

A photograph of Narendra Modi, Prime Minister of India, and Moon Jae-in, President of South Korea, shaking hands. They are both wearing dark suits. In the background, the Indian national flag is visible on the left and the South Korean national flag is partially visible on the right. The background wall has a decorative pattern.

Gujarat and Republic of Korea (RoK): India-Korea Business Forum



Industries Commissionerate
Government of Gujarat

iNDEXTb
INDUSTRIAL EXTENSION BUREAU
(A GOVT. OF GUJARAT ORGANISATION)
ISO 9001 : 2015 Certified

Enduring relationship between RoK and India

- India-Republic of Korea (RoK) relations have made **great strides in recent years and has become truly multidimensional**
- In 2019, Prime Minister of India inaugurated '**India-Korea Start-up Hub**' to promote bilateral cooperation in various sectors
- In 2017-18, the visit of Finance Minister (India) to RoK resulted in **signing of agreements to establish \$9 bn in concessional credit and \$1 bn in ODA funding** for infrastructure development projects in India
- India and RoK launched an initiative '**Korea Plus**', as proposed by Prime Minister Modi in June 2016 to **promote and facilitate Korean Investments in India**



Prime Minister Modi was conferred the prestigious Seoul Peace Prize in 2018



President of RoK during his visit to India in July 2018

Partnership between RoK and Gujarat

- In 2019, **KOTRA** opened its office in Ahmedabad to strengthen trade and industrial relations. This will go a long way in enhancing bilateral trade and investments. **Focus sectors** – *Chemicals, Petrochemical and Pharmaceuticals; New and Renewable Energy; Start-up Ecosystem; Textiles; Urban Infrastructure; Food Processing and Agro industries; Skill Development; Automobile, etc.*
- **'RoK-India Partnership for Co-existence: Past, present and future' Symposium** conducted in Gujarat to boost relations between India and RoK – November 2019

