



**WELCOME TO  
PUNJAB  
INDIA**

**11<sup>th</sup> Nov 2020**

**INDIA KOREA BUSINESS FORUM  
Agri & Food Processing Sector**

# ADVANTAGE PUNJAB

WITH **1.5%** OF **LAND AREA**, CONTRIBUTING **3%** TO **INDIA'S GDP**

## PUNJAB – THE FOOD BOWL OF INDIA

- ✓ **Biggest Contributor** to Central Pool of Food Grains
- ✓ World's **Highest Rice Yield** of 6,932 kgs/Ha
- ✓ Among the **Top Exporters** of premium Basmati Rice

### BICYCLE

Biggest Bicycle (75%) & Bicycle component (92%) Manufacturing State of India

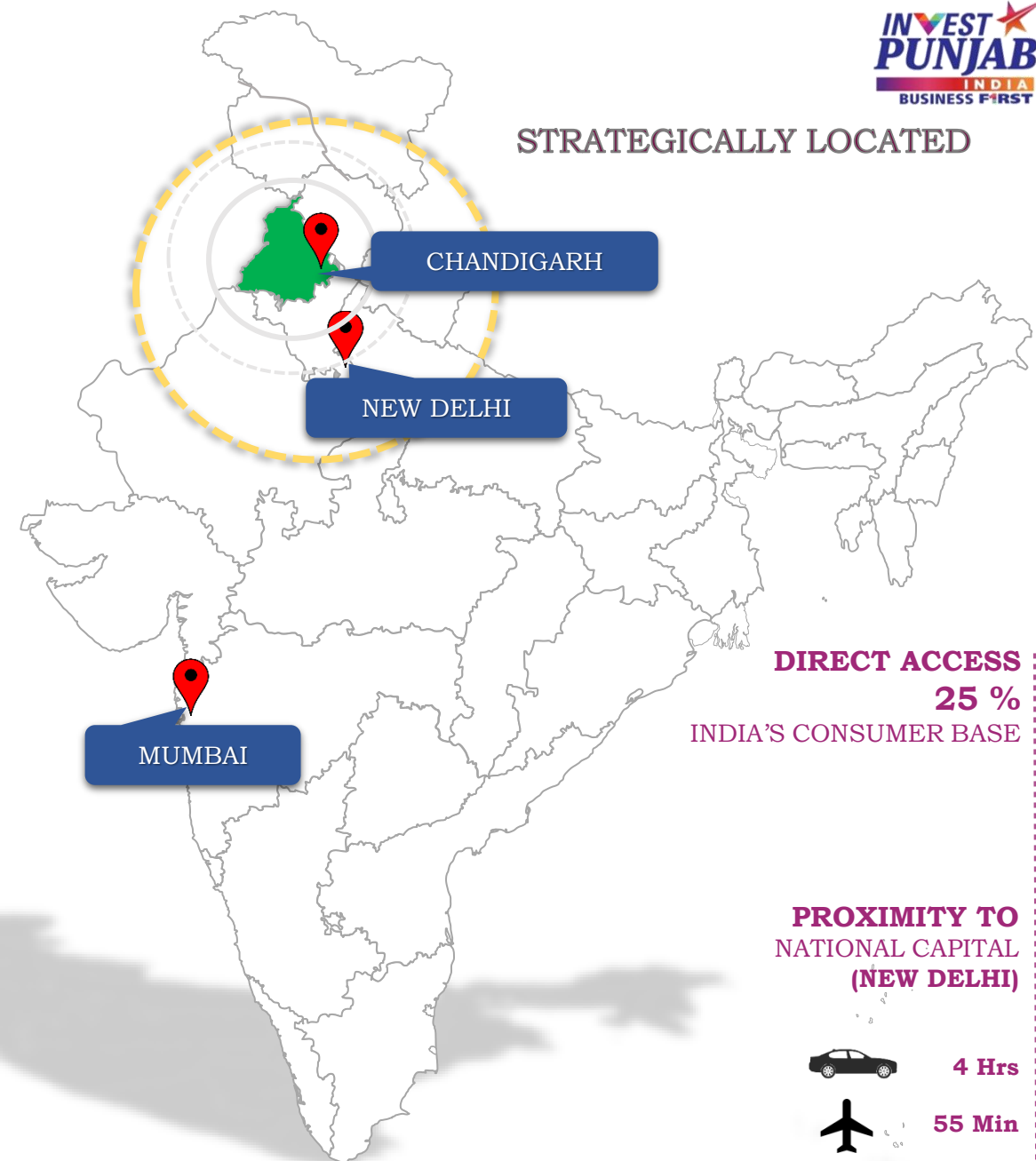
### TEXTILE

Biggest Hosiery (65%), Woollen Goods (35%) Manufacturing State of India

### TRACTORS

Manufactures ~30% of India's total production; Houses world's biggest plant

STRATEGICALLY LOCATED



# STRENGTHS OF AGRI & FOOD PROCESSING SECTOR

**Food Processing** holds **21% share** in Punjab's Manufacturing GDP



2<sup>nd</sup> in Wheat and Rice production with highest yields



2<sup>nd</sup> in Mandarin orange (Kinnow) Production



3<sup>rd</sup> in Honey Production

# I. PUNJAB EXPORTS FOOD PRODUCTS ACROSS THE GLOBE

## Top Products

Cereals

Meat Products

Honey

Bakery Products

Fruits &  
Vegetables

Seeds



## Emerging Products

Vegetable Oils

Infant Foods

Roasted Coffee

Substitutes

Alcoholic  
Beverages

Organic  
Products

**140 Countries**

**200+ SKU's**

# II. No. OF PRODUCTS MANUFACTURED IN PUNJAB ~ *Ensuring Nutrition For Everyone*



### Processed Cereals & Edible Oils

Logos: adani wilmar, BUNGE, DAAWAT, INDIA GATE, ITC Limited, Ricela.

### Animal Feed

Logos: SUGUNA FOODS, Cargill.

