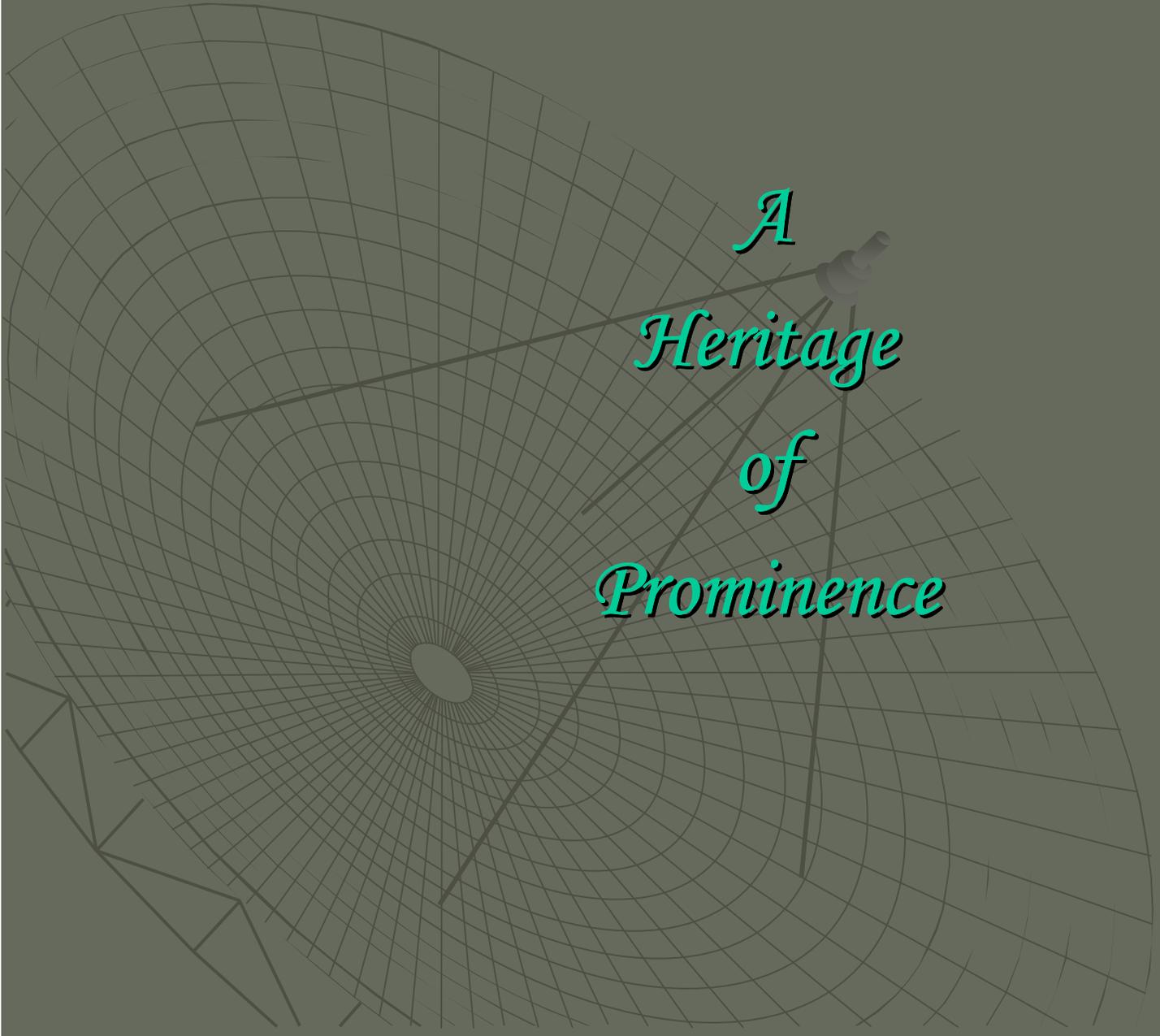


Presentation  
on

**'Food Processing – The Kerala Experience'**

by  
**S. Ramnath**  
Managing Director  
Kerala Industrial Infrastructure  
Development Corporation  
**(KINFRA)**



