

The Food and Beverage Market Entry Handbook:

India:

**a Practical Guide to the Market in India for European Agri-food Products
and Products with Geographical Indications**



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1 The Food and Beverage Market Entry Handbook: India

This Handbook is intended to be a reference document for those agri-food producers who are planning to enter, or are in the process of entering, the Indian market. This Handbook provides **step-by-step guide** on entering the agri-food market in India, including relevant information such as **analysis of the Indian market** for different product categories, **market access** and **market entry procedures**, intellectual property **(IP) protection**, **referrals to professional buyers** and a signposting and referral system providing useful contacts and ways to penetrate the Indian market.

1.1 How to use this handbook

Depending on your stage of market entry, company profile, and product range, different sections within this handbook will be helpful to a different extent for your business strategies.

For those wishing to learn more about the Indian food and beverage market in general, section 2 provides a general country overview, and section 3 provides an overview of the business climate for agri-food products in general. Section 4 contains information on the food and beverage market, market access procedures, customs procedures, SPS and labelling requirements, and the status of geographical indications and other relevant intellectual property rights protection. The information contained in this section is of a general nature and so may not be relevant for those in the more advanced stages of market entry.

If you want to find out more information relevant for your product, then check out the **Market Snapshots for Selected Products (section 5)**. This content illustrates the market situation, market access procedures, SPS requirements etc. specific for a given product or product category. This section will provide more industry specific information to consider as part of any market entry or market expansion strategies.

If you already have decided that the Indian market is where you want to be, but you need some support, then the **Support Services Directory (section 8)** can point you in the right direction. Contact information for a service provider, business facilitation support organisation, or from a business contact, could help put you in touch with the right parties who can help you to build your brand in the Indian market.

2 Country introduction and overview

	
Capital:	New Delhi
Population:	1.35 billion (2018)
Area:	3.287 million sq. km
Political structure:	<ul style="list-style-type: none"> • Parliamentary federal republic • Bicameral legislature
Major language:	Hindi and English (official); 22 languages recognised
Major religions:	Hinduism (80%); Islam (14%); other (6%).
Life expectancy:	67 years (men), 70 years (women)
Currency:	Indian Rupee (INR); EUR 1 = INR 80.741 (average 2018)
GDP growth:	6.6% (2017)
Exports:	18.9% of GDP (2017)
Imports:	21.8% of GDP (2017)
Main exports:	Precious metals (15%), chemical products (15%), textiles (13%)
Main imports:	Mineral products (26%), machinery (20%), precious metals (14%)
Unemployment rate:	3.5% (2017)
Labour force:	54% (2017)
Main industries:	<ul style="list-style-type: none"> • Agriculture: 17% GDP • Industry: 29% GDP • Services: 54% GDP
Household income:	EUR 6 571 (2017)
Household expenditure on food and beverages:	EUR 1 486 (2017)
Food and beverage market:	EUR 413 billion (2017)

Sources: Government of India; Euromonitor International: Economies and Consumers, 2018; IMF; UN, World Bank; WHO, ECB, ILO

2.1 Country overview: India at a glance

2.1.1 Past economic and political trends

- ***Following independence in 1947, India adopted a mixed economic model, which resulted in moderate growth during a period with some challenge, which lasted until the 1980s.***
- ***The first steps towards economic liberalisation were taken in the 1980s, though the main steps were taken in the 1990s. The result of this has been a high GDP growth rate, though it is not clear if all parts of the population have benefitted equally from this.***

After independence in 1947, a mixed economic model was adopted that including the use of five-year plans to assist planning. This model largely stayed in place under successive governments up until the 1990s. During this period, GDP growth was on average around the 3-4% level (but lower in per capita terms due to population growth). However, there were some challenges during this period including issues with public finances and inflation.

The first reforms, which facilitated business and attracted foreign investment were enacted in the mid-1980s by Prime Minister Rajiv Gandhi, who held office until 1991. However, the main reforms aimed at making the country more market orientated and attractive for foreign investment are commonly considered to have been enacted after 1991; partly spurred by the IMF and World Bank. This liberalisation, which has continued under subsequent governments, is largely credited for the high subsequent GDP growth rate; in the 5-8% range during the mid to late 1990s, and close to 10% for a long part of the early 2000s. Despite this overall strong economic performance, there have been concerns from some parties that this growth has not benefitted all parts of the population equally.

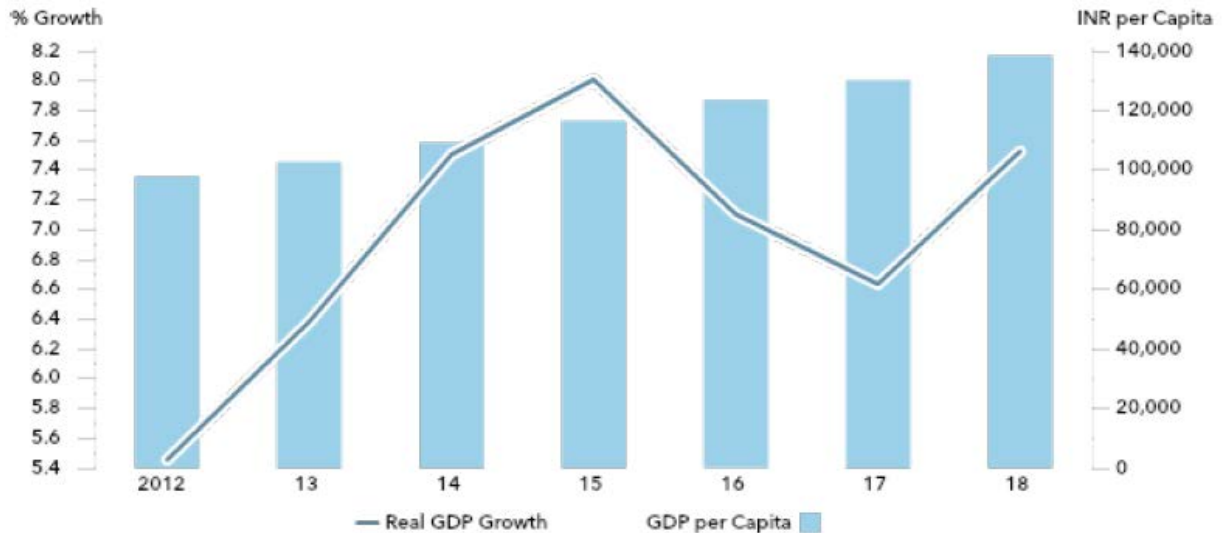
2.1.2 Current economic situation and mid-term outlook

- ***The world's fastest growing major economy in recent years, largely a result of the previous economic liberalisation.***
- ***Income equality generally considered a major issue, with wealth considered to be focused in the hands of a few.***
- ***While the outlook for growth is very good and the recently introduced Goods and Service Tax (GST) is seen as a positive, India is struggling to find jobs for its rapidly expanding workforce.***

The main elements of economic liberalisation were introduced during the period up to 2010. That said, some further reforms, such as the opening up to foreign direct investment in sectors such as retail (single brand in particular) in 2011, and most significantly the introduction of GST (a consumption tax with five different rates) in 2017 have subsequently been implemented. GDP has been strong since the turn of the century – generally in the 5-10% range. Indeed, the trend in GDP growth over the period 2012-18 (Figure 2-1), during which it became the world's fastest growing economy, is fairly representative of growth rates over the last 20 years. During this period, there have been three prime ministers, the most recent of which - Narendra Modi – enjoyed a majority from his party in the lower house that his other two predecessors

did not. His policy has focused on “Make in India”, with a focus on exports -in particular from the manufacturing sector.

Figure 2-1: Real GDP Growth and Per Capita GDP in India: 2012-2018



Note: Data for 2018 is forecast. GDP per capita are in constant 2017 prices

Source: Euromonitor International: Economies and Consumers, 2018

While GDP growth has been strong of late and the economic reforms have broadened the base of India’s economy to include more industry and services, it is generally considered to not have fully addressed issues of income inequality. The limited data points to a high level of income inequality; an unofficial GINI coefficient in excess of 0.6) and over half the country’s wealth believed to be owned by between 1 and 3% of the population¹. World Bank figures indicate that three quarters of the population live on under USD2 per day; and while data generally suggest that the middle class is growing substantially in India, differences in how to define this middle class remain.

Going forward, the strong economic growth is expected to continue. The goods and service tax introduced in 2017 is generally seen as a positive as it creates a simpler, single market in the country; and efforts are being made to re-ignite foreign investment, which has slowed slightly in recent years. Nonetheless, one of the biggest challenges India faces is the growth of its population. Even though the economy is growing quickly, it may not be quick enough to provide enough new jobs for its booming population of a working

¹ The dominion of Pakistan comprised two separated territories, which equate to modern day Pakistan and Bangladesh.

