various sources), China (\$700 billion), Japan (\$600 billion), India (\$400 billion), Russia (\$350 billion), Brazil (\$250 billion), Germany (\$225 billion), France (\$200 billion), UK (\$180 billion), and Indonesia (\$175 billion).

2020 business trends for food and beverage companies

Plant-based diet back on the menu

Delivery and Take-Out are Replacing Dine-In

E-commerce channel on the rise

The emergence of cashless society

Home cooking is making a resurgence

Innovation and differentiation

Food safety, transparency and sustainability

Mergers and acquisitions

Rising costs and increased uncertainty

Careers Opportunities

- Food and Beverage Manager
- Chef
- Catering Manager
- Baker
- Nightclub Manager
- Bartender
- Restaurant Designers
- Nutritionist
- Dieticians
- Mycologists
- Food Manufacturers
- Food Stylists
- Food Photographers
- Food Scientists
- Food Safety Inspectors

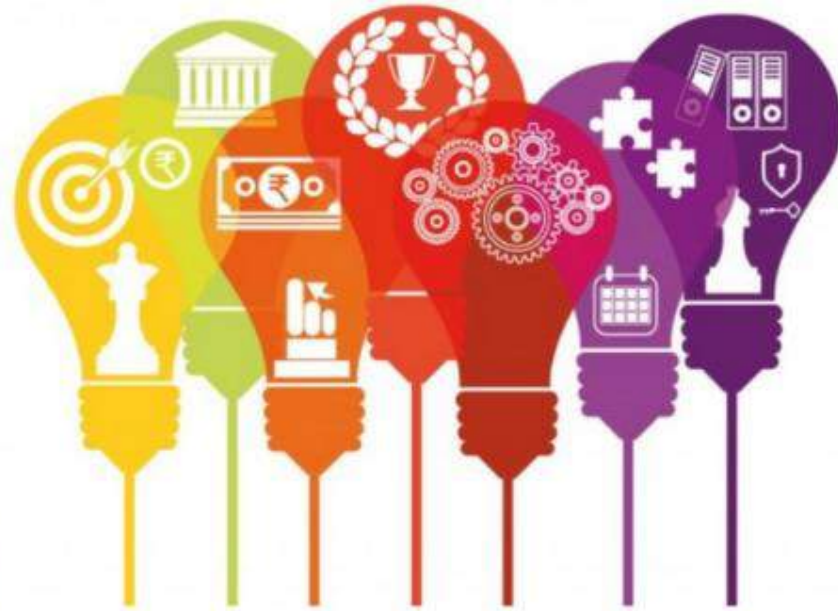


F&B industry in India

India is expected to become the fifth largest consumer market in the world by 2025, according to a paper prepared by the Confederation of Indian Industry (CII) and Grant Thornton. Food and beverages is the biggest of the consumption categories. The F&B sector is supported by the vast agriculture sector: India is the biggest producer of pulses, and the second biggest producer of rice, wheat, sugarcane, and fruits and vegetables. It is also the biggest producer of milk and buffalo meat and ranks fifth in poultry production.

Other Sectors in the F&B industry

- Food Retail
- Online grocery Supply
- Dairy
- Food Service
- Cold Storage



GOVERNMENT SCHEMES

Government Schemes/ Initiatives

- Infrastructure Development Scheme
- Scheme for Promotion of Innovation,
- Mega Food Parks Scheme
- Make In India
- Food Processing Fund
- Pradhan Mantri Kisan Sampada Yojana (PMKSY)
- Viability & Tax Benefits
- 100% FDI and Excise Benefit
- Modernisation of Abattoirs
- Implementation of HACCP/ ISO 22000, ISO 14000/GHP/GMP, Etc

Requirements for Registration/ License of Food businesses

FSSAI Registration	FSSAI State License	FSSAI Central License
<p>This is required for small business or all businesses or Start- Ups. Eligibility criteria is as follows for different kind of businesses.</p> <p>with an annual turnover not exceeding Rs. 12 lakhs and/or whose production capacity of food (other than milk and milk products and meat and meat products) does not exceed 100 kg/litres per day or procurement or handling and collection of milk is up to 500 litres of milk per day or slaughtering capacity is 2 large animals or 10 small animals or 50 poultry birds per day or less</p>	<p>This is required for mid sized companies Eligibility criteria is as follows for different kind of businesses.</p> <p>with an annual turnover between Rs. 12 lakhs to 20 crores production capacity of food (other than milk and milk products and meat and meat products) does not exceed 500 kg/litres per day or procurement or handling and collection of milk is up to 5000 litres of milk per day or slaughtering capacity is between 2-50 large animals or 10-150 small animals or 50- 1000 poultry birds per day</p>	<p>This is required for large businesses. Eligibility criteria are as follows</p> <p>With an turn over above Rs 20 Crores Dairy units including milk chilling units equipped to handle or process more than 50,000 litres of liquid milk/day or 2500 MT of milk solid per annum. Vegetable oil processing units and units producing vegetable oil and refineries including oil expeller unit having installed capacity more than 2 MT per day. All slaughter houses equipped to slaughter more than 50 large animals or 150 or more small animals including sheep and goats or 1000 or more poultry birds per day. Meat processing units equipped to handle or process more than 500 kg of meat per day or 150 MT per annum.</p>