*A  
Heritage  
of  
Prominence*

## *The Historical Connection*

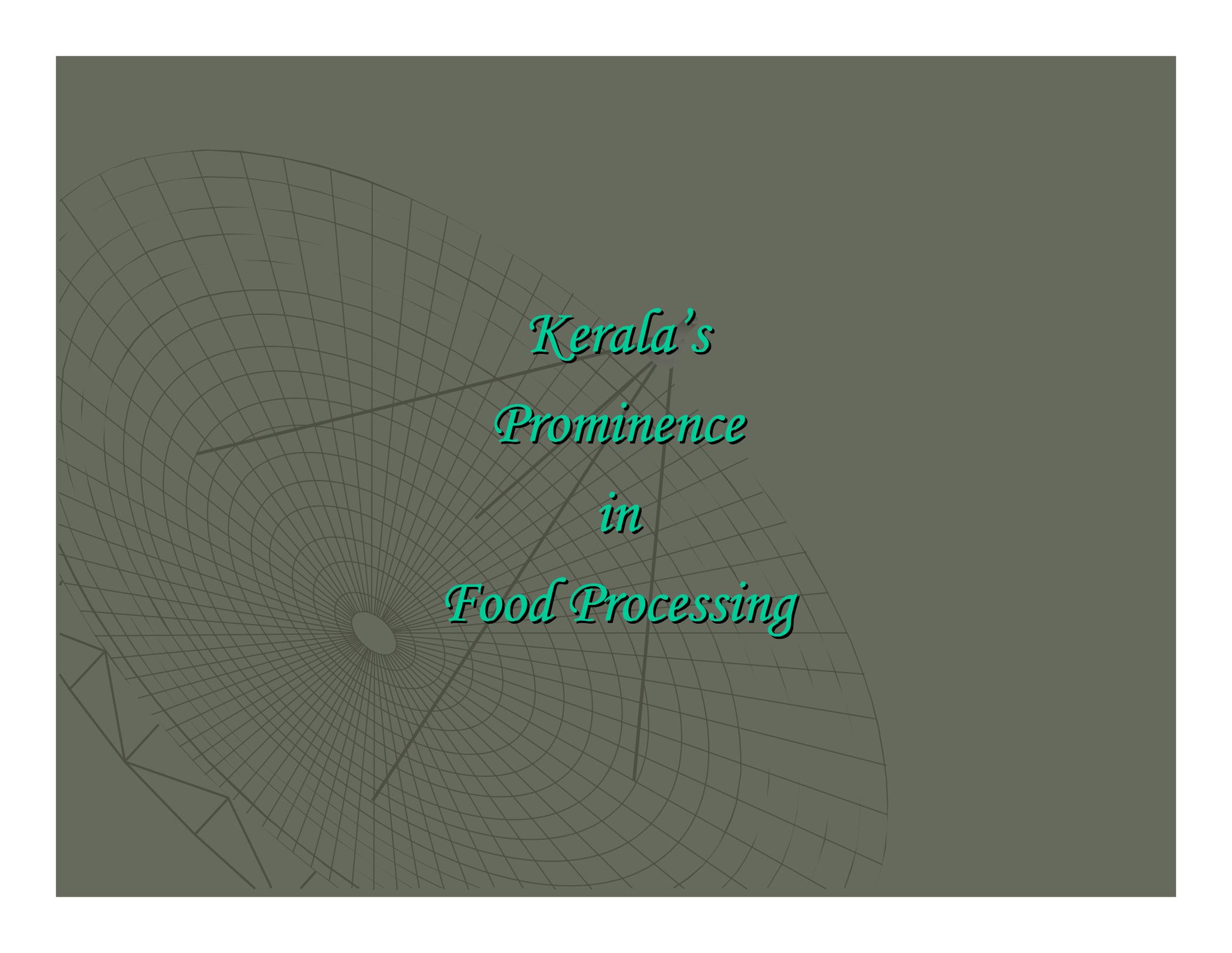
- ◆ Spices a precious commodity attracted many foreign merchants to the shores of India
- ◆ To keep the trade route to India open, it is believed that many wars have been fought