¹ <https://www.hindustantimes.com/india-news/the-proof-behind-india-s-rising-income-inequality/story-Khh2jqPaTHOFGCzuGolc2L.html>; <https://counterview.org/2018/04/04/gini-of-wealth-in-india-in-2017-is-at-0-83-which-puts-india-among-countries-with-high-inequality/>; <https://www.businesstoday.in/current/economy-politics/oxfam-india-wealth-report-income-inequality-richests-poor/story/268541.html>

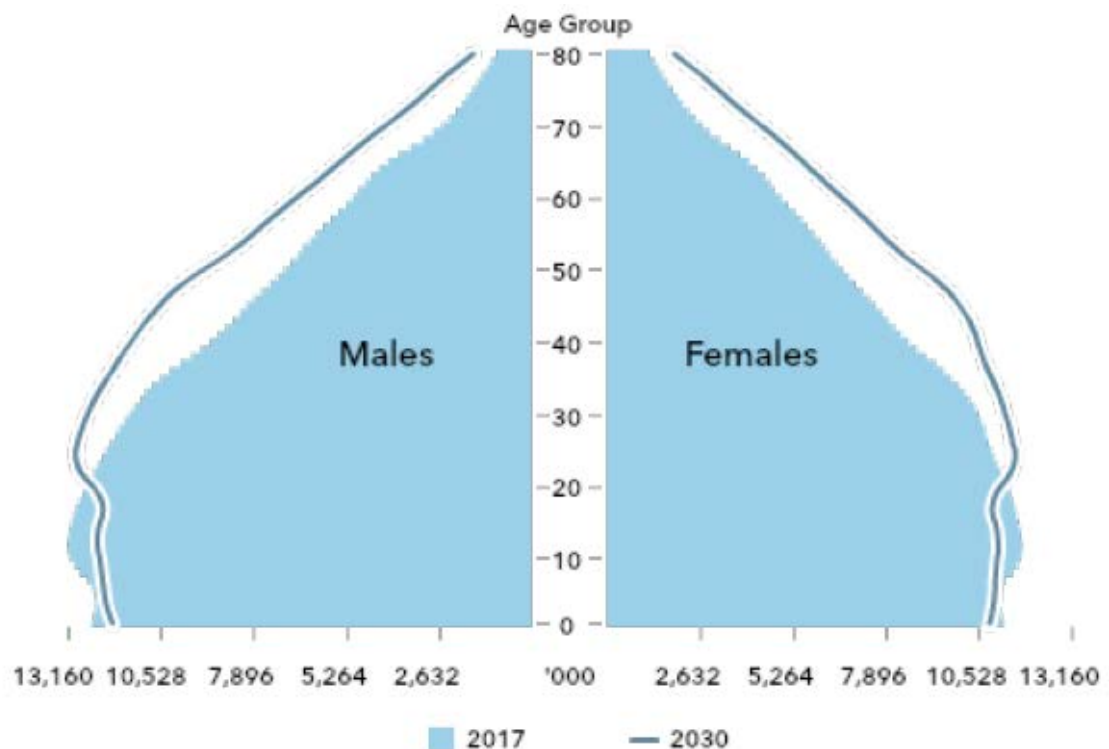
age, even with the “Make in India” initiative; and unemployment is expected to tick upwards going forwards.

2.1.3 Populations trends

- ***The world’s second most populous country with rapid growth up until the year 2000.***
- ***Albeit slower, growth will continue going forward. The average age is still low and the working population is growing.***

India is the world’s second most populous country, only just behind China. The population grew fairly quickly up until the turn of the century, but the growth rate has slowed recently. The population hit the 1 billion mark in 2000 and has since crept up to 1.35bn. However, the previously higher growth rate means that the working population is expanding quickly as those who were born around the turn of the millennium enter the workforce; in turn putting upward pressure on the unemployment rate. The median age has been rising as well but is still quite low at 27 in 2016. At 2.4 births per woman, while lower than historically the birth rate cannot yet be considered low. With the strong historical population growth pushing through, the proportion of the population which is aged between 20 and 50 is expected to increase greatly in the coming years (Figure 2-2).

Figure 2-2: Age Pyramid in 2017 and 2030 in India



Source: Euromonitor International: Economies and Consumers, 2018

2.2 Geography and key markets

India occupies the majority of the India sub-continent, which is effectively a large peninsula, which is separated from most of the rest of the Asian continent by mountains. India is surrounded by sea to the south, west and east; and has predominantly mountainous borders with China, Bhutan and Nepal to the north; Pakistan to the west/north-west; and Bangladesh and Myanmar to the east.

As the world's seventh largest country by area, the geography of India varies considerably. The territory includes mountainous regions (e.g. the northern border), deserts, plateaus, coastal and inland plains, wetlands and islands. The climate also varies significantly between regions.

Administratively, India is divided into 29 states and seven union territories. These have also been grouped into six quasi-official regions, which are detailed in Table 2-1.

Table 2-1: Overview of the regions of India

Name	Population	Notable cities	States	Union Territories
Central India	101m	Indore	2	0
East India	227m	Kolkata, Asansol	4	1
North India	377m	Delhi, Jaipur, Lucknow	7	2
Northeast India	46m	Guwahati	8	0
South India	253m	Bengaluru, Chennai, Hyderabad	5	2
Western India	173m	Mumbai, Ahmedabad, Surat	3	2

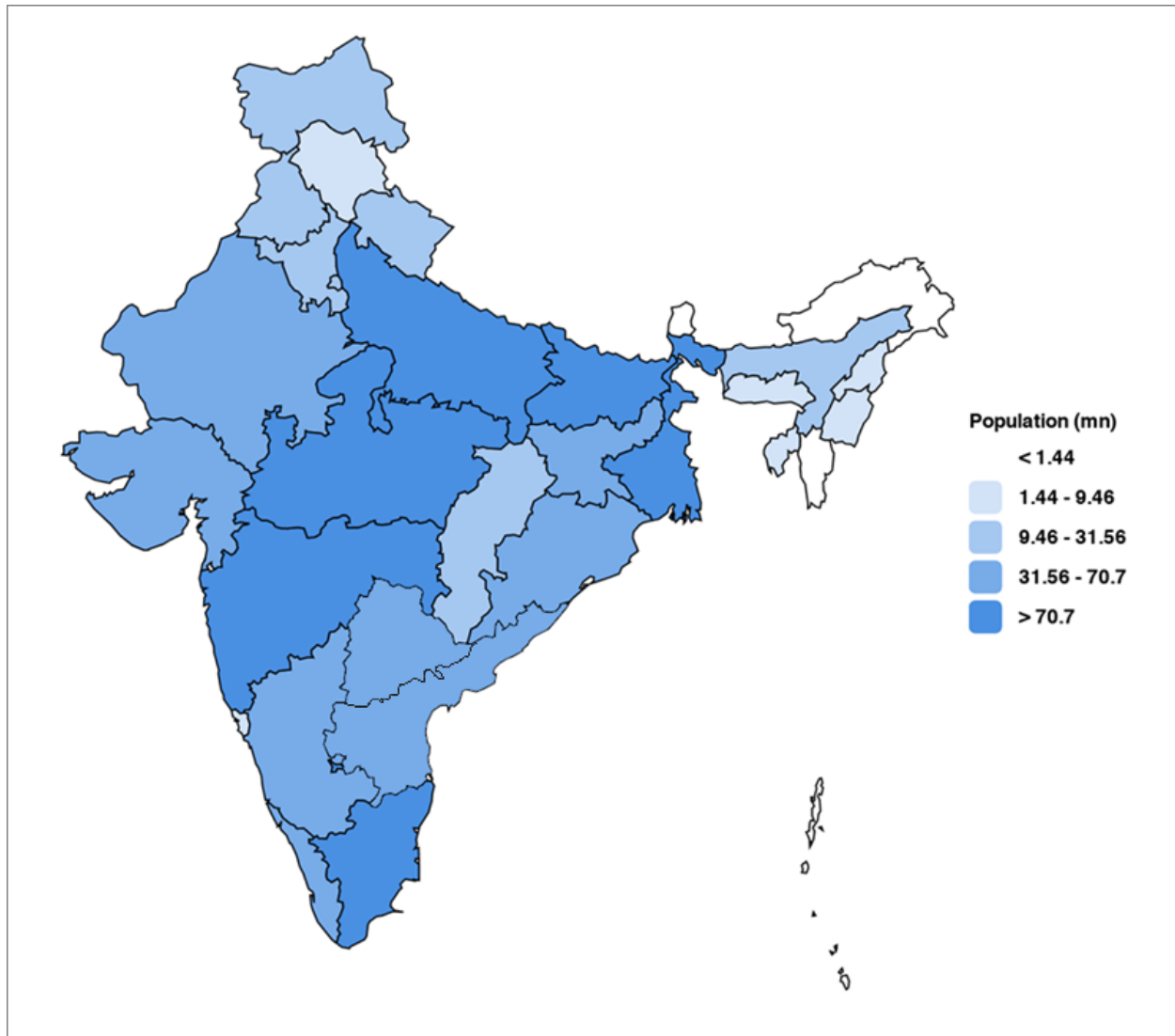
* According to India's most recent census in 2011

2.2.1 Overview of urban markets

Being a large and populous country, it is unsurprising that India contains more than 50 urban areas with populations of over 1m. These are spread across the country, although there is a notable clustering of some of these cities (1) on the western coast (Mumbai, Surat, Pune) and (2) the southern tip (Chennai, Bengaluru). Figure 2-3 shows the population by Indian state/ union territory.