# III. A STRONG FOOD PROCESSING ECOSYSTEM IN PUNJAB



*\*Major Players Only*

# **INVESTMENT OPPORTUNITIES IN PUNJAB**

**1. DAIRY PROCESSING**

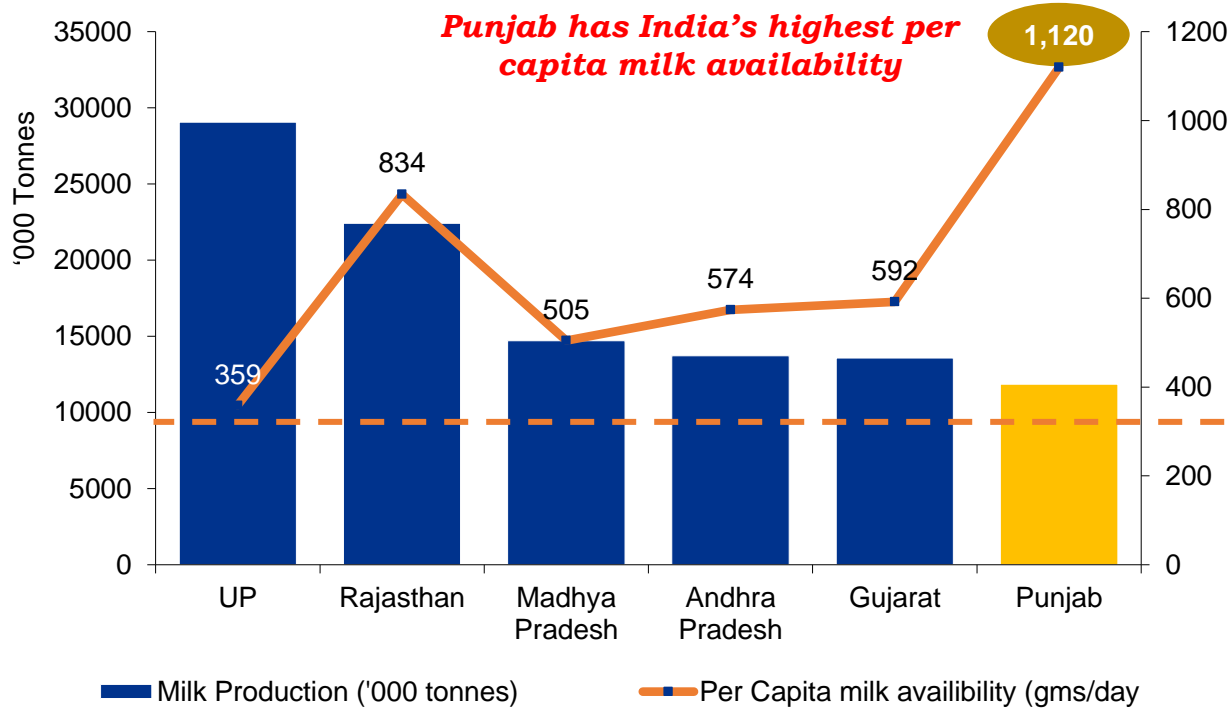
**2. FRUITS & VEGETABLES PROCESSING**

**3. MEAT PROCESSING**

# OPPORTUNITIES: DAIRY PROCESSING

**Punjab contributes 7% of total milk production of India with 2.5% of Milch cattle**

State-wise Milk production and Per capita Milk availability



**Milk Marketable Surplus in Punjab**  
17 mn litres per day (10mn in unorganised sector)

## Investment Opportunities

**Cheese Manufacturing**

Indian Cheese Industry is proposed to **grow at a 9% CAGR** over the next 5 years (2020-25).

**Milk-based Products**

Processing of **high value milk products** such as flavoured milk, curd & yoghurt.

**Cold Chains for Milk Supply**

Punjab has a ready demand for a cold chain capability of **4 million litres per day**.