## *The Historical Connection*

- ◆ In 1494 AD Vasco Da Gamma, in search of new route to the Spices Land, arrived near Calicut in Kerala
- ◆ This visit led to major spices trading
- ◆ Spice trade became one of the attractions for subsequent invasion by various European countries

## *Present Scenario*

- ◆ Kerala has not looked back, ever since Vasco Da Gamma's time
- ◆ Since Independence, Kerala has been a major exporter of Spices, Cashews, Marine Products, Tea, Coffee etc
- ◆ Kerala accounts for nearly 20 % of country's food exports
- ◆ Kerala has been the base from where spices, cashew and marine export industries spread to other parts of the country



*Kerala's  
Prominence  
in  
Food Processing*

## *Kerala's Prominence*

### *Production*

Kerala is a major producer/processor of

- Spices
- Marine Products
- Cashews
- Coconuts
- Cocoa,
- Coffee and Tea
- Fruits like banana and pineapple

## Kerala's Prominence

### Consumption

Kerala has the highest per capita consumption of food in the country

#### Leading States

State	Per Capita Expenditure
<u>Kerala</u>	<u>Rs.5558.00</u>
Gujarat	Rs.4795.00
Haryana	Rs.4726.00
Punjab	Rs.4698.00
Maharashtra	Rs.4336.00
Average	Rs. 4016.00