2.2.2 Overview of urban markets

Figure 2-3: Administrative divisions in India and their population



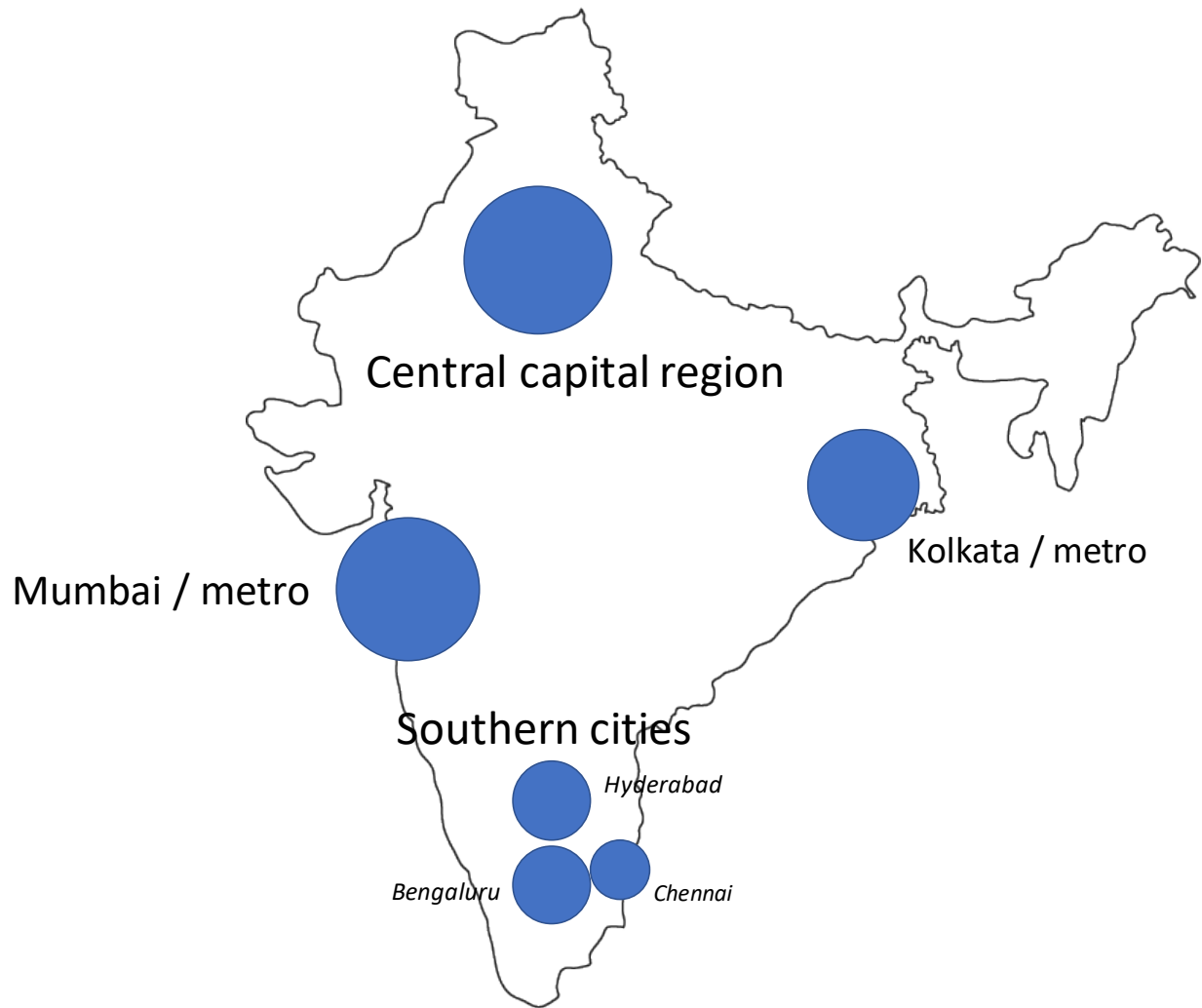
Source: Agra CEAS

2.2.3 Snapshots of important markets

While the sheer size of the Indian market and high number of large population centres provide several potentially interesting markets, the most important are:

- Delhi (and the central capital region)
- Mumbai (and the metropolitan area)
- Kolkata (and the metropolitan area)
- The three southern India cities (Chennai, Hyderabad and Bengaluru)

Figure 2-4: Location of focus markets



Source: Agra CEAS

Delhi / central capital region**Key facts (2016):**

Total GDP (current prices):	EUR 73 bn (city)
Real GDP growth:	7.3%
Population:	12 million (city); ~25million+ (central capital region)

Delhi is both a city and a union territory; and inside it lies India's capital of New Delhi. The urban area now extends beyond the borders of the union territory to include satellite cities such as Faridabad, Gurgaon, Ghaziabad and Noida; together forming the central capital region with a population in excess of 25 million.

Given the capital lies within the region, it is unsurprising that public services are important for the economy – accounting for almost ¼ of employment. The service sector accounts for a further half of employment and are even more important in value added terms, accounting for around 70%.

In terms of demographics, a particularly high percentage of the population (over 75%) is of working age; considerably more than India as a whole. There is no indication that this will change in the future; indeed it is expected to further increase slightly. As the beneficiary of the highest migrant flows in India, the city has a culturally mixed population. This also transfers to food; while there is a strong influence of Punjabi food, other cuisines have also entered the mix. Partly as a result of the cultural openness of the city, there is a strong interest in new and potentially exotic foods. Snacking has been a strong trend of late, with Delhi widely considered the snack capital of India. Finally, as a large market, eating options also cater for the whole range of society.

Delhi may be considered a particularly attractive market as, not only is it large with an interest in potentially exotic foods, but it is wealthy by Indian standards as well. Household disposable income in Delhi is the highest among major Indian cities – almost 20 000 EUR in 2016. It also contains a high number of wealthy households; in 2016 over 6% of Delhiite households had an annual income in excess of 100 000 USD (88 000 EUR). This percentage is also higher than other major Indian cities.

Sources: <http://www.delhitourism.gov.in>; Euromonitor International: Cities, 2017; Euromonitor International: Economies and Consumers, 2017.

Mumbai and metro area**Key facts (2016):**

Total GDP (current prices):	<i>EUR 72 bn (city)</i>
Real GDP growth:	<i>6.3%</i>
Population:	<i>13 million (city); ~21 million (metro area)</i>

Mumbai – previously called Bombay until 1995 – is a port city on the west coast of India. The city is actually located on an island, with the city region itself occupying the southern tip of this island.

The overall metro area is the second largest urban economy in India after the central capital region. It serves as the commercial and financial centre of India – both the Reserve Bank of India (RBI) and the country's largest stock exchange are based in the city. The city is also the entertainment centre of India. Unsurprisingly, services (both public and private) form the most important part of the economy, though their importance is lower than in Delhi. Finally, it serves as an important manufacturing hub, with all four of India's largest manufacturing groups based in Mumbai.

Mumbai is the most populous city in India (and indeed one of the most populous cities in the world), though when considering the whole metro area as well it is slightly less populous than the central capital region. The demographics of the city are broadly in line with those of India (e.g. 66% of working age in Mumbai vs 69% in India). That said, the population of the city has aged in recent years. The historically high rate of population growth has also slowed, most notably due to recent falls in net migration.

Various factors have influenced common cuisine in the city, for example: migration from other parts of the country (including Marwari, Gujarati and Jain populations which are vegetarians); its coastal location which promotes seafood consumption; and its port, which historically offers access to imported goods. The year-round hot and humid climate of the city promotes consumption of chilled and fresh products. More recently, Mumbai's traffic congestion problems have put pressure on time, in turn leading to higher interest in convenient food solutions. Mumbai is known for festival celebrations in which food plays an

important role, and there are also food specific festivals. In recent years, Mumbai has become the centre in India for various international alcoholic beverage companies.

While disposable household income is considerably higher than the Indian average, it is lower than that of Delhi. On the other hand, there is high income equality in the city by Indian standards; for example, only 1/5 of households have a disposable income of under 10 000 USD (9 000 EUR approx). Mumbai is also the most visited city in India with around 5m overnight visitors per year, hence providing some opportunities in the tourism area.

Sources: http://dm.mcgm.gov.in/sites/default/files/documents/city_profile.pdf;
https://www.jpmorganchase.com/corporate/Corporate-Responsibility/document/gci_mumbai_02.pdf; Euromonitor International: Cities, 2017; Euromonitor International: Economies and Consumers, 2017.

Kolkata and metro area**Key facts (2016):**

Total GDP (current prices):	EUR 25 bn
Real GDP growth:	6.4%
Population:	5 million (city); 14 million (metro area)

Kolkata lies along the east bank of the Hooghly river, less than 100km from Bangladesh to the east and from the Indian Ocean to the south. The city is widely considered the cultural capital of India; and was the administrative and manufacturing hub of colonial British India, with its importance diminishing after Delhi was appointed the capital in 1911.

The city serves as the economic centre for north-eastern India. As is the case with other major cities, services account of a higher than normal percentage of economic activity. The city has grown quickly in economic terms recent years, after failing to take advantage of the liberalisation that occurred in India more broadly prior to that.

The proportion of the population that is of working age (72%) is slightly greater than that of India as a whole (66%); and the age structure of population is expected to develop in line with that of India as a whole. Population growth, however, is low; and entirely driven by a fairly high birth rate, as net migration rates for Kolkata are negative. The city has the lowest disposable income per household among major India cities (around 6 300 EUR), which may be a reason for the negative migration. Income distribution is also rather unequal.

Given its tag as the cultural centre of India, it is unsurprising that the city has a strong culinary tradition. Furthermore, traditional fayre tends to be preferred nowadays too, with rice the basis of most meals. Interestingly enough, consumers in the city continue to purchase unpackaged food (including rice) in large quantities, with the provision of convince formats failing to impact this preference. That said, packaged baked goods have proven an exception to this rule. Westernisation has therefore had limited overall impacts on food preferences in the city.

Sources: https://build.export.gov/india/eg_in_053804; Euromonitor International: Cities, 2017; Euromonitor International: Economies and Consumers, 2017.

Southern cities (Hyderabad, Bengaluru and Chennai)



Key facts (2016):

Populations (metro areas): Hyderabad ~10m; Bengaluru ~ 11m; Chennai ~9m

The three southern cities of Hyderabad, Bengaluru and Chennai – each with populations around the 10m mark – are geographically close in Indian terms, yet still around 300km away from each other. As well as the distance there are differences between the cities, but they also share some similarities, notably:

- **Importance of IT for the economy:** Bengaluru can be considered the IT capital of India. However, Chennai and Hyderabad also have notable (and in the case of the latter) fast growing IT industries. Chennai is known for its heavy manufacturing (including automotive) as well as IT.

- **Fairly similar levels of disposable income:** all three cities have fairly similar levels of disposable income per household, below those of Delhi and Mumbai, but above that of Kolkata. That said, disposable income in Bengaluru is ahead of that of the other two cities.