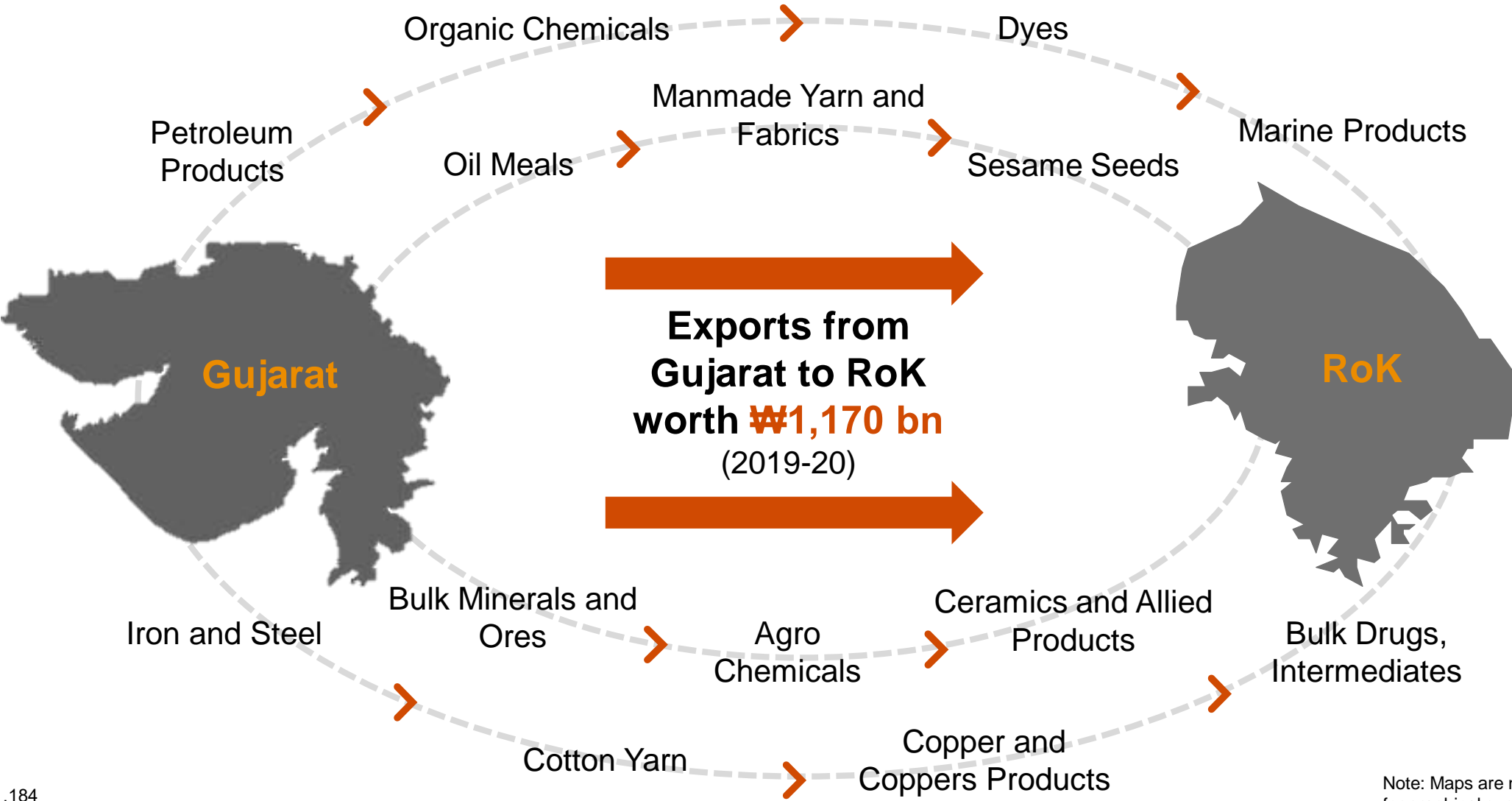


Delegates from RoK to discuss the partnership in textile and chemicals during the Symposium



Consul General of RoK during his meeting with Hon'ble Chief Minister

Trade between RoK and Gujarat: Recent trends



\$1 = ₹1,184

Note: Maps are not to scale and are for graphical purposes only.

Recent trends in investments



Kukdo - Epoxy Resins manufacturing unit in 2018 in Bharuch, with an investment of **₩50 billion**



Songwon - Specialty chemicals producer started production at its **Panoli plant in Gujarat in 2018**



Hyundai Rotem – Working on **₩177.1 billion** METRO Link project between G'Nagar and A'bad



Havmor –South Korean Lotte acquired the Gujarat-based Havmor in 2019 to make inroads into a new category



KEPCO KPS – Entered into a contract with **BECL Power Plant** Project in Bhavnagar– 2014



Solco Biomedicals – Provides OEM services to develop implant technologies in Ahmedabad – 2011



Neuros – JV with **Usha Compressors Pvt. Ltd.** to setup manufacturing facility at Ahmedabad (Gujarat) – 2018

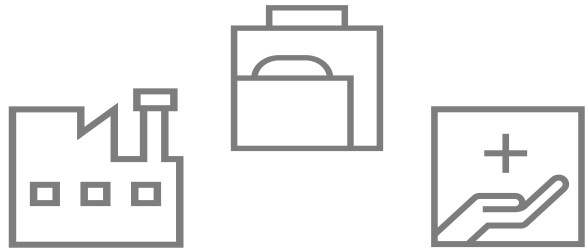


Posco – RoK steel giant's **₩24 billion** plant in Gujarat – 2014



Shinhan Bank – One of the largest RoK banks opened its branch in Ahmedabad (Gujarat) – 2017