## Kerala's Prominence

### Exports

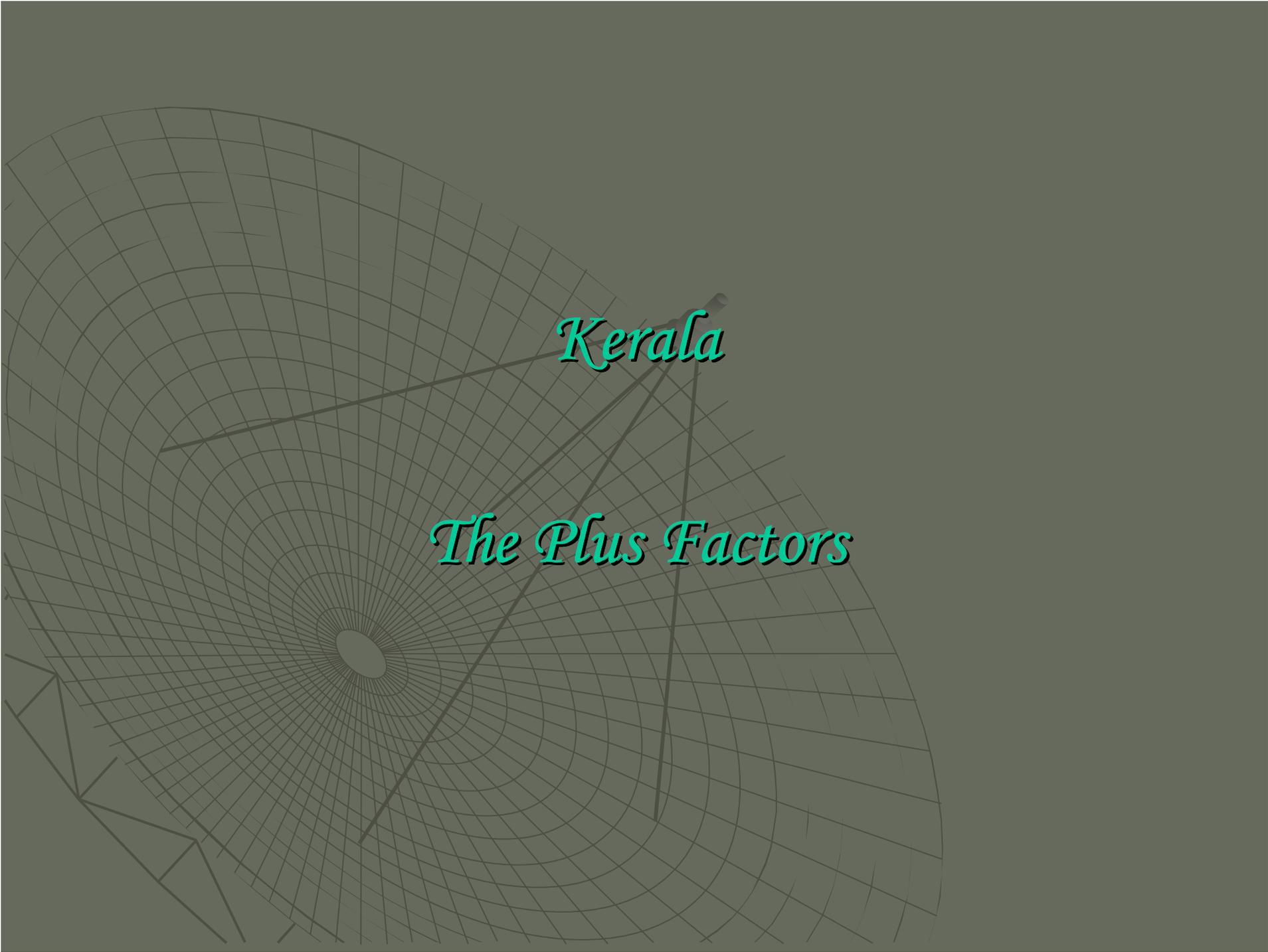
- ◆ Food has consistently contributed to state's export significantly since independence
- ◆ Food accounts for approximately 55 % of exports from the State
- ◆ Kerala traditionally strong in
  - ◆ Cashews - Rs. 1403 Crores
  - ◆ Seafood - Rs. 1431 Crores
  - ◆ Spices - Rs. 1264 Crores

## *Kerala's Perspective*

- ◆ Kerala has been the leader state 'in foods sector' since traditional times
- ◆ Kerala would continue to be the leader state in the future innovative initiatives

*Kerala's Perspective*

- ◆ **Processed Food Market is currently estimated to be of Rs.305 crore**
- ◆ **The potential of Processed Food Industry is estimated at Rs 30,000 crore**



*Kerala*

*The Plus Factors*

*Kerala - everything in favor of food processing*

## *Kerala The Plus Factors*

### *Agricultural Resources*

- Known as God's own country because of its green carpet like vegetation
- Has rich agricultural biodiversity

## *Kerala The Plus Factors*

### *Agricultural Resources*

- Major producer of spices contributing to 97% of country's pepper production
- Kerala accounts for 70% of cocoa production and 25% of country's coffee
- Kerala accounts for 16% of cashew production and 35% of cashew nut processing units
- About 42% of coconut produced in the State

## Kerala The Plus Factors

### **Agricultural Resources – unique varieties**

- Nendran banana is special to Kerala and is being exported in big quantities
- Mauritius pineapple is a local variety for which Kerala meets the entire needs of South India and part of North India
- Navarra rice is a specialty rice having very high nutritive and medicinal properties

## Kerala The Plus Factors

### Infrastructure - Land Connectivity

- Well connected and integrated road network within the State
- Urban-rural divide very thin
- Facilitates easier penetration into the market

## Kerala The Plus Factors

### **Infrastructure - Air Connectivity**

- Three well spread international airports
- Fourth international airport at Kannur getting ready
- Considering the small size of the State, an excellent infrastructure for export activity

## Kerala The Plus Factors

### Infrastructure – Sea Connectivity

- All weather seaport at Kochi
- Strategic location on the trans-national trade corridor
- Modern Container Terminal with excellent container handling facility
- New seaport at Vizhinjam near Trivandrum coming up

## Kerala The Plus Factors

### **Kerala a Resourceful Market**

- Equivalent to a 'Metro City' with thin rural urban divide
- With highest per capita expenditure on food in the country
- High level of urbanization. Well developed mature markets.