- **Age demographics:** Hyderabad and Bengaluru have fairly similar age demographics, with around 70% of the population of working age. That said, there are some differences in terms of the ethnic mixes. Hyderabad for example has a notable Muslim population and the official languages are Telugu and Urdu. On the other hand, Tamil is the most widely spoken language in Chennai. Bengaluru is arguably the most cosmopolitan of the three cities.

In terms of food and drink, the food in all three cities is notably influenced by Southern Indian cuisine (which use rice and lentils as a staple and includes some particularly spicy dishes); though other cuisines (e.g. northern Indian in Chennai; Persian in Bengaluru). This cuisine subsequently impacts not only the food of the cities, but also the palate of consumers. Nonetheless, Bengaluru shows a particular openness to new products due to its cosmopolitan population, which counts expats among it. Convenience is a notable trend in Bengaluru and Hyderabad; in the latter it is playing out through products which offer convenience without sacrificing too much freshness.

Sources: <http://hyderabad.telangana.gov.in/>; <https://chennai.nic.in/>; Euromonitor International: Cities, 2017; Euromonitor International: Economies and Consumers, 2017.

3 Introduction to the food and beverage market and consumers

3.1 Overview of the food and beverage market and demand for imported products

3.1.1 F&B market summary

India has historically run a large trade surplus in agricultural products. However, in recent years, exports have slowed while imports have rapidly increased – both driven by increased consumption in India – with the result that the trade deficit has narrowed greatly. If this recent trend is to continue, India will become a net importer of agri-food products within the next few years. Nonetheless, agriculture remains a key part of the India economy, accounting for over 40% of total employment². However, it accounts for a much lower percentage of GDP (around 17%), and this reflects one of the challenges for the sector – low farmer incomes.

Despite its status as a net exporter and the considerable importance of agriculture for the economy, there are domestic food shortages for certain groups, with almost 15% of the population considered to be undernourished³. There is a strong cultural preference for fresh food in India, which in turn does favour local production; however, processed food (which accounted for less than 10% of the market in 2016) is growing in popularity⁴.

3.1.2 International trade in F&B

As noted above, India is a net exporter of agri-food products. It is particularly strong in production of milk, pulses, rice, bovine meat⁵ and vegetables, among others. However, it has started to rely on imports for certain products – fruit and nuts among them. There is also notable import of some processed goods, which is unsurprising given the processing sector's fledgling status (there are only around 37 000 registered food processing companies for its population of almost 1.4bn)⁶.

In terms of agri-food trade with the EU, India is a heavy net exporter. Exports to the EU, which are accounted for mainly by commodities, were worth over EUR 3.14bn in 2018 against imports of EUR 849 million. Both imports and exports have grown in recent years; though the higher absolute increases in exports to the EU mean that India's agri-food trade surplus with the EU has also increased (Figure 3-1).

² World Bank / ILO estimates: <https://data.worldbank.org/indicator/sl.agr.empl.zs>

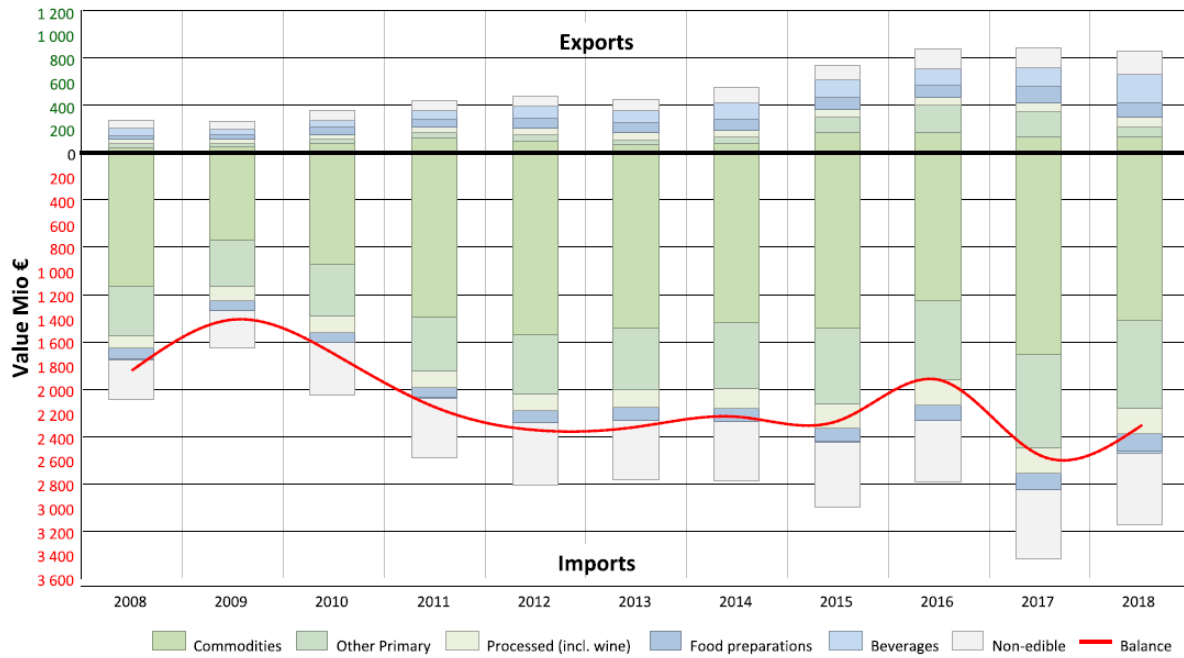
³ <http://www.fao.org/india/fao-in-india/india-at-a-glance/en/>

⁴ <http://www.agr.gc.ca/eng/industry-markets-and-trade/international-agri-food-market-intelligence/asia/market-intelligence/agriculture-food-and-beverage-sector-profile-india/?id=1478786285311>

⁵ Production is based on water buffalo (carabeef) as the slaughter of cows, oxen and calves is not permitted.

⁶ <https://www.export.gov/article?id=India-Agricultural-Sector>

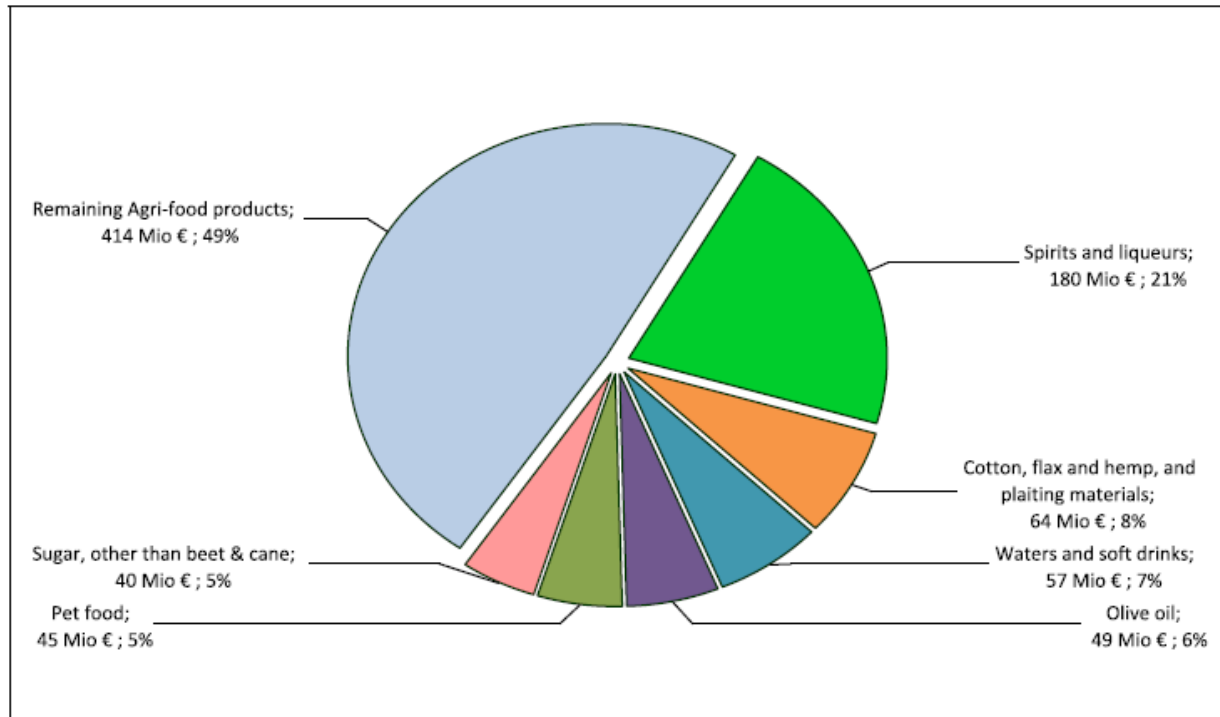
Figure 3-1: Structure of EU agri-food trade with India, 2008 to 2018



Source: European Commission: agri-food trade statistical factsheet, European Union – India. Based on Eurostat-COMEXT data

EU agri-food exports to India are led by spirits and liqueurs (21%), followed by plaiting materials (8%), water and soft drinks (7%) and olive oil (6%). Other notable sectors captured under the category of “remaining agri-food products” include: chocolate and confectionary; milk powders; and pasta, pastry, biscuits and bread (Figure 3-2).

Figure 3-2: Top EU agri-food exports to India in 2018



Source: European Commission: agri-food trade statistical factsheet, European Union – India. Based on Eurostat-COMEXT data

3.1.3 The market for imported F&B

The import of food and beverage products is still a fairly recent phenomenon in India. As noted above, imports of agri-food products have increased rapidly in recent years; and while commodities have always been exported to a notable extent, consumer ready foods have not. Subsequently, the import of such consumer-ready foods is quite new; and as a result many consumers are only being exposed to international foods now, hence making consumer education an important factor to accompany any imports. Imported food and beverages, which can now commonly be found in retail chain stores include: alcoholic beverages, breakfast cereals, confectionary, fresh and processed fruit and vegetables and pasta among others. Imported products may also fill some niches (e.g. for health foods). Middle- and higher-income demographics are unsurprisingly the key demographics interested in such products. Hotels and restaurants may also commonly offer some imported foods⁷.