*Union Budget 2020 - Aims to double India's milk processing capacity to reach 108 million metric tonnes by 2025*



# OPPORTUNITIES: HORTICULTURE

**With just 4.6% of net sown area, Horticulture contributes 12.4% to the agriculture GSDP**

## Marketable Surplus in Punjab (000'MT)

CROP	Total Production	Consumption	Surplus
	1,247	250	997
	206	170	36
	253	160	93
	2716	1000	1716
	405	100	305

Increased focus on area under horticulture cultivation  
**The area under cultivation is projected to be 1.2 million hectare by 2024**

### Investment Opportunities

**Organic Produce Manufacturing**      **5000+ Ha of land** earmarked for organic farming

**Cold Storages**      **1 MMT for potato storage & 0.2 MMT for multi commodity** horticulture produce storage required

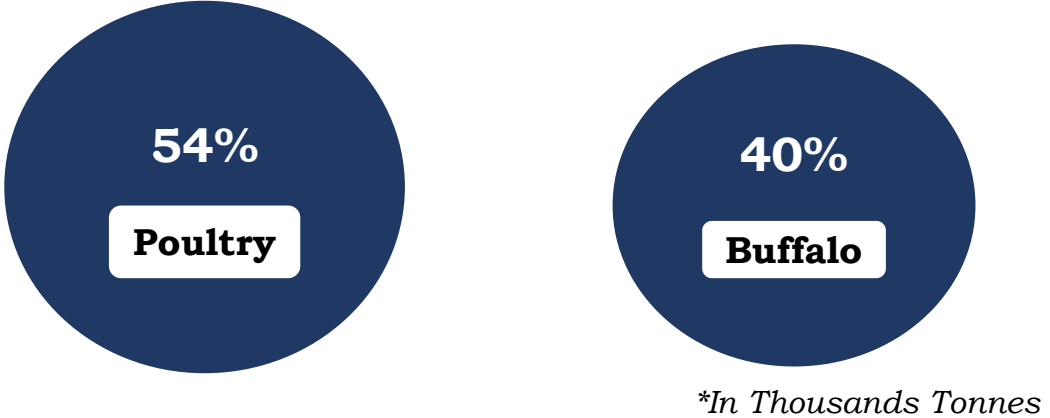
**Fruit & Vegetable Processing**      Large quantities of **marketable surplus available**

