

Synthesis

INHOUSE MAGAZINE OF SYNTHITE INDUSTRIES LTD

EXCELLENCE IN ETHICS



Mr C V Jacob, Chairman and Managing Director, Synthite Industries Limited, has been selected for the prestigious 'George Thomas Kottukapally Memorial Award 2010 for Ethical Business Person'. Mr V J Kurien, IAS, Chairman, Spices Board, presented Mr Jacob with the award at an elegant function held at St. Thomas College, Pala, on Monday, September 20, 2010.

CHANGE AGENTS

It's heady time at Synthite Industries Ltd, reinventing itself and enhancing presence across global markets.

Synthite Industries Ltd, Kerala's premier industry serving the global market with its oleoresin and food ingredients, is now in a transformation phase. From an oleoresin and food ingredients company, it is fast moving up the value chain and focusing more on the global business. The company has identified United States, China and African nations as high po-

tential growth areas.

Synthite, which has the world's major food companies on its clients list, is now planning to become a product-focused company. "We are working towards adding functionalities to our products so that we will be able to give the client the final ingredient," said Mr Aju Jacob, director. The process is so fast and comprehensive

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From the Chairman's desk



Learning to lead

Our company has been serving the global markets since its inception. Over the years, we have consolidated our position in the food industry as a preferred supplier of ingredients. It is time that we got aggressive and expanded our presence in the global market. We need to enter regions where we have no presence, improve our product portfolio beyond ingredients and transform ourselves from being a commoditised player to one that provides value added products to industries.

This is possible by leveraging the infrastructure and knowledge base we have created over the decades, and by ensuring vibrancy of the thought process.

We are the leaders not by accident; it is the result of decades of planning and investment in R&D and infrastructure. Our clients trust us with their products and processes. We have to sustain it and improve on it. Further, we need to carefully plan our future by picking up the right signals emanating from the markets we serve. This will be a collective effort by all of us together, and I call upon my young colleagues to lead the effort.

The recently held Synthite Leadership Summit was a right step in this direction. True, experience has its place in the scheme of things of a corporate house, but it is the strength and vibrancy of its thought process that decide the winner. We are in a highly competitive world, and ideas compete with one another and translate themselves into products. I am sure that the Summit must have charged up my young colleagues to come out with ideas that will fuel our company's growth on the fast track.



ESSENCE OF INNOVATION

We will go the extra mile to meet the customer on his premises

Synthite started operations in 1972 producing oleoresin. It helped our clients move closer to the customer by removing one level of processing: the whole spice. Oleoresin was a new product and a new concept compared with spices which were traded as commodities.

It was a tough task at hand then. The company had to surmount numerous issues before coming out with a quality product acceptable to our clients. From raw material to processing to packaging, we struggled, but proved a point: we are equal to any given task.

The lessons we learnt the hard way stood us in good stead: today, we command the largest share in the spice oleoresin industry. We supply to almost all leading food companies in the world, and our products are part of food in more than 100 countries.

History repeats, and we have to prove ourselves. Again.

Today, 60 per cent of oleoresin is traded as commodity. Clients want to move closer to the consumer and ask products beyond oleoresin.

As the food processing industry changes itself to cater to the needs of society with fastidious tastes, we, as a food ingredients company, too have to change.

From a food ingredient company making critical inputs for our customers, who would make their own combinations and finally reach the product to the end customer, we have to transform ourselves to a flavour company.

This will be possible by moving up the value chain. We will do so by moving up the knowledge chain as well and improving the functionalities of our products. This means that we don't

want our product to be just an ingredient any longer. Instead, they would be the final taste-maker. In other words, our call is to become a product-focused company, rather than remaining a supplier of ingredients to customers. I expect that in five years, our product portfolio will change completely.

As industry leaders, we have set benchmarks for the oleoresin industry. And we will be setting benchmarks for the flavour industry, too. With Farmtech in the background, and Aromco and Symega in the forefront, we are well-positioned to do the job. We have the capabilities: we have the best equipment, technology, raw material sources, tracking systems and human resource. As an organisation, we have to be constantly reinventing ourselves, our processes, and products so that we continue to be the leaders.

I feel that there is tremendous opportunity in the health and wellness sector. With food safety standards going up in all nations, and more people becoming conscious about the dangers of ignoring standards, the industry will demand finer products.

And we shall deliver them.

SPICE SPIRAL

The spice industry has seen one of the steepest price spirals in the recent times. Prices of many of them have recorded more than 50 per cent increase, while in some cases, it doubled.