⁷ <http://www.agr.gc.ca/eng/industry-markets-and-trade/international-agri-food-market-intelligence/asia/market-intelligence/agriculture-food-and-beverage-sector-profile-india/?id=1478786285311>; USDA Gain report: India Retail foods <https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods%20New%20Delhi%20India%201-4-2018.pdf>

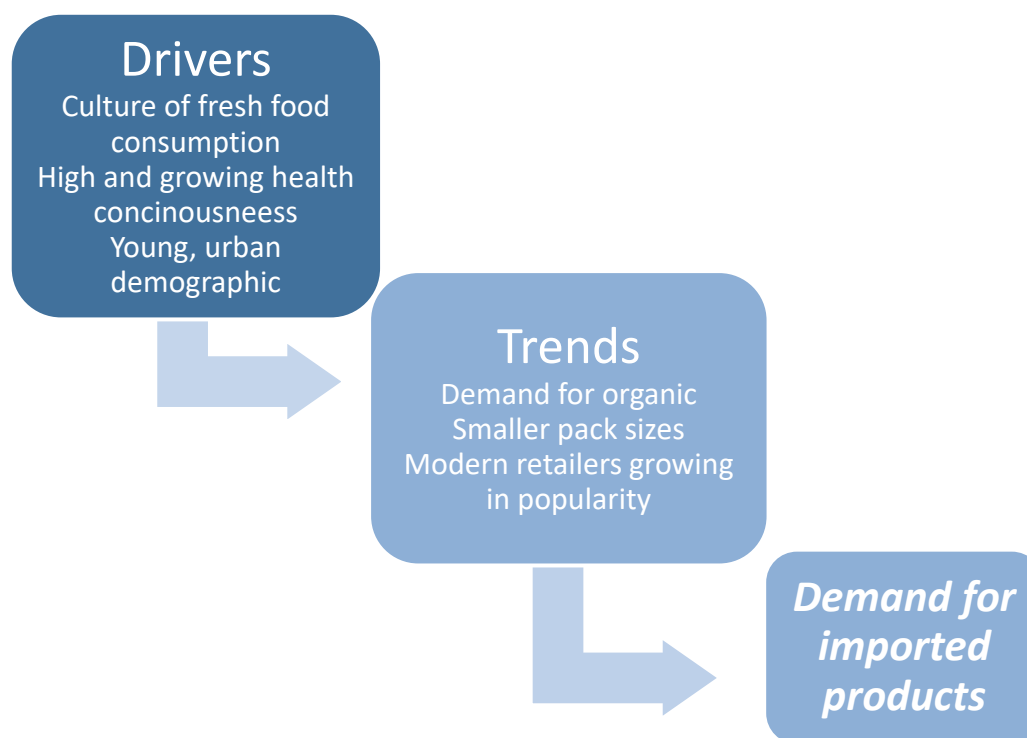
3.2 Growth Drivers and Trends

The key factors affecting the food and beverage market are⁸:

- **A culture of fresh food consumption.** India has a long tradition of consuming primarily fresh food. In recent years, consumption of fresh food has been further boosted by increased health awareness of consumers. This cultural preference for fresh food has traditionally favoured local production. However, various recent developments including increased overall demand for food, some changes in the fresh food products demanded and improvements in infrastructure are allowing imported fresh food to increasingly enter the market. Consumers typically buy fresh produce every two to three days.
- **High and growing health consciousness.** The long-standing preference for the consumption of fresh food demonstrates that consumers have traditionally been conscious of the impact of food on health to some extent. However, this awareness has increased in recent years with consumers more consciously changing their diet to ensure it is health and/or balanced. While generally a voluntary choice, it is sometimes spurred by concerns about the alteration of processed food or doctors' recommendations.
- **Young urban demographic.** As noted in section 2.1.3, the population of India is young with about half of the population under 25 (and the average age under 30). While the population remains mainly rural, the urbanisation is occurring at a fast rate. The result of these two factors is the specific demographic of young, urban-based population. This demographic is pioneering and trend-setting in many ways. For example, they lead the way in online shopping, packaged food and alcoholic beverage consumption. Their rising disposable income is a key factor in their ability to set such trends.

⁸ Euromonitor International Ltd: Lifestyles (2018); <http://www.agr.gc.ca/eng/industry-markets-and-trade/international-agri-food-market-intelligence/asia/market-intelligence/agriculture-food-and-beverage-sector-profile-india/?id=1478786285311>; <https://en.portal.santandertrade.com/analyse-markets/india/reaching-the-consumers>

Figure 3-3: Growth drivers and trends – the Indian food and beverage market



Source: Agra CEAS based on European Commission agri-food factsheet; USDA GAIN reports, agriculture and agri-food Canada reports and Euromonitor International.

In terms of current trends, the following stand out⁹:

- **Demand for organic and “free-from” foods** is increasing off the back of increases in health consciousness and is facilitated by the culture of fresh food consumption. Urban consumers and the younger (25-40) age group in particular are driving this demand. While overall consumption levels of organic currently remain low, they are rapidly growing with many consumers shifting to only organic products. Fruit and vegetables account for around half of all fresh-food organic sales at present. There is an Indian government organisation, the National Programme for Organic Production (NPOP), which monitors the production and import of organic produce in India. In terms of “free-from” foods, those without gluten and fat/sugar free have been in demand recently; as are dairy-free cheeses targeting the vegan segment
- **Smaller pack sizes.** As previously noted, there is a traditional preference for fresh food. That said, processed foods have shown high growth rates of late. Convenience and time saving in urban areas is playing a role in this growth. While consumers are interested in the indulgence that many

⁹ Euromonitor International Ltd: Lifestyles (2018); <http://www.agr.gc.ca/eng/industry-markets-and-trade/international-agri-food-market-intelligence/asia/market-intelligence/agriculture-food-and-beverage-sector-profile-india/?id=1478786285311>; USDA Gain report: India Retail foods <https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods%20New%20Delhi%20India%201-4-2018.pdf>

processed foods can offer, they are also conscious of the health impacts of consumption. At the same time, some care must be taken with this trend as in some cases, smaller pack sizes will be seen as cheap alternatives (rather than good value – see below) and subsequently shunned. It is therefore important to ensure that, when smaller pack sizes are used, they meet consumer demand (e.g. among processed foods for one-time consumption that are more commonly consumed as snacks).

- **Modern retailers growing in popularity.** Independent small grocers are the traditional main retail channel for food and beverages in India, and still retain their dominance. However, supermarkets, hypermarkets and online retailers are increasing their share of distribution, driven in particular by time constraints in urban areas. The promotional campaigns and loyalty programmes set up by such retailers, plus their ability to offer a wider range of products are factors further playing in their favour. Supermarkets and hypermarkets are jumping on trends such as increased demand for organic products. As a result of their increased presence, some larger retailers have started to launch private label ranges. These may include imported products of which the end consumer is not aware of their origin.

In addition, two overarching factors should be borne in mind when targeting consumers of imported foods:

- **Product knowledge.** Indian consumers may not be aware of or understand certain products. This can extend to products which may be known in general terms but is not connected to certain countries of origin. By way of example, lamb from New Zealand and Australia is well known/understood by Indian consumers, while that from other origins generally is not. In this regard, marketing may assist in the awareness of products from certain origins.
- **Value focus.** In broad terms, India is a value sensitive market. The impacts of this are: (1) the cheapest product in absolute terms is not necessarily the most attractive – therefore marketing based on price alone is generally not effective; (2) demonstrating value is important for producers. In this regard, some successful importers have focused on demonstrating both the quality of their product and the cheaper price point compared to established products (one example being Chilean walnuts which used such a strategy to gain some market share from American walnuts).

3.3 Consumer profiles and preferences

3.3.1.1 Consumer profiles

As such a large and varied country, consumer segmentation in India is challenging. In general, various factors have to be considered¹⁰:

¹⁰ Euromonitor International Ltd: Economies and Consumers (2018); <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS>; <https://www.bcg.com/en-be/publications/2017/marketing-sales-globalization-new-indian-changing-consumer.aspx>; <https://www.india-briefing.com/news/india-tops-list-fastest-growing-cities-world-18175.html/>; <https://www.indiatoday.in/education-today/jobs-and-careers/story/8-things-about-indian-consumers-1083672-2017-11-10>

- **Income:** as noted in section 2.1.2, there is a particularly high level of income inequality in India. At one extreme, the poor represent by far the largest group; socio-economic groups D and E (semi-skilled, unskilled or not formally working) account for over half of the population. At the extreme end, around 20% of the population are estimated to live in poverty. Furthermore, the poor are growing at the fastest absolute rate. At the other end of the scale, the elite, who hold a large amount of the country's wealth account for around 2% of the population. The middle class is estimated to represent in the range of 25-30% of the population, with a moderate-sized but growing group of affluent consumers bridging the gap between the elite and the middle class.
- **Age:** as noted in section 2.1.3, the India population is young with an average age of fewer than 30. Age has a notable impact on income; the highest earning group, on average is the 30-44-year-old demographic. That said, their expenditure focus tends to be on providing for their children; given the average age of women at first child birth is 20 (and that of men estimated to be around 5 years higher), the age range of 30-44 may reflect the peak of child related expenditure for Indians. Income declines for the 45-64-year-old group and some consumers in this group will have higher-education related expenses for their children; however, on balance they will spend money on a wider range of discretionary products. Health is also a notable concern for this age group. The 18-29 age group is generally faced with trying to establish themselves in a challenging labour market; but is also the most open and dynamic of the three working age groups.
- **Urban/rural location:** roughly one third of the India population lives in urban areas. This is significantly below the world average of almost 55%, though the rate of urbanisation is increasing in the country. The location – rural or urban influences many factors, including: income (urban generally wealthier); employment (rural more likely to work freelance, self-employed or informally); exposure to technology and outside influences (urban more exposed, though exposure in rural areas is increasing among teenagers through mobile phones and internet); age profile (a higher proportion of over 65s in the rural population); shopping habits (small independent stores entirely dominant in rural areas); and range of products available (more reliance on local products in rural areas).