Socioeconomic snapshot of Gujarat – Key indicators

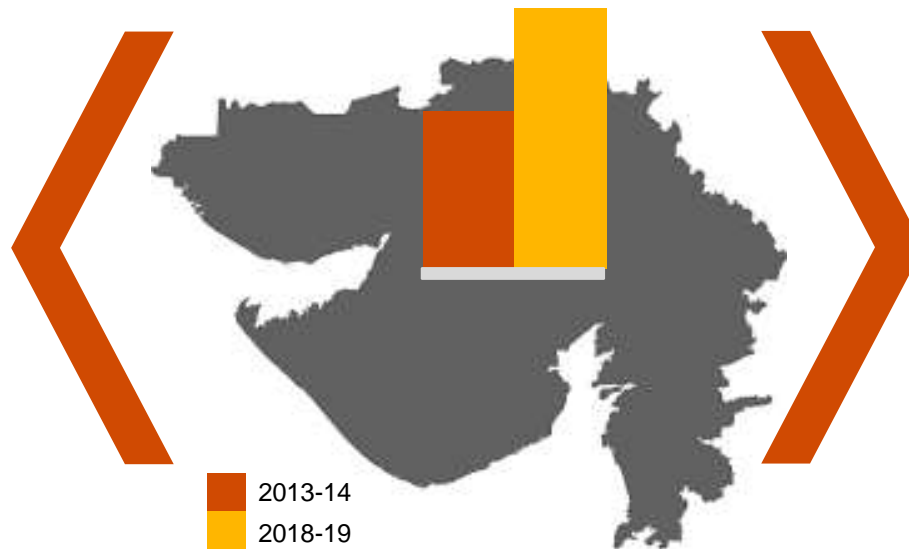


~17% of India's industrial output, and ranked 1st in terms of investment committed (2019)



More than 3 times growth in domestic investments in 2019 over previous year

Gujarat's GDP
13% growth
(2013-14 to 2018-19)



Gujarat's GDP (at current prices) stood at ~~₹~~255 trillion in 2018-19, as against ~~₹~~136 trillion in 2013-14



Growth of 240% in FDI in FY2019-20 over previous year



Rank in India's first-ever **Export Preparedness Index 2020** – NITI Aayog



Rank in **Logistics Ease Across Different States (LEADS) Index** in 2018 and 2019



Gujarat contributes 8% to India's GDP



Favourable ecosystem supporting economic growth



1 Home to **100+ Fortune 500 companies** and over 3.5 mn MSMEs

3 **19 airports** and airstrips with **3 International airports**

5 Over **33,000+ ha.** industrial land available through Special Economic zones and regions

7 **Labour peace and a large talent pool** through world-class institutions, ITIs, CoEs



2 **48 large ports** handling 40% of India's cargo movement

4 **23% India's exports** from Gujarat, gateway to **180+ countries**

6 **Natural gas, water & power grid** (power surplus since 2006)

8 **Multicultural and welcoming community**

A proactive, stable Government committed to EoDB

Relaxation in Labour related compliances

State Factories Act amended, **exempting** new companies for a period of **1,000 days** from almost all labour laws

MSME Act 2019

The Act exempts all MSMEs from **obtaining approvals for a period of 3 years** and start operations immediately.

Investor Facilitation Portal (IFP)

520,000+ applications processed. Provision for **online mega approval**, covering 25 approvals (land, utilities, building approval, etc.) underway

Amendments in GDCR

Gujarat Govt. has **allowed construction of high rise of 70 or more floors** to ensure maximum utilisation of land

Gujarat Land Bank

Fully digitized, GIS based map providing real time land information from anywhere in the world: gujarat.ncog.gov.in

Dedicated Country Desk

At iNDEXTb to **handhold, facilitate and assist RoK companies** pertaining to business opportunities in Gujarat

Top exporter in Q1 (2020-21)

Gujarat **ranked first in terms of exports** among all states in the first quarter of 2020-21

Gujarat is a top performer

in Water Management since last two years as per NITI Aayog, Government of India

RoK companies

have expressed **high level of satisfaction** with the support extended by the Gujarat government

Policy-driven approach



IT/ITeS Policy



Electronics Policy



Textile Policy



Plastics Policy



Garment and Apparel Policy



Aerospace & Defence Policy



Biotech Policy



Agro-Business Policy

20+ other policies

Fiscal Incentives

Reimbursement of GST/VAT, reimbursement of Stamp Duty, etc.