## *Kerala The Plus Factors*

### *Kerala a Resourceful Market*

- High purchasing power boosted mainly by repatriation from sizeable non resident Keralites
- High level of literacy with high proportion of working women
- Supermarket culture a predominant trend

## *Kerala The Plus Factors*

### *Human Resources*

- *Kerala well known for its cent percent literacy*
- *Food Processing is no exception in this respect*

## *Kerala The Plus Factors*

### *Human Resources*

- *An established network of institutions providing specialized courses related to food processing*
  - *Cochin University of Science and Technology*
  - *Kerala Agriculture University*
  - *Calicut University*
  - *MACFAST, Thiruvalla*
  - *MES College, Mampad*

*Kerala The Plus Factors*

**Human Resources**

- **A chain of Research Facilities and Developmental Bodies**
- **Ample scope for industry to utilize the research infrastructure and have joint venture programmes**

## *Kerala The Plus Factors*

### *Human Resources*

- *Spices Board*
- *Marine Export Development Authority,*
- *Coconut Development Board,*
- *Cashew Export Promotional Council,*
- *National Institute of Interdisciplinary Science and Technology*

## *Kerala The Plus Factors*

### *Human Resources*

- *Indian Institute of Spices Research*
- *Central Tuber Crops Research Institute of India*
- *Central Plantation Crops Research Institute of India*
- *Central Marine Fisheries Research Institute*
- *Central Institute of Fisheries Technology*

## *Kerala The Plus Factors*

### *Human Resources*

- Kerala's women workforce has unique processing skill – a skill in high demand across many parts of the country
- An innate trait – high sense of hygiene a distinct headstart in terms of advantage for food processing

## *Kerala The Plus Factors*

- Ranked as the most socially advanced and globally integrated state in the Indian Union
- Ranked among top 5 Indian States for Infrastructure Penetration, Education, Health, Law & Order, Investment Attraction

## Combination of Favorable Factors

- ✓ Walk-in-and-process environment across the State in the form of industrial parks
- ✓ Excellent transport infrastructure
- ✓ Rich agricultural resources
- ✓ Strong and vibrant consumer market
- ✓ Competent human resources with subject specialization
- ✓ Wide network of research bodies and developmental organizations
- ✓ Enabling environment for industrial growth nurtured by the Govt.

*Strategic Hub for Production Operations*

- *Strategic location for processing operations*
- *Ideal base for production operations to cater to S. India*
- *Vantage position for export operations*



*Kerala Industrial Infrastructure  
Development Corporation  
(KINFRA)*

*An Introduction*

## *KINFRA—The Genesis*

- \* **Evolution:** Statutory body formed in 1993, by an Act of State Legislature.
- \* **Mandate:** To promote & assist in rapid & orderly establishment, growth & development of industries in the State

**Kerala - everything in favor of food processing**

**KINFRA-The Performance**

\* **First to set up Food Park for Processed Food Industry**

\* **First to set up Film & Video Park for Entertainment Industry**

\* **First to set up Apparel Park for the Garment Industry**

## Kerala - everything in favor of food processing

### KINFRA-The Infrastructure Provider

- \* Facilities Offered: developed land, dedicated power, continuous water supply, effluent treatment facilities, communication facilities, single window clearance, etc.
- \* Thrust Sectors: Apparel & Garments, Export Promotion, Electronics & IT, Food Processing, Film & Entertainment, Rubber, Small Scale Industries.
- \* Future Focus: Biotechnology, Nanotechnology, Special Economic Zones, Herbal & Ayurveda, Printing, Gem & Jewellery, Water Craft.