SPICE	Price as on 18/09/10	Price as on 18/09/09
	(Rs/ kg)	(Rs/ kg)
BLACK PEPPER	200.17	144.60
GINGER	210.00	125.00
CARDAMOM	967.11	686.66
NUTMEG(with shell)	223.00	160.00
TURMERIC	128.75	60.00
GARLIC	100.00	47.50
CLOVE	325.00	310.00

Source: The Spices Board.



THE SPICE TROVE

Helped by its state-of-the-art plant and a comprehensive traceability mechanism, Synthite delivers a variety of spices that meet all food safety standards

Westerners set sail for India when the fragrance of spices became irresistible to them. Today, the Spice Division of Synthite Industries Ltd takes them to every nook and cranny of the world. With one difference: it combines the best of local produce with international technology and delivers them in standards that match the world's best.

The Spice Division offers spices that conform to EU and USFDA standards, in whole, powdered and processed forms. The company leverages its locational strengths and its extensive farmer network to source the best raw materials which are then processed in its state-of-the-art, 50,000 sq.ft facility for spices.

The Spice division which has a 5000 MT temperature-controlled storage facility, in-process Quality Control lab for microbiology and chemical analysis and facilities for testing aflatoxin, pesticide residues, artificial colourants, particle size, surface colour, filth & insect fragments, ensures that all its products meet the best quality standards.

"We primarily follow a B2B model providing end-to-end solutions in spice raw materials - in various processed and non-processed forms," Abraham Mathew, General Manager, Spice Division, said.

"One of our strengths is the traceability of raw materials," Abraham said. The Farmtech division of the company runs extensive farmer networks across the country and ensures high level of control at source. Synthite ensures that its farmers are trained to grow produce as per international norms.

The spices thus procured are processed at Synthite Taste Park, a state-of-the-art, ISO, HACCP- certified

processing facility. A team of trained personnel with stellar technical and scientific knowledge as well as familiarity with the latest international food processing norms man its production facilities. "With Farmtech and contract farming, we are in a unique position to ensure quality at every level of the process," he said.

The processed spices undergo tests for pesticide residues, aflatoxins and microbial load at the quality control lab at Synthite Taste Park. They are also tested to ensure that they conform to EU and USFDA norms, as well as any additional specifications that the customer may ask for or the particular country of export may require.

The company has recently forayed into private labelling and is producing a variety of products for four major retailers - three in India and one overseas. The division has set up a development lab where customers can work with its teams for various needs they may have during the production process.

As much as 50 per cent of the exports is to the US, Europe and Japan, Abraham said.

The West no more needs to plan a risky ride across the seas.

FACILITY

- 50000 Sq. Ft. of processing facility
- Process designed for conforming to GMP
- ISO / HACCP certified
- Installed Capacity 6000 MT per annum

PROCESSES

- Cleaning, de-stoning, colour sorting
- Steam sterilisation
- Grinding & crushing
- Customised blending solutions.
- Packing
- Private labelling





Mr Anil Crasto, Sales Manager, Synthite USA Inc, Ms. Analia Ferreira (Category Manager- Global Category Sourcing – IFF), Mr Aju Jacob, Director; Synthite Industries, Mr. Sumod Babu, Key Accounts Manager, International Sales at the IFF office at South Brunswick, New Jersey. (Below) Mr Roy Chu, Sales Manager, Synthite China (extreme right) with Chairman and directors at head office, Kadayiruppu.



United States will continue to be a big player in the company's scheme of things. At present, exports to the US make up more than 17 per cent of the portfolio, and it will continue to grow.

that “in five years, I expect the entire product portfolio of the company to change,” Mr Aju said (see Page 2).

The company is in the process of identifying regions and coming out with new products, Ajay Kumar, General Manager (International Operations), said.

“Synthite has been a supplier of choice for most of the world's leading food companies,” he said. “We are working towards building on this

brand equity to earn new clients and expanding our reach to new geographical areas,” he said.

The company has gained unquestioned supremacy in the exports of spice oleoresins: it has been the winner of the Spices Board's award for exports excellence for several years in a row. The latest in the series of recognitions is the award by the Indian Chamber of Commerce and Industry for excellence in export of spice products for the year 2009-10.

The United States will continue to be a big player in the company's scheme of things. The company bucked the trend despite the recession, and is continuing its growth in the world's largest food market.

The company plans to be a total solution provider by adding more value to its products giving the existing cli-

China is another major focus area. Synthite has a multi-pronged approach to enter the dragon land.

ents a reason to stick with the company. Synthite's exhaustive product portfolio will be an irresistible offer to the new clients, Ajay Kumar said. The company will open new product verticals and delivery channels to ensure that it is able to cover every segment of the food industry.