Against the factors set out above, specific segments of interest are:

- **The young urban demographic.** This demographic was already identified in section 3.2 as a pioneering and trend-setting group. Various factors, including their higher consumption of certain products such as organic produce and alcoholic beverages; their openness to different methods of consumption (e.g. coffee consumption in a country that traditionally consumes tea); and their increased propensity to purchase products through supermarkets/online mean that they are more likely to consume imported products. While overall this demographic is around 200m consumers in size, this includes consumers of all income levels; and those with higher incomes are more likely to perform the pioneering role outlined above. This demographic is more based in the established urban centres.
- **Elite and affluent.** These groups both hold a large share of the wealth, and account for the majority of overall consumption. These groups are clearly the major consumers of more premium products, including food and beverage ones (with premium chocolates proving particularly popular recently). Interestingly enough, even these consumer groups are likely to exhibit some

value consciousness when purchasing more luxury products. There is likely to be some overlap in this group with the aforementioned group, particularly with regards to the affluent consumer.

- **Emerging cities.** As noted above, the low rate of urbanisation is increasing in India. This is largely being driven not by growth in the largest cities, but rather in comparatively smaller cities. Surat (population 4-5m), Agra (population 1.5m) and Nagpur (population 2.5m) are all examples of cities in which the population is growing at just under 10% per year. While on balance, consumers in smaller emerging cities are more likely to be conservative in the consumption behaviour and look for value for money, these attitudes may change over time and cities grow and there are consumers with higher purchasing aspirations who are constrained by the lower availability of products. Further differentiation between cities is important when examining this overarching consumer group in more detail.

3.3.2 Cultural Sensitivities and Other Considerations

3.3.2.1 Ethnic/religious homogeneity and the impact on food and drink

As noted in section 2.1, while the main religion is Hinduism (almost 80%), there is a notable Muslim population (14%) and various other minorities. Muslims are particularly important in various northern States; for example they represent almost 70% of the population in Jammu and Kashmir, and over 1/3 of the population in Assam.

The different religions have differing impacts on food and drink consumption. Notably:

- **Hinduism:** cows are considered sacred, and consequently the consumption of beef or by-products from cows or veal is prohibited. Many Hindus choose to follow a lacto-vegetarian diet, meant that they do not consume meat, fish or eggs (see section 3.3.2.3). Care should be taken not just with beef itself, but also the use of by-products in processed products (e.g. beef gelatine). The Hindu calendar contains a large number of fasting days and days with dietary restrictions (various list of fasting days can be found online, for example at websites such as www.eprarthana.com)
- **Islam:** the consumption of pork products and alcohol are forbidden by Islam. Muslims should only consume meat and meat products containing ingredients of slaughtered animal origin from animals that have been slaughtered according to halal methods. The Muslim calendar includes the fasting month of Ramadan and subsequent celebration of Eid.

3.3.2.2 Regional differences in cuisine

India has a greatly diverse range of food, with different regions having their own cuisine, influenced by tradition, ethnicity, location/local produce and religion, among others. At a most basic level, Indian cuisine can be split into Northern (which includes wheat-based breads and rice as staples and extensive uses dairy products), and Southern (which uses rice and lentils as staples and often features thick soups call *dhals*). This is, however, an oversimplification as each region has its own specificities which influence the preferences of its consumers. By way of example, sweet and savoury snacks are very popular in Bengaluru;

while snacks in fairly nearby Hyderabad are likely to be somewhat spicier to capture the local preferences¹¹.

3.3.2.3 Vegetarianism and meat consumption

As noted above, many Buddhists are lacto-vegetarians; as are many people from India's Buddhist and Jain communities. Overall, vegetarians are estimated to constitute around 1/3 of the Indian population. A bit less than 1/3 of the population can be considered to be regular meat eaters. Even those who eat meat are subject to their religious constraints (see section 3.3.2.2)¹². As set out in section 4.2.3, foodstuffs must be labelled as vegetarian (green dot) or non-vegetarian (brown dot), with the dot based on all ingredients of the product. It should be noted that the interpretation of vegetarian in India is different from the western one, with eggs considered to be non-vegetarian (and subsequently products with them as an ingredient must be labelled as such). Etiquette dictates that, while vegetarians and non-vegetarians can eat together, the food and serving utensils should not be mixed.

3.3.2.4 Alcohol

The subject of alcohol in India is quite sensitive. A large proportion of the population – at least 2/3 according to most sources – are lifetime abstainers from alcohol consumption. The constitution of the country contains a provision to limit alcohol consumption:

(Article 47) “[...] the State shall endeavour to bring about prohibition of the consumption except for medicinal purposes of intoxicating drinks and of drugs which are injurious to health.”

Against this background, there is a history of states prohibiting the sale and consumption of alcohol. At present, five states and one union territory enforce prohibition to different extents:

- Bihar
- Gujarat
- Lakshadweep
- Manipur (only in some districts)
- Mizoram (full prohibition re-introduced May 2019)
- Nagaland¹³

Note: The sale of alcohol within 500 metres of India's state and national highways (excluding highways within city limits) has been forbidden since April 2017¹⁴.

¹¹<https://metrosouth.health.qld.gov.au/sites/default/files/content/heau-cultural-profile-indian.pdf>

¹²<http://www.hennaarts.com/indian-food.htm>

¹³Dry states and their current dryness; <http://businesseconomics.in/dry-states-and-their-current-dryness>

¹⁴Booze back on 70% of India's highways; http://timesofindia.indiatimes.com/articleshow/63866766.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

In addition, there are dry days across the country during which the sale and public consumption of alcohol is prohibited. These generally include national holidays and major religious festivals. Notably, Independence Day (August 15), Republic Day (January 26), and Gandhi Jayanti (October 2) are usually observed as Dry days. Furthermore, in some states regular Dry days are observed, such as the first day of the month; days preceding and following the state and national elections are also Dry days in certain areas.

Advertising

Advertising alcoholic beverages in television has been banned in India under the 2000 Cable Television Network (Regulation) Amendment Bill.

3.3.2.5 Eating style

It is common in India to eat with their fingers after washing their hands rather than with any cutlery; this is particularly common in the south and east, where rice is a staple food. This practice means that the person eating can feel the temperature of the food they are eating; and allows them to combine different flavours. Even where cutlery is used, use of spoon is common, whereas use of fork and knife is less common, meaning that food may be prepared to make it bite sized.

3.3.2.6 Festivals and celebrations

There are a number of important festivals in India, the majority of which have a close link to the Hindu religion. Notable festivals include:

- **Ganesh** – an 11-day Hindu festival celebrating the birth of the deity *Ganesh*; generally in August or September.
- **Holi** (also the festival of colours/love) – a Hindu spring festival.
- **Navaratri** – a 10-day festival in honour of the mother goddess *Durga*, in September or October.
- **Diwali** (also the festival of light) celebrated in the autumn.

Certain foods are more commonly eaten for festivals and celebrations. *Kheer*, made from rice, sugar, milk and dry fruits, is the most common dessert among Hindus and Muslims. The name may vary. Cakes and sweets may also be specifically purchased for festivals.

3.3.2.7 Culture of snacks

Snacks – particularly fried savoury ones – are common in India. Examples include: *samosas*, *namkeens*, chips (whether from potatoes, banana or other fruit/vegetables); *murukku*, *pakoda* and *vada*. Snacks are often consumed as an accompaniment to what is arguably India's most popular drink, tea. Some cities such as Delhi are particularly renowned for their snacking culture.

4 Market access and entry

This section provides details on the necessary requirements for entry in to the Indian market, outlining existing market access restrictions and explaining procedures. The summary, containing the SWOT analysis, of market access and entry is presented in section 4.1.

4.1 Summary SWOT analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • A huge market - the world's second largest by population • Geographical Indication (GI) protection is available and Indian IPR laws are comparable with European IP laws • Import of agri-food products is theoretically relatively easy in terms of customs procedures 	<ul style="list-style-type: none"> • High domestic production; historically, food and beverage products not widely imported • Strong local consumer tastes can limit consumer knowledge of imported products and hence those which are widely attractive • Weak enforcement of IP rights • The procedure to export certain goods may be longer due to specific requirements • Various cultural sensitivities (e.g. beef, pork, alcohol, religious festivals) which must be carefully respected and which limit the markets for some products
Opportunities	Threats
<ul style="list-style-type: none"> • Small but growing interest in imported foods and processed/packaged food products • Positive image of EU products, helped by the long time they have been on the market • Improving infrastructure and cold chain storage allows products to be transported to more of the country • 2017 Goods and Service Tax (GST) and subsequent e-waybill system massively simplified the movement of almost all food & beverage goods across India. 	<ul style="list-style-type: none"> • Evolving legislation can make it difficult to stay up to date on requirements • Strict labelling requirements for agri-food products that differ from EU ones • Prohibitive tariff barriers (i.e. import duties and taxes) plus some non-tariff (e.g. restriction on imports) barriers • The "Make in India" initiative and focus on agricultural self-sufficiency encourages domestic production or processing and discourages imports • Future trade agreements could offer competitors such as Australia and New Zealand favourable market access • Some countries actively and aggressively targeting the Indian market

4.2 Food and beverage legislation and regulations

4.2.1 Import requirements/restrictions, customs procedures and documentation

As a first step to import agri-food products into India, the Indian-based importer must have a **Licence to Import and Sell Foodstuff**. An application for this, in English, must be submitted via an electronic system to the Food Safety Commissioner of the Food Safety and Standards Authority of India (FSSAI), and is usually processed within 60 days. The processing fee is INR 7 500 (approximately EUR 94)¹⁵.