Non-Fiscal Incentives

Capital/ Interest subsidy; Mega and Innovative Projects; Technology acquisition; Market development; Critical/Common Industrial Infrastructure, etc.

Key objectives

- Establish Gujarat as a **globally competitive and innovative industrial destination**
- Strengthen and create global **value chains**
- Imbibe **cutting edge technology** and **adopt innovative methods** to significantly add value, create new products and command a niche position in national and international markets
- Establish Gujarat a **manufacturing hub in defence, pharma, IT/ITeS, etc.**

Gujarat Industrial Policy 2020 Highlights (post-COVID revival)

✓ Substantial reduction in cost of doing business – land lease on long term

Government will provide land on **long term lease up to 50 years** to industrial enterprises **@6% of the market rate**. Industries will be able to mortgage land

✓ Capital Subsidy

Gujarat is the first state to **de-link** incentives from SGST. **Upto 12% of fixed Capital investment (no upper cap)** will be given to large industries for setting up manufacturing operations in the form of capital subsidy

✓ Relocation subsidy on a case-to-case basis

Tailored incentives for companies willing to relocate from other countries / and or diversifying their supply chains

✓ Encouraging Research and Innovation (R&D)

Financial support of up to INR 50 million to private companies / institutions for setting up R&D institution / product development centre. Assistance of up to 50% of project cost for Contract / sponsored research

✓ Support for Environmental Infrastructure and Sustainable Development

Financial support of up to INR 500 million (40% of project cost) for common environmental infrastructure facilities

Sectoral leadership

CORE SECTORS

- Electrical machinery & equipment
- Industrial Machinery & equipment
- Auto & Auto Components
- Ceramics
- Technical Textiles
- Agro & Food Processing
- Pharmaceuticals & Medical devices
- Gems & Jewelry
- Chemicals

Gujarat's value proposition:

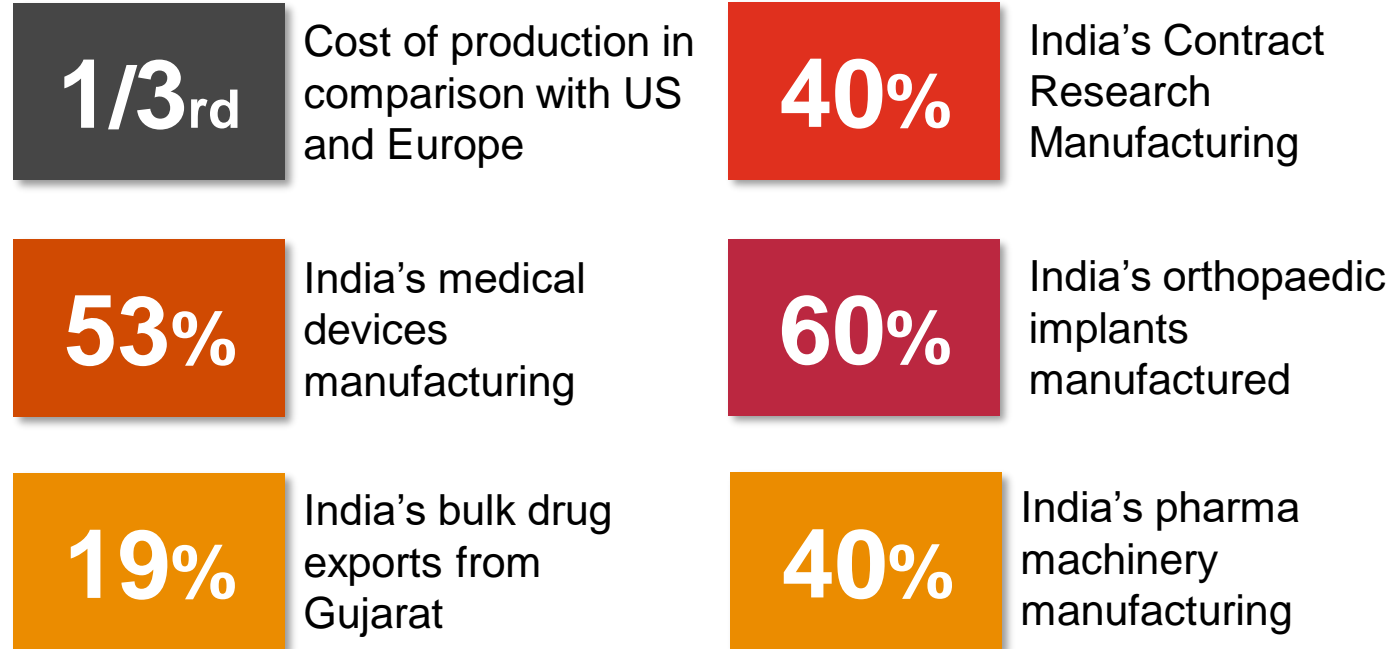
- 1 Presence across the value chain
- 2 Sector-specific industrial infrastructure
- 3 Proximity to overseas and hinterland markets
- 4 Availability of skilled manpower