Aligning itself with the new trends in the food processing industry, Synthite is designing a product portfolio that will cater to the emerging speciality, market-driven and niche products. The company is positioning itself as a solution provider to the industry, and not just its customers.

The company has already opened a marketing office in the US. “This step will quicken our response to customer requirements and redress complaints, if any,” he said. Increased focus on the US will also help the company benchmark its products with the global giants.

Apart from its strong brand equity, Synthite is banking heavily on its ‘natural’ platform. Known in the food processing industry for its focus on natural ingredients, Synthite sees big growth potential, given the affinity towards natural products in the western world.

China is another major focus area now. Its markets have gone untapped till now. Synthite has a multi-pronged approach to enter the dragon land.

The company is also mulling setting up a processing plant and marketing mechanism in China as it continues to be a vast and untapped market. Chinese operations will also help the company expand its marketing network to the neighbouring countries and its planned foray into African nations. The company will also be able to consolidate its position in the flavour and fragrance market.

New products, new functionalities, new markets. The story will now unfold real fast.



“Our facilities are certified by the American Institute of Baking, with SUPERIOR rating for Good Manufacturing Practice (GMP), the highest certification in the industry” says Jacob

Symega has been clocking growth rates of around 100% in turnover, since its inception in 2006.

“Getting the recipe right is very important” says Jacob Ninan, business development manager – HORECA of Symega. So the division lays an emphasis on research and development. The R&D wing has 10 people who combine their knowledge of the flavour profile of spices and the human sensation of food – appearance, smell, texture, taste and after-taste - to come up with recipes, savoury ingredients and application methods. The R&D focus has enabled the Symega to build a strong portfolio of products.

Symega is ISO 9001:2000 certified and meets global requirements for quality. “Our facilities are certified by the American Institute of Baking, with SUPERIOR rating for Good Manufacturing Practice (GMP), the highest certification in the industry” says Jacob. Its products are Halal and Kosher certified. The HACCP programme in the division controls biological, chemical, and physical hazards and ensures food safety.

The high quality of its products has helped Symega establish itself in markets around the world. Apart from India, Symega sells its products in West Asia and in African countries like Nigeria, Botswana and South Africa.

Synthite is moving ahead from its place in the Oleoresin business which has been commoditised to become a provider of value added products. It is moving forward by venturing into new areas where it can leverage its strength as a global leader in Oleoresins. Symega is a key player in Synthite’s business plan to become a total solution provider to the food industry. The fledging division which aims to “create excitement in a dish” is certainly in for exciting times.

RECIPE FOR GROWTH

Symega is a key player in Synthite’s business plan to become a total solution provider to the food industry.

Be it snack or soup, meat or vegetables, Symega has solutions that will tickle your taste buds. And leave you relishing the after-taste. The right recipe, the finest savoury to go with it and ease of application are what Symega Savoury Technology Limited offers its customers. Symega is a joint venture between Synthite Industries Ltd and Omega Flavour Technology Pvt Ltd, one of the world’s fastest growing savoury houses, based in Austria. Savoury food ingredient solutions and its application are the main strengths of the division. Symega offers products like spice blends, seasonings, compound flavours, functional ingredients, savoury flavours, top notes either as powder or liquid blends. These can be applied on diverse products like culinary snack foods, processed cheese, instant dishes, convenience foods, processed meat, poultry and fish, mayonnaise, ketchup and other sauces. Its client list includes some of the world’s most successful food companies.

Symega has three business lines - snack seasonings, private labelling and

The right recipe, the finest savoury to go with it and ease of application are what Symega Savoury Technology Limited offers its customers.

food service solutions. Snack seasonings can be applied on various bases like potato chips, namkeens, french fries, nuts, etc. Private labelling of products like seasonings, spices, curry powder and soup mixes is another line of business. Products are packed in sachets and pouches and sold as in-house brands of various retail chains. These two businesses contribute to the vast majority of the division’s turnover.

The Food Service Solutions business is the new addition to the pack. It caters to the hotel, restaurant and catering (HORECA) segment of the fast growing food processing industry. Symega provides the basic product for the HORECA segment, which can be customised by the clients to suit their requirements. The standardised nature of the base product helps the clients bring in predictability to the food sensation that they offer their customers.