Further details on how to apply to obtain a licence to import and sell foodstuffs, can be found on the European Commission website:

http://madb.europa.eu/madb/viewPageIFPubli.htm?doc=lic_food&hscod=1704&countryid=IN

This requirement is for the entity based in India importing the food (e.g. local partner); not the foreign based entity exporting it.

Operators with the above licence can import '*Freely importable goods*', i.e. goods whose import is not restricted, provided the necessary set of documents for Customs are provided (see Table 4-1 and Table 4-2). On the contrary, importers of items included in the **list of restricted goods**¹⁶ – including some meat products (HS codes 0201 and 1602), live plants (HS code 06), and vegetables (HS code 07) – must obtain a further Licence. In this regard, an **application** (to be completed in English) must be submitted to the concerned Regional Authority of DGFT in Aayaat Niryaat Form (ANF), along with the relevant documents. Furthermore, two copies of the complete set of documents must be submitted to the Directorate General of Foreign Trade (DGFT). The requests for restricted goods imports are considered by the Inter Ministerial Committee meeting. The Licence has 18-month validity from the date of issue¹⁷.

N.b. Some categories of goods are banned from importation, including: (a) dairy products, which have not been subject to heat-treatment; (b) particular kinds of edible oils and fats; (c) animal rennet.

Further details are provided in different snapshots in section 5.

Along with the licences for the importer indicated above, it is mandatory to present to Customs the documents reported in Table 4-1 and Table 4-2, to ship products to India. It is of outmost importance that all documents are prepared in English, or have a proper translation enclosed.

¹⁵ EC Market Access Database: License to Import and Sell Foodstuffs, http://madb.europa.eu/madb/viewPageIFPubli.htm?doc=lic_food&hscod=1704&countryid=IN

¹⁶ <http://dgft.gov.in/policies/restricted-items>

¹⁷ Indian Ministry of Commerce and Industry: FAQ on provisions regarding imports, <http://dgft.gov.in/user-facilitation/faq-provisions-regarding-imports>

Table 4-1: List of documents to present to Customs to release all imported agri-food products

Documents to present to Customs	
Arrival Manifest	A document notifying the authorities of the arrival of goods by any means of transportation and summarising the goods loaded therein.
Bill of Entry	Official form for the customs clearance of goods. It also contains all the information required for the assessment of the dutiable value of a shipment.
Commercial Invoice	A document containing the details of the transaction.
Pro Forma Invoice (may be requested)	A document containing the details of the transaction made out prior to the proper invoicing and in addition to the Commercial Invoice.
Packing List	A document containing the details of the shipment and serving as a basis for the customs treatment of goods.
Certificate of Non - Preferential Origin (may be requested)	A document certifying the non-preferential origin of the goods to be imported.
Proof of Preferential Origin	A document confirming the preferential origin of the goods to be imported. It is required if preferential treatment under an FTA or arrangement is claimed.
Air Waybill or Bill of Lading	Depending on whether goods imported by air or sea; to be prepared by the carrier or their agent.
Goods and Services Tax Identification Number	A document certifying that the bearer is registered with the Central Board of Indirect Taxes and Customs (CBIC) for tax purposes.
Company Registration	A document certifying that companies are registered with the Ministry of Corporate Affairs. It is required only for company establishment.
Licence to import and sell foodstuff	A document proving that its bearer is licensed as a Food Business Operator and thus authorised to import, process and sell foodstuffs.

Source: Market Access Database, European Commission

Table 4-2: List of documents to present to Customs to release specific agri-food products

Documents to present to Customs, if requested		Applicable to (product category)
Licence to Import Restricted Items	A document confirming that its carrier is authorised to import items classified as “restricted”.	Fresh meat
CITES Permit	A document permitting the importation of goods subject to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).	Fresh meat
Import Permit for Livestock Products	A document permitting the actual importation of livestock products.	Fresh meat; Dairy; Honey
Veterinary Health Certificate for Animal Products	A document proving that products of animal origin have been inspected according to appropriate procedures, are not contaminated and do not carry any contagious diseases and conform to the veterinary regulations of the importing country.	Fresh meat; Dairy; Honey
Registration of New Varieties	A document certifying that new seed and plant varieties have undergone novelty, distinctness,	F&V; Live Plants

Documents to present to Customs, if requested		Applicable to (product category)
	uniformity and stability tests and have subsequently been included in the Indian national variety list.	
<i>Licence to Deal in Seeds</i>	A document proving that its bearer is authorised to deal in seeds.	F&V; Live Plants
<i>Permit to Import Plants and Plant Products for Consumption</i>	A document permitting the actual importation of plants and plant products for consumption or processing.	F&V; Live Plants
<i>Permit to Import Plants and Plant Materials for Sowing</i>	A document permitting the actual importation of plants and plant materials for sowing, planting and propagation.	F&V; Live Plants
<i>Pest Risk Analysis</i>	A document certifying that pest risk analysis (PRA) has been carried out on new plants and plant products.	F&V; Live Plants
<i>Quarantine and Clearance Certificate for Plants and Plant Products</i>	A document certifying that the plants and plant products intended to be imported have been duly subjected to quarantine and inspection.	F&V; Live Plants
<i>Certificate of Fumigation</i>	A document certifying that fumigation treatment has been conducted in accordance with the Indian quarantine requirements.	F&V; Live Plants
<i>Certification of Post-Entry Quarantine Facility</i>	A document certifying that the post-entry quarantine facilities have been inspected and approved.	F&V; Live Plants
<i>Phytosanitary Certificate</i>	A document proving that products have been inspected according to appropriate procedures, are free from quarantine pests and other injurious pests, and conform to the phytosanitary regulations of the importing country.	F&V; Live Plants
<i>Import Permit for Hazardous Waste</i>	A document allowing the importation of hazardous waste as raw material for recycling or re-use.	Olive oil
<i>Notification and Movement Documents for Transboundary Movements of Hazardous Waste</i>	A document providing the information needed to control each individual trans-frontier movement of hazardous waste.	Olive oil

Source: Market Access Database, European Commission

Further details on certain of the requirements outlined above are provided in the relevant market snapshots (section 5).

Upon their arrival in India, all imported foodstuff products require a no-objection certificate (NOC)¹⁸ before they may be released from customs. The importer can apply for a NOC electronically via the

¹⁸ The NOC is a legal document stating that there are no objections related to the details mentioned in the document.

platform [ICEGATE](#) (Customs National Trade Portal). The final NOC is always released and notified to customs, once the samples have been inspected and analysed. Nonetheless, food products with short shelf life (less than seven days), such as fresh fruit and vegetables, may be issued a preliminary NOC before the sample analysis report from the laboratory is delivered¹⁹.

Detailed information on procedures and formalities to export to India can be consulted on the European Commission website:

http://madb.europa.eu/madb/viewPageIFPubli.htm?doc=com_reg&hscod=&countryid=IN

Furthermore, the Food Safety and Standards Authority of India has published a manual on the Food Import Clearance System. At the time of writing this was last updated in November 2017. It can be found at:

<https://fssai.gov.in/home/imports/Manuals.html>

4.2.2 Food safety and other food certification requirements

Laws relating to food and agricultural products imported into India are under the jurisdiction of the authorities outlined below:

- Food Safety and Standards Authority of India (FSSAI) under the Ministry of Health and Family Welfare;
- The Office of Legal Metrology of the Ministry of Consumer Affairs, Food, and Public Distribution;
- The Directorate General of Foreign Trade under the Ministry of Commerce and Industry;
- The Department of Animal Husbandry and Dairying (DAHD) under the Ministry of Fisheries, Animal Husbandry and Dairying. There is now a separate Department of Fisheries and the Department of Agriculture and Cooperation (DAC) of the Ministry of Agriculture and Farmers Welfare.

Established in 2006, the [Food Safety and Standards Authority of India](#) (FSSAI) is responsible for the protection of public health and safety in India. The authority aims at ensuring that food consumed in India meets the highest standards of food safety and hygiene, enforcing the food safety provisions.

Food safety is governed by the 2006 Food Safety and Standard Act, in India, which formally repealed and replaced eight different pieces of legislation previously regulating food safety. The original act has subsequently been updated with guidelines. Chapter V of the Act, on Provisions Relating to Imports, indicates that, in order to ensure food safety, importing the products outlined below is forbidden:

- I. **unsafe or misbranded or sub-standard** food, or food containing extraneous matter;
- II. articles of food for the import of which **a licence is required** under any Act or rules or regulations;
- III. articles of food in **contravention** of any other provision of the FSSAI Act, or any other rule and regulation made under this Act.

¹⁹ EC Market Access Database – Overview of Import Procedures: India, <http://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=&countryid=IN#h1>

The full Food Safety and Standard Act can be found on the FSSAI website:

<https://www.fssai.gov.in/home/fss-legislation/food-safety-and-standards-act.html>

Additional key regulations applicable to imported food and agricultural products are outlined below.

- **[The Legal Metrology Act](#)** (2009, subsequently updated several times) which establishes uniform standards of weights and measures regulating trade in weights, and other goods which are sold and/or distributed by weight, measure or number. This Act is enforced by the Department of Consumer Affairs under the Ministry of Consumer Affairs, Food and Public Distribution .
- **[Livestock Importation Act](#)** (1898, updated 2001) which establishes procedures for the importation of livestock and related products to India. These measures are implemented by the Ministry of Agriculture’s DAHDF.
- **[Plant Quarantine \(Regulation of Import into India\) Order](#)** (2003, updated many times) which regulates import and prohibition of import of plants and plant products into India. This Order is implemented by the Ministry of Agriculture’s Directorate of Plant Protection.

