

NEWSLETTER

RELIEF MEASURES NEEDED TO SUPPORT FOOD PROCESSING COMPANIES, SAYS MR. SHAH

JAIN FARM FRESH FOODS LTD, the subsidiary of the Jalgaon-headquartered agriculture solutions provider Jain Irrigation Systems, is the largest processor of mangoes and the second largest processor of dehydrated onion in the world. The company processes and exports a wide variety of farm produce, viz. mango, guava, banana, papaya, strawberry, jamun, tomato, onion, garlic, ginger and spices.

In an interview to MVIRDC World Trade Center Mumbai, Mr. Roshan Shah, Vice President Marketing, JAIN FARM FRESH FOODS LTD shares the challenges faced by his organization in navigating through the COVID-19 crisis. Mr. Shah suggests the government to provide relief measures to food processing companies to compensate for the economic loss arising from this crisis.

Excerpts of the interview:

1. Do you face slowdown in orders for your products from abroad? Kindly explain.

Yes. There is a slowdown in orders as there is uncertainty globally and customers are not able to take positions. There is also a risk of customers imposing force majeure and cancelling the orders placed.

2. Are you facing disruption in procuring raw materials for manufacturing your products? Kindly explain.

Initially there were disruptions, but it has got addressed to a certain level. However, there are still supply chain issues for the commodities that need to be transported from other states for processing.

3. Are you facing delay in local transportation to ports and from port to the destination?

Yes, we are facing transportation issues. Transporters are claiming non availability of drivers and also restrictions on movement of containers from port to the factories. We are not able to get containers for loading specifically in our South India plants. This is also resulting in transporters hiking freight cost.

4. What are the other challenges you are facing in the normal course of your business because of the lockdown?

A] Availability of labour that is required to carry out normal operations.

B] Availability of required packing material and ingredients, raw materials etc for processing.

5. What are the steps you expect from the government to overcome the above challenges?

A] Agriculture processing and allied industries need to get more resources and freedom to start operations.

B] This also indirectly ensures securing farmers interest as there is a buyer for their produce and the produce can be convert into value added products.

C] Plants will have to run at lower capacities due to social distancing that is required to be maintained in the plant. This will result into cost of production going up due to under capacity utilisation. Government should announce special incentives to recover this cost and ensure Indian agro processing industry remains competitive and are able to continue processing and export of processed food products to overseas markets.

NOTIFICATIONS

Press Information Bureau, Government of India

- India and Afghanistan join hands to combat COVID-19 crisis
- Telephonic conversation between Prime Minister and President of Maldives
- 5th Annual Meeting of New Development Bank
- Updates on COVID-19
- Six Inter-ministerial groups formed to assess situation and augment states' efforts to combat COVID-19

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