Marketing Trends In F&B Sector

- Product Packaging
- Brand Positioning
- Revamping your Brand Image
- Blogging
- Social Media Marketing
- Seasonal Offers
- Creating Statement with USP
- Hosting Events
- Partnering with Other Brands
- Collaboration
- Societal Marketing
- Email Marketing

Future of the Food and Beverage Industry in India

The food processing industry is one of the largest industries in India and is all set to soar heights in the near future. Even, Government of India also knows the Future is too bright for Indian food Industries, as, food has also been one of the largest segments in India's retail sector, which was valued at USD 490 billion in 2013. The Indian food retail market is expected to reach USD 894.98 billion by 2020.

There is too much potential for a new entrepreneur, who would like to enter in food processing like the following:

- **FDI POLICY-** 100 % FDI under government approval route for, trading, including through e-Commerce for Food Products produced and manufactured in India.
- **FISCAL INCENTIVE-** 100 % Income tax exemption to food processing, units on profits for the first five years of operation and 25 % thereafter for the next 5 years. Pasteurizing, drying, evaporating, etc. machinery used in Dairy Sector is exempted from Excise Duty. Excise duty Refrigerated containers from 12.5% to 6%. Custom duty reduction in cold storage related items in Budget 2016-17.
- **MEGA FOOD PARK-** Government giving grand aid up to 75% on the basis of the general area or a difficult area to set up Mega Food Park.
- **SPECIAL FUND IN NABARD-** To provide loans up to seven years, they have accumulated Rs.2000 crore of the fund to NABARD for food processing units.

Above are the few examples, such hundreds of arrangements are being done by Government to strengthen food Industries in India, thus definitely, the future is very bright and not only these are the only reason, but the cause behind the bright future of Food Industry is also:

- Growing populations and their vast demand for food
- Government policies like, 'Make in India', 'Startup India'
- Increase in consumers purchasing level/Power.
- Access to all branded food materials even at the village level
- Changing lifestyle patterns

According to research by the India Brand Equity Foundation, the spending capacity of the Indian middle class is anticipated to double by 2025. With the rise in disposable income and access to credit, the Indian middle class will have a high spending capacity on ready to eat or other food items, which was not the scenario before 10years.

It's only growing. A lot of western food and beverage giants are already looking to collaborate with Indian companies for their packaged food products. Companies that manufacture full food processing lines are also eyeing this part of the world. Every year when I visit the trade shows, I see more processed food exhibitors than the previous year. And, Online food ordering business in India is in its nascent stage, but witnessing exponential growth.

The organized food business in India, which is worth USD 48 billion, of which food delivery is valued at USD 15 billion, has a huge potential, and hundreds of new era of food processing will be created, by keeping these all facts.

Top Colleges

- Institute of Hotel Management (IHM) - Multiple Locations
- JB Institute of Hospitality Management - Kolkata
- National Finishing and Cookery Institute - Karnal
- Poornima University - Jaipur
- International School of Hospitality Management - Kolkata
- Heritage Institute of Hotel and Tourism, Shimla
- Chef and Bar Academy - Mohali
- Delhi Institute of Hotel Management - Delhi
- Presidency College of Hotel Management - Bangalore
- Asia Pacific Institute of Management - Ahmedabad
- UEI Global – Lucknow
- Indian Culinary Institute - Multiple Locations
- Indian Hotel Academy - Delhi
- IPS Business School - Jaipur
- Vedatya Institute - Gurgaon



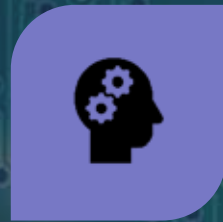
Associations in F&B Sector

- Indian Beverage Association
- All India Alcohol Based Industries Development Association
- Indian Coffee Trade Association
- Indian Confectionery Manufacturer's Association
- Forum of Indian Food Importers
- Association of Food Scientists and Technologists
- National Restaurant Association of India

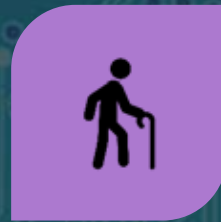
Drivers of the transformation of the F&B industry



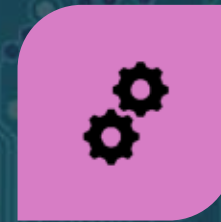
COST



QUALITY



DIGITALIZATI
ON



SUSTAINABIL
ITY



SAFETY

Best Start-ups In India



- Zomato (2008)
- Swiggy (2014)
- FreshMenu (2014)
- Faasos (2011)
- Box8 (2011)
- Curefit (2016)
- MagicPin (2015)
- Swadhika Foods (2015)
- Sleepy Owl (2016)
- Yumlane (2016)
- Grofers (2013)