SUNRISE SECTORS

- Industry 4.0 manufacturing
- Electric Vehicle and its components
- Waste management projects
- Green Energy
- Eco-friendly compostable material
- 100% export oriented units

Gujarat leading the way in Pharmaceuticals

Sectoral overview



State strengths

- **Products worth ₹4.6 trillion** (drugs formulations, biologicals, bulk drugs) exported from Gujarat in 2019-20
- **Countries of export** – RoK, USA, EU, UK, Russia, Australia, Africa
- **Bulk Drugs Park and Medical Devices Park** upcoming in Gujarat

Major players in the sector



Healthcare sector in Gujarat

Substantially lower costs for medical treatment as compared to other countries

Zero waiting periods for all patients, emergency or otherwise

Access to latest technology, **Quality NABH JCI Accreditation**

Gujarat is the hub for **medical tourism**, with patients from **Africa, UK, UAE, and South East Asian countries**

Experienced doctors updated with global advances

Major Specialties

Cardiology, Neuro Surgery, Eye Surgeries, Joint Replacement, Organ Transplant, Infertility Treatment, Dental & Cosmetic Surgery

Way forward

- ✓ **Bulk Drugs park development initiated by GIDC** in Bharuch district (1,000 acres)
- ✓ **Upcoming Medical Devices park** in Rajkot (250 acres)

Gujarat: 'Textile State' of India and 'Manchester of East'



2nd largest

Gujarat is the **2nd largest manufacturer of cotton fabric in India**



65% denim

Gujarat is the **largest producer of denim in India and 3rd largest in the world**



60% exports

Gujarat is the **largest exporter of cotton in India with exports to over 158 countries**



Largest manufacturer

Gujarat is the **largest manufacturer of man-made filament fabric and man-made fiber**



25% contribution

Gujarat is the **maximum contributor to India's technical textile output with 1,000+ functional units**



Leading machinery manufacturer

Gujarat is the leading manufacturer with **90% weaving machinery and 50% processing machinery of India**



Gujarat-based Arvind Ltd. manages over **15 global apparel brands** including **Sephora, Tommy Hilfiger, US Polo, CK, GAP, Nautica, etc.**

Overview: Agro and Food Processing Industry

Agriculture

- Highest productivity in **Cummin**
- 90% of India's total **Fennel production**
- Monopoly in India is **Isabgul** processing
- **Gir Kesar Mango** speciality with GI status

Horticulture

- **Major fruits:** Banana, Mango, Citrus, Sapota
- **Major vegetables:** Potato, Onion, Brinjal, Tomato
- **Major spices:** Cumin, Fennel, Garlic, Chilly, and Ginger
- **Major flowers:** Rose, Marigold, Lilly



Animal Husbandry

- **5th largest producer of milk** in the country with 127-lakh ton milk
- **26.9 million** livestock population in the state
- **4,345 women milk producing mandali's** are active in Gujarat