Symega also provides Savoury Ingredients Solutions tailored for specific client requirements. New products are developed based on the customer expectations. They are evaluated and modified based on customer feedback. This process repeats itself until the customer expectations are fully met. The flavours so produced are locked for the customer, helping them provide unique experiences. Not surprisingly,



Ramu Butler

CHOCOLATE ZUCCHINI CAKE

INGREDIENTS

- 2 ½ cup all purpose flour
- ½ cup cocoa powder
- 1 ½ teaspoons baking powder
- 1 ½ teaspoon baking soda
- 1 teaspoon salt
- 1 teaspoon cinnamon
- ¾ cup butter
- 2 cup sugar
- 3 eggs
- 2 teaspoon vanilla
- 2 teaspoons grated orange peel
- 2 teaspoon coarsely shredded zucchini
- 1 cup walnut

METHOD

Preheat the oven to 350°F

Combine the flour, cocoa, baking powder, soda and cinnamon and set aside

With a mixer, beat together butter and sugar until they are smoothly blended. Add the egg to the butter and sugar mixture one at a time, and keep beating well. Stir in the vanilla, orange peel and zucchini with a spoon.

Alternately stir the dry ingredients and the milk into the zucchini mixture, including the nuts.

Pour the batter into a greased and flour dusted 10 inch tube pan. Bake in the oven for about 50 minutes or until a wooden pick inserted in the center comes out clean without sticking.

Cool the pan for 15 minutes.

Drizzle glaze over the cake

Glaze: Mix together 2 cups powdered sugar, 3 teaspoons milk and 1 teaspoon vanilla. Beat until it is smooth.

Serve it with some glazed fruits & cherry.

*The writer is Executive Chef and F&B Manager
Ramada Resort Cochin
ramu.butler@ramadacochin.com*

CAROTENOIDS - THE COLOUR OF LIFE

Sanjith Madhavan, R&D

Carotenoids are polynutrients, the nutritional compounds that gives fruits & vegetables their distinctive colours, odours and tastes. Most tropical fruits are coloured with carotenoids. They are responsible for the beautiful colours of many fruits (pine-apple, citrus fruits, tomatoes, paprika, rose hips) and flowers (eschscholtzia, narcissus), as well as that of many birds (flamingo, cock of rock, ibis, canary), insects (lady bird), and marine animals (crustaceans, salmon).

Carotenoids are a class of natural pigments that are very widespread. They occur in all the three domains of life, i.e. in the eubacteria, archea and eucarya. Normally carotenoids occur in low concentrations, but this varies enormously from one source to another. The total carotenoid production in nature has been estimated at about 100 million tons a year. There are over 600 carotenoids isolated from natural sources & characterized; out of which 50 have provitamin A activity.

For humans the most important source of carotenoids is plants. Plants are able to biosynthesize carotenoids, unlike animals. Hence carotenoids are more widely distributed in plant-based foods, than in animal based foods. Recent analysis of human serum and breast milk showed that up to 50 dietary carotenoids from fruits and vegetables are being absorbed and metabolized by humans.

Health benefits: Carotenoids from vegetable and fruit juices enhance the immune system. Carotenoids as antioxidants, serve to protect cells from free radicals produced in the body during metabolism or by cigarette smoke, sunlight, radiation, pollutants, or even stress. They guard against certain types of cancer by limiting the abnormal growth of cells. Lycopene, for instance, appears to inhibit prostate cancer formation. Studies show that high intakes of Lutein and zeaxanthin decrease the risk of lung cancer, and the intake of cryptoxanthin and beta-carotene lower the risk of cervical cancer.

Carotenoids fight heart disease by blocking the formation of LDL (bad) cholesterol, which can lead to heart attacks and other cardiovascular problems. Lutein and zeaxanthin promote clear vision by absorbing the sun's ultraviolet rays and neutralizing free radicals in the retina. This may help to reduce the risk of macular degeneration, an age-related vision disorder that is the leading cause of blindness in older adults.

Eating fruits and vegetables or supplements rich in carotenoids with foods that contain a bit of fat, helps the body absorb carotenoids more effectively. Some experts believe that your body will absorb more of these nutrients if you have the daily requirement of carotenoids in two portions, at different times during the day.

The writer can be contacted at sanjith@synthbite.com



FOCUSED AT THE WHEEL

The senior team comes back recharged after two days of intense brainstorming



By Pramod Simon

The Directors and senior management team of Synthite Industries Ltd, cutting across divisions, took two days off from their busy schedules to discuss and debate upon the various opportunities and challenges that the company faces today.

The venue of the unique event too was unique: Ramada Resort, one of the most beautiful backwater resorts with world class facilities. The summit started off with the Directors presenting the participants with historical perspective of the company, and its current positioning in the food ingredients sector. Each one of them presented his vision of the future of Synthite. The focus of all the presentations was on designing ways and means to maintain and improve upon the growth rate that Synthite has already achieved.