# OPPORTUNITIES: MEAT PROCESSING

**The Livestock sector contributes 9% to the Net State Domestic Product**

## Meat Production in the State

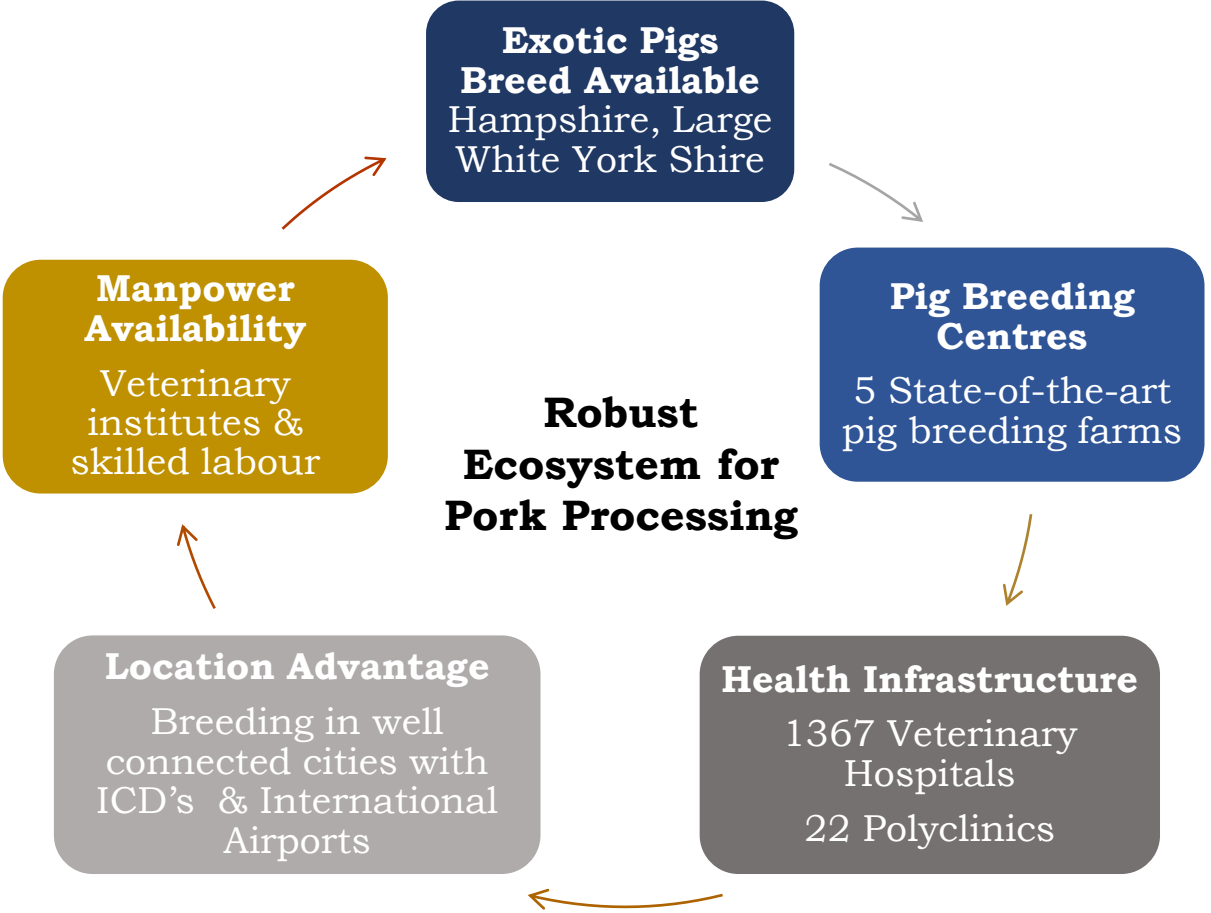
A total of 231,000 tonnes of meat produced in year 2018-19



**Abundant Opportunities in the Meat Sector:**

- Per capita consumption (PCC) of meat is significantly low in India compared to both APAC and global levels
- Indian Processed Meat Market expected to grow at a CAGR of 9.3% from 2018-23

## Emerging Opportunities - Piggery



# ROBUST ECOSYSTEM – AGRI & FOOD PROCESSING



## Plug-and-play Infrastructure

- **Three Mega Food Parks** – Ludhiana, Kapurthala and Fazilka
- 600+ cold storage facilities
- 162 Warehouses (capacity of 12mn MT)
- 153 + Mandis, 3110 Purchase Centers
- Dedicated Research Centers like - 3 COEs (with Israel & Netherlands)



## Strong Logistics Network

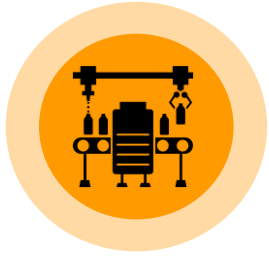
- Punjab ranks **2<sup>nd</sup> in Ease of Logistics** in India
  - 100% Road Connectivity; 2<sup>nd</sup> Highest rail density in India
  - 5 Inland Container Depots; 3 Multi Modal Logistics Parks
  - Cargo Terminal in Amritsar and Mohali (under-construction)
  - Well connected to the ports via dedicated freight corridors - EDFC and WDFC



## Utility & Labour Availability

- **Industrial Power Tariff fixed** by the State Govt **at 76 KRW per unit** (variable tariff)
- Power Surplus State (Installed Capacity 13,432MW)
- Abundant, Cost Effective and Quality Labour
- No Domicile restrictions on hiring