Fishery

- Gujarat has a **1,600 km** long coastline
- Important **commercial varieties of fish** namely Pomfret, Jew fish, Shrimp, Lobster, Squid, Cuttle fish, Silver bar, Hilsa, Shark, etc.
- Exports marine products to **over 80 countries**

Agro and Food Processing Infrastructure

- **More than 30,000 food processing units are operating in Gujarat** providing employment to over 1 million people
- **Retort packaging facilities** in – Vadodara, Ahmedabad, and Halol
- **Agro-export Zones (AEZs)** for – Mango & Vegetables, Dehydrated Onion & Garlic, and Sesame Seeds

Mega Food Parks:

- **Available infrastructure** – Storage facilities, Bulk material handling equipment, Grading & sorting facility, and Contemporary plug & play sheds
- **Food parks in Gujarat:**
 - The Gujarat Agro Infrastructure Mega Food Park Pvt. Ltd., Surat
 - Adani Food & Agro Processing Park Ltd. (AFAPPL), Mundra
 - Fanidhar Mega Food Park, Mehsana

Cold Chain Projects:

- **Available infrastructure** – Ripening chambers, Reefer technology, Controlled temp. storage, etc.
- 4th highest share in India's total cold chain storage capacity
- 500+ cold storage and fish processing units with capacity of 20,30,873 MT
- **Multiple cold chain projects in** – Ahmedabad, Amreli, Banaskantha, Bharuch, Bhavnagar, Gandhinagar, Jamnagar, Junagadh, etc.

Machinery and Capital Goods

State Strengths

- Gujarat has a sound base of **26 engineering clusters** for engines, machine tools, industrial & electrical motors, bearings, etc. in Rajkot, Ahmedabad, Jamnagar, Bhavnagar, Vadodara etc.
- Gujarat has also set up **Dholera Special Investment Region along the DMIC corridor** for world class plug and play infrastructure

Focus subsectors

- Fabrication of Metal Products
- Machinery and Equipment
- Basic Metals & Fabrication of Metal Products
- Transportation Equipment
- Textile Machinery
- Plastic Machineries
- Electronics

Investment Opportunities

- Turbines, transformers, generators
- Power equipment manufacturing
- Auto components and ancillaries
- Infrastructure equipment
- Modern cement and textile machinery

Future Plans

- Gujarat plans to produce **high quality engineering products** and occupy prominent role in the global engineering supply chains in line with Global majors
- Development of **state-of-the-art industrial clusters and industry-focused** investment regions
- **Promotion of institutions**, such as Space Application Centre and Electronics & Quality Development Centre, which provide support to the engineering sector

Key drivers of Gujarat's economic growth

DMIC & DFC

- Gujarat has invested in developing SIRs and SICs
- 38% of the \$90 billion Dedicated Freight corridor between Delhi and Mumbai passes through Gujarat

GIFT City

- India's only hub with world-class infra for international and off-shore transactions
- GIFT City has already attracted investment commitments over \$1.6 billion

High Speed Rail

- India's first high speed rail project between two mega cities – Ahmedabad & Mumbai
- The project is expected to facilitate economic growth through the established network

DREAM City

- Construction of Diamond Research and Mercantile City (DREAM) city is nearing completion
- This Smart City is built over 200 acres in Surat with its own customs office and banking facility

Dholera SIR

- India's largest greenfield spread over 900 sq. km
- 500 acres land earmarked for defence aviation hub
- Work for Ahmedabad - Dholera Expressway underway

Mandal Becharji SIR

- Home to some of the world's largest automobile & auto component companies. TP schemes developed.
- Companies present – Tata, Suzuki, Toyota Tsusho, Honda, Ford