Senior managers of the company followed the directors and presented their perspectives on the divisions they represent. The presentations were a good example of what teamwork can achieve and reinforced the old adage that 'none of us are as smart as all of us together'.

The summit succeeded in providing a clear mandate for the change management process that began three years ago which resulted in more decentralization of decision making and empowerment of senior managers. All noticed that there was total consensus on the main ideas discussed, and it underscored the unity of purpose among

the senior team of the company.

The summit provided participants with a great opportunity to know more about the activities and potential of the different divisions of Synthite. There was a good deal of sharing of knowledge and experience along with healthy debates which led to evolution of better strategies. The summit also provided an excellent platform to create a better bonding among team members and served to energise and inspire the whole team to aim for greater heights.

A highlight of the summit was a half-day interactive session with management guru and corporate trainer Mr Vijay Menon. Mr Menon inspired each participant and left a lasting impression on them with his extra ordinary oratory skills, depth of knowledge, deep empathy and passion for selfless service. It also reinforced the belief that all change has to start from within and true leadership hinges upon strength of character.

The participants returned recharged, with a new focus and a determination to play more effective roles in the future of the company. Surely, it was a major milestone in the forward march of Synthite.

Mr M R Rajesh Kumar, Head-Corporate HR and Training, welcomed the participants and explained the programme. Mr Sales K Francis, Vice-President (Finance), made the concluding remarks and proposed a vote of thanks.

The writer is GM (Production), Bio-ingredients Division, Kadayiruppu unit.

SYNERGISING THE VISION

By George Paul

Our vision document enjoins us to consistently deliver ingredients for the most exciting food, health and wellness solutions. In simple words, we need to understand the requirements of the customer, nay, their prospective requirements, and come up with solutions that match or better their expectations.

Today we are an extraction firm. We can extract the essence from a number of spices and other natural products. But our challenge lies in bringing precision and refinement to the job and coming out with upgraded versions of our products. We have the men, machinery and access to technology and we have to make the most of it. Our ability to maintain our leadership position hinges on our success in improving the functionalities of our products and making ourselves a company capable of providing total solutions to the food industry.

Customers come to us because of our ability to meet their requirements. The customer choice may vary. We may have to prepare thousands of samples so that the customer test-markets a hundred and accepts ten. We must aim at coming out with products that ensure customer satisfaction, which will lead to the satisfaction of the final consumer. We have been setting the standards for the oleoresin industry; we should be able to repeat our success in the entire food industry.

This is a tough task.

We shall perform this task also successfully, by teamwork, commitment and continuous refinement of our processes. And when we do so, we shall be the partner of choice of our customers worldwide.

SCLD has turned **1**



Chairman and Managing Director Mr C V Jacob and Director Mr Aju Jacob graced a simple function to mark the completion of one eventful year of the Synthite Centre for Learning and Development. Launched on July 28, 2009, the state-of-the-art centre hosted several programmes targeting the professional and personal advancement of the employees of the company in its first year. Eminent speakers and management gurus spoke at various programmes held at the Centre. And many more exciting ones are in the offing!



Participants of the 'Study Skills' workshop for employees' children organised by SCLD on August 7, 2010 with Mrs & Mr C V Jacob (seated). Mr Kesava Mallia, life skills trainer (standing behind Mr Jacob), took the children through an exciting journey, sharing with them memorising techniques and the ways to enrich their general fund of knowledge.



Participants of the 'Cool at Work' workshop organised by SCLD on August 5, 2010. Mr Kesava Mallia discussed with the participants, drawn from various divisions, ways to acquire skills on stress management, Emotional Intelligence and group dynamics.

Synthite Day Celebrations

Its time for fun and frolic at Synthite. Cultural and sports competitions are going on on the Synthite campus in the run-up to the Synthite Day celebrations scheduled for October 9. Mr C V Jacob launched the festivities on August 20, 2010 by hoisting the flag and administering the oath to the staff.

And the winners are...



Cricket match



Eating competition



Water masti competition for women

Synthite stars



July: Director Mr George Paul presents Mr Raj Mohan M.S. of production department with 'The Synthite Star' award for July 2010. At left is Mr C V Jacob.

August: Mr Sajan George, Superintendent I, Production Department, has won the Synthite Star Award for the month of August



2010. The award is a recognition for the initiatives he has taken to improve the appearance and consistency of encapsulated mustard and reduce cost of production significantly by identifying and implementing a better emulsifier.