# LAND OPTIONS



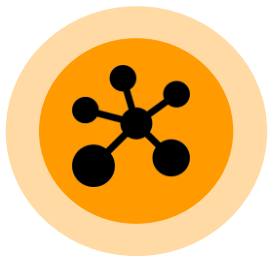
## Mega Food Parks

- **Land Available in all three food parks at Ludhiana, Kapurthala & Fazilka**
- Ready enabling infrastructure
- Ready to use facilities like cold stores, testing labs, etc
- Hub & Spoke model with primary processing centres spread across the state



## Industrial Focal Points

- Developed by State Govt. of Punjab
- **Encumbrance free land available**
- Ready enabling infrastructure
- Parks Spread across the State
- Real time availability on GIS enabled map: <https://gis-prsc.punjab.gov.in/IFPPunjab/>



## Agri Processing Clusters

- Option to setup cluster in any of the 16 districts of Punjab
- 5 Clusters approved for Punjab, 3 allocated and 2 available
- Incentive of 1525 mn KRW from Govt of India

# IBDP 2017: ATTRACTIVE INCENTIVES FOR THRUST SECTORS

## Anchor Unit Definition

**Minimum Investment (FCI)**

**OR**

**Minimum Direct Employment**

**7.6 bn KRW**

For Agri & Food Processing Units

**500**

### Other Incentives

- Variable Tariff frozen at 76 KRW per unit till 2022.
- 100% Exemption of Land CLU/ EDC charges
- 100% Exemption / reimbursement of Stamp Duty
- 100% exemption of market fee, RDF, other State taxes on raw material procurement in Punjab

**Goods & Service Tax Reimbursement ON INTER & INTRA STATE SALES (Up to 200% of FCI)**

**Tax on Electricity Exempted for 15 Years**

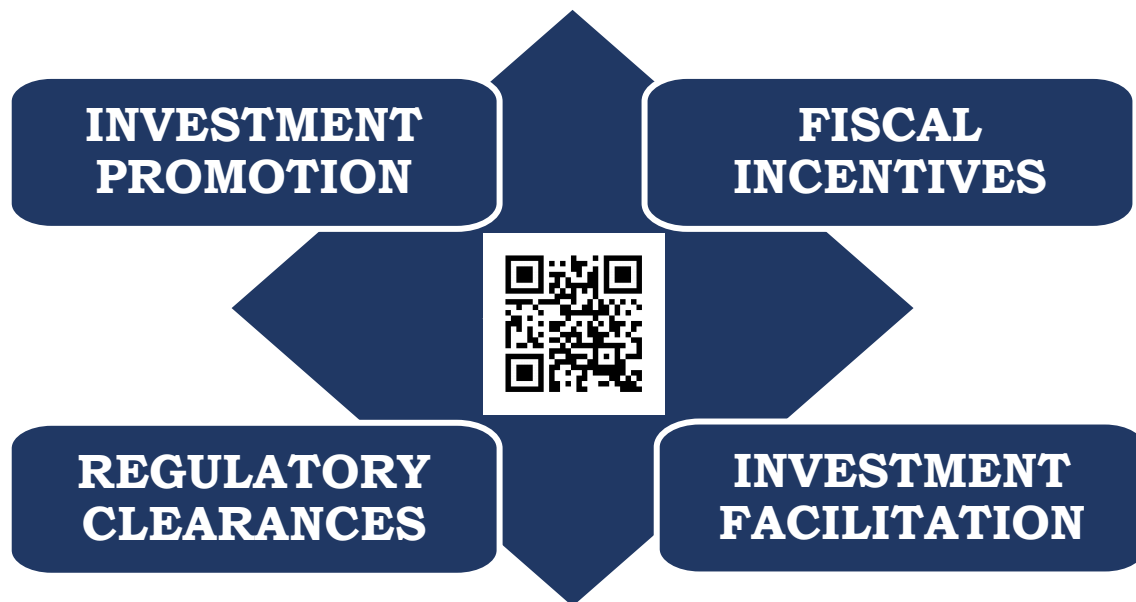
**Employment Subsidy Upto 737000 KRW Per employee, per year for 5 years**

# EASE OF DOING BUSINESS



**ONE STOP OFFICE**

ADVANCED SINGLE WINDOW SYSTEM  
**ONE OF ITS KIND IN INDIA**



**UNIFIED REGULATOR**  
(23 Departments)



**INVESTMENT PROMOTION AGENCY**



**DEDICATED RELATIONSHIP OFFICERS**



**DIGITAL APPROVALS**

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**THANK YOU**

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