Greenfield ports

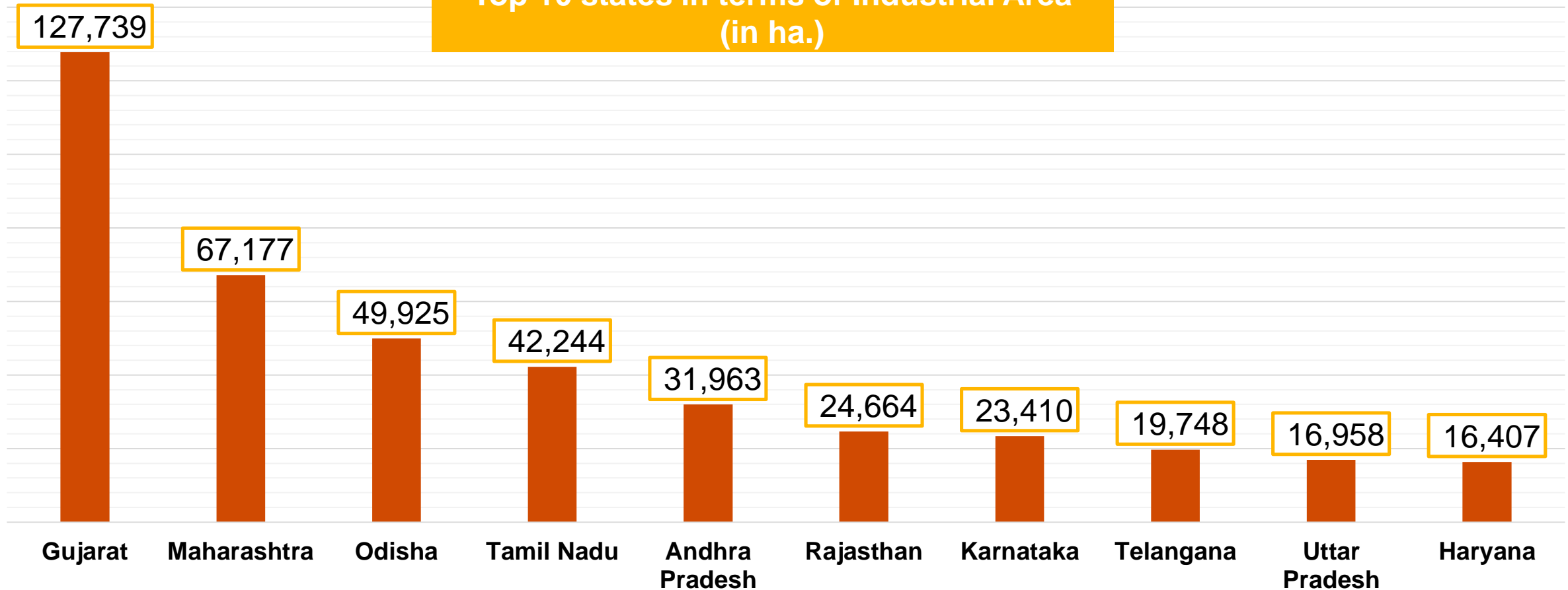
- Mundra Port in Gujarat is the largest commercial port in India, with state of the art infrastructure and multi-modal connectivity
- New ports at Nargol, Chhara, Jafrabad & Bhavnagar LNG Terminal

Unconventional Energy

- 5,000 MW mega solar park to come up at Kutch
- World's largest 1,000 MW Offshore Wind Farm Project in Pipavav
- Tender awarded for 700 MW of solar projects at Dholera Solar Park

Gujarat is a national leader with maximum industrial area

Top 10 states in terms of Industrial Area
(in ha.)



Source: Industrial Information System, Ministry of Commerce & Industry

Investor testimonials



Mr. Yong Rae Kim, Deputy Minister of Trade – RoK

“During the Korean president’s visit to India in July last year, KOTRA and the Gujarat Government signed a Memorandum of Understanding, to work together to help Korean companies enter Gujarat and open our trade office in Gujarat. Today I am happy to see the outcome of that MoU. Gujarat is the focal point of Indian trade.” @ *Opening ceremony of KOTRA office in Ahmedabad, Gujarat*

Thank you