*KINFRA*  
*Specializes*

*In*

*Theme Based Parks*

**Kerala - everything in favor of food processing**

## **List of KINFRA Parks**

- ✓ **KINFRA FOOD PARKS**
  - KAKKANCHERY
  - ADOOR
- ✓ **KINFRA FOOD PROCESSING ZONE, MAZHUVANNOOR**
- ✓ **KINFRA HITECH PARK, COCHIN**
- ✓ **KINFRA APPREL PARK, TRIVANDRUM**
- ✓ **KINFRA EXPORT PROMOTION INDUSTRIAL PARK, COCHIN**
- ✓ **KINFRA FILM & VIDEO PARK, TRIVANDRUM**
- ✓ **KINFRA HERBAL PARK, WAYNAD**
- ✓ **KINFRA INTEGRATED TEXTILE PARKS, PALAKKAD**
- ✓ **KINFRA SMALL INDUSTRIES PARKS**
  - TRIVANDRUM
  - MAZHUVANNOOR
  - KORATTY
  - THALASSERY
  - KANNUR
  - WAYNAD
  - KASARGODE
  - KUNNAMTHANAM

## *Kerala - everything in favor of food processing*

### *KINFRA – Facilitation Role*

*KINFRA has  
never restricted  
itself to  
infrastructure creation alone  
but has always played a  
proactive facilitation role  
for the industry*

## *Kerala - everything in favor of food processing*

### *KINFRA – Facilitation Role*

KINFRA has set up its Food Processing Division for exclusively focusing on promotion of Food Processing Industries.

#### *Objectives*

- *to ensure growth of the Food Processing Sector*
- *to facilitate and create an enabling environment for the Food Processing Industry*
- *to promote ethnic foods of the State.*

*Kerala - everything in favor of food processing*

## *KINFRA – Facilitation Role*

- KINFRA is the State Nodal Agency for Ministry of Food Processing Industries (MFPI), Govt. of India for administration of all its schemes.
- The main trust of MFPI schemes is to create sufficient infrastructure for Food Processing Industry.

*KINFRA Film & Video Park, Thiruvanthapuram*



# *KINFRA Herbal Park, Wayanad*



# *KINFRA Small Industries Park, Koratty*



# *KINFRA Small Industries Park, Thalassery*



*Unit in KINFRA Apparel Park, Thiruvanthapuram*



*Kerala - everything in favor of food processing*

*KINFRA Joint Venture Parks*

- \* RUBBER PARK, IRAPURAM  
(JV WITH RUBBER BOARD)
- \* SEA FOOD PARK, AROOR  
(JV WITH MPEDA & SEAFOOD EXPORTERS ASSOCIATION)

# KINFRA Rubber Park, Irapuram





## *Food Parks*

*The 'KINFRA' experience in Kerala*

*Kerala - everything in favor of food processing*

*KINFRA -- Achievements*

Has set up  
the  
first  
Food Park  
in the country  
at  
Kakkancherry near Calicut

**Kerala - everything in favor of food processing**

**KINFRA -- Achievements**

Setting up  
the  
First  
Special Economic Zone  
exclusively for  
Food Processing Industry  
at Kakkancherry near Calicut

**Kerala - everything in favor of food processing**

**KINFRA -- Achievements**

**Has already  
three exclusive Food Parks and  
one joint venture Food Park  
in the State  
—  
an achievement considering that Kerala is  
a tiny State in terms of land area**



*Food Parks*

*under*

*KINFRA's umbrella*

*Kerala - everything in favor of food processing*

*KINFRA Food Processing Park, Kakkancherry*

- \* Located about 25 kms from Calicut city
- \* Adjacent to Calicut International Airport
- \* On the Calicut-Trichur National Highway
- \* 30 Acre plot
- \* Fully developed and operational