Alcoholic beverages, while falling under the definition of food in the Food Safety and Standard Act, are now further defined by specific legislation, the Alcoholic Beverage Regulations of 2018. These regulations define different types of alcoholic beverages and specific labelling requirements. The standards came into force in 2018 and enforcement against these standards began on 1 April 2019.

Evolution of legislation in India

It should be noted that the legislation in India evolves fairly frequently, as some examples above have demonstrated. Most notably, new standards of relevance for processed products are released fairly frequently. At the time of writing, no major changes to legislation are foreseen over the short term, though the evolution of legislation with minor changes is expected. It is recommended that legislative requirements be checked prior to export. Possible paths include:

Indian Food Standards Quick Access (IFSQA) page: This tool allows a product to be searched for by name and relevant information on food safety from standards to be displayed. While a good general tool, it is not clear to what extent this is kept fully up to date with the most recent developments. The IFSQA can be found here:

<https://fssai.gov.in/quickaccess/getSubCategoryList?productid=0&productname>

Notifications on the FSSAI website: Three types of notification exist, though the first two are the most important. These are: (1) draft notifications, which indicate proposed changes, which have been drafted and put out for comments ; and (2) gazetted notifications confirming changes. The link below is to the draft notification page: <https://www.fssai.gov.in/home/fss-legislation/notifications/draft-notification.html>

4.2.3 Labelling Requirements

Labelling legislation in India

Labelling is based primarily on the Metrology Act (responsibility of the Department of Consumer Affairs). There are some provisions in other legislation as well. A clarification has been issued specifying that, in the case of conflicting rules in different legislations, the rules of the FSSAI (under the Ministry of Health and Family Welfare) prevail, with some minor exceptions (e.g. the size of letters) for which the Metrology Act prevails.

It should be noted that new labelling and packaging regulations were introduced by FSSAI in December 2018. These are:

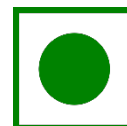
- Food Safety and Standards (Packaging) Regulations, 2018
- Food Safety and Standards (Labelling and Display) Regulations, 2018

These new regulations must be complied with from 1 July 2019.

There are also specific requirements for labelling of imported foods in the Food Safety and Standards (Import) Regulations of 2017. These are included in the list below.

Imported foodstuff products must bear labels in English or Hindi, including the following information:

- name and address of the manufacturer
- name and address of the importer*
- licence number of the importer's Licence to Import and Sell Foodstuffs*
- name, trade name or description of the product
- list of ingredients in descending order (in weight or volume)
- nutritional information (per 100 g/100 ml or per serving)
- information on food additives, if applicable
- Food Safety and Standards Authority of India (FSSAI) logo*
- Vegetarian (**green**) /non-vegetarian (**brown**) logo (*see image on the right*)
- net quantity in weight or volume
- batch/lot/code number
- date of manufacture or packing (mm/yy in the case of products with a shelf life of over three months; dd/mm/yy in the case of products with a shelf life of less than three months)
- "best-before" or "use by" date (mm/yy)
- instructions for use
- country of origin



Note: This logo does not apply to alcoholic beverages

* This information is considered rectifiable labelling requirements. This means that such information may be added by affixing stickers to the goods after the arrival of the consignment in India.

Vegetarian labelling requirements and sensitivities relating to some ingredients of animal origin

It is important to note that the classification of a food as vegetarian or non-vegetarian is based on all ingredients in a product, including for example functional ingredients such as gelatine and food additives. Furthermore, eggs are considered non-vegetarian. Dairy is considered vegetarian unless it includes

products of animal origin e.g. animal rennet. Care must, therefore, be taken when determining whether a product is vegetarian or non-vegetarian; and in view of the high level of vegetarianism (see section 3.3.2.3), any product labelled as non-vegetarian will have a potential smaller market.

Furthermore, it must be remembered that most of the Indian population (Hindus) do not eat livestock products from cows, and Muslims do not eat livestock products from pigs. Against this background, care should be taken with the use of any kind of ingredients from these origins (e.g. gelatine); while products with such ingredients may make it to shop shelves, a high level of consumer discontent may be expected if the origin of the ingredients is discovered.

Pre-packaged commodities of up to 25 kg or 25 litres are subject to specific labelling requirements, in accordance with the Legal Metrology (Packaged Commodities) Rules, as outlined below:

- name and address of the manufacturer
- name and address of the importer
- common or generic name of the product
- net quantity
- number of commodities, if applicable
- month and year in which the commodity was manufactured, pre-packaged or imported
- maximum retail sale price²⁰.

The organic label

The Organic Food standards were established in 2017, by the FSSAI.

India Organic Certification is a label bear by products made of raw materials grown through organic farming, i.e. without any chemical fertilisers, pesticides, or hormones. The FSSAI's Organic label is the 'Jaivik Bharat' Logo (see image on the left). Imported organic food is not required to be re-certified in India if there is a bilateral or multilateral agreement based on the equivalence of standards. India does not currently recognise the EU as equivalent. All organic food consignments must be accompanied by a Transaction Certificate issued by an Accredited Certification Body²¹.



Further information is available on the *Jaivik Bharat* website: <https://jaivikbharat.fssai.gov.in>

4.2.4 Protection of intellectual property rights, including geographical indications (GIs)

IPR protection framework

²⁰ EC Market Access Database - Overview of Import Procedures: India, <http://madb.europa.eu/madb/viewPageIFPubli.htm?doc=overview&hscod=1704&countryid=IN#h45>

²¹Frequently Asked Questions (FAQ's) on Organic Foods, <https://jaivikbharat.fssai.gov.in/pdf/faq.pdf>

India is a member of the main international agreements on intellectual property rights (IPRs). Notably, as a member of the World Trade Organisation (WTO), since 1995, India is part to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs), which sets down minimum standards for the protection of among others copyrights and trademarks, as well as geographical indications.

India's Trade Marks Act and Trade Marks Rules, which transpose the TRIPs provisions, are enforced by the **Controller General of Patents, Designs and Trade Marks** under the Department for Promotion of Internal Industry and Internal Trade (DPIIT). Because of the widespread practice of 'cybersquatting' – the practice of registering well-known brand names as Internet domain names, in order to resell them at a profit – rights owners are advised to register their brand names/trademarks as domain names in India as soon as possible. Registration takes up to two years, and the trademark is then valid for ten years (renewable)²².

India's Geographical Indication (GI) protection system

Under the 1999 Geographical Indications of Goods Act and the 2002 Geographical Indications of Goods Rules – both transposing the TRIPs provisions on GIs – producers can apply for four different types of registration, as outlined below:

- **Ordinary Application**, which has been filed to register a Geographical Indication of India.
- **Convention Application**, which has been filed for registration of a GI from a convention country²³, along with proof of registration/filing of that GI in the home country.
- **Single Class Application**, which has been filed to register for a specification of goods included in one class.
- **Multi Class Application**, i.e. a single application filed for registration of GIs for different or more than one class of goods²⁴.

European GIs registered in India

A few European GIs have been registered in India by the EU GI holders. More specifically, these presently are:

- **France:** Champagne, Cognac
- **UK:** Scotch Whisky
- **Portugal:** Porto, Douro
- **Italy:** Prosciutto di Parma, Parmigiano Reggiano, Asiago, Prosecco, Grana Padano

²²UK Government Intellectual Property Office: Intellectual property rights in India, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/627956/IP-Rights-in-India.pdf

²³ Signatories of the Paris convention on industrial property; list of signatories available at https://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=2

²⁴ Intellectual Property India: Manual of Geographical Indications Practice and Procedure, http://www.ipindia.nic.in/writereaddata/Portal/IPOGuidelinesManuals/1_31_1_manual-of-geographical-indications-practice-and-procedure.pdf

The list of GIs registered in India, or in the registration process can be consulted at the following link:
<http://ipindiaservices.gov.in/GirPublic/>

Despite amendments to India's IPR framework, there are still concerns over IP enforcement, some of which may impact food and beverage products. A major cause for concern in enforcement is bureaucratic delays, with cases running for over several years. For these reasons, companies are encouraged to seek advice from local experts, attorneys or consultants, who are experts in Indian IPR law, as well as to work together with trade associations and organisations in the field. An IPR SME helpdesk specifically for India is also in the process of being set up from 2020²⁵. Key international organisations are set out below:

- Europe-India Chamber of Commerce (EICC)
- International Intellectual Property Alliance (IIPA)
- International Anti-Counterfeiting Coalition (IACC)

4.2.5 Relevant authorities for IPR and GI protection and further contacts

Competent Authority for IPR and GI protection

Office of the Controller General of Patents, Designs and Trademarks - Department of Promotion of Industry and Internal Trade (Ministry of Commerce and Industry)

Boudhik Sampada Bhavan, S.M. Road, Antop Hill, Mumbai-400037

Tel:(91 22) 241 32735

Email: mumbai-patent@nic.in

Website: www.ipindia.nic.in

The registry of GIs is based in Chennai at the following address:

Trade Mark Registry Chennai

Boudhik Sampada Bhawan, G.S.T. Road, Guindy, Chennai-600032

Tel: (91) 44 225 05200

Email: tmrchennai@nic.in

4.3 International trade

4.3.1 India and foreign trade

The Directorate General of Foreign Trade (Ministry of Commerce and Industry) is in charge of India's foreign trade policy. India participates to several multilateral agreements and has been a member of GATT since 1948 and a member of the WTO since 1995. As underlined in section 3.1.2, although India is not a

²⁵The general IPR helpdesk address is <http://www.ipr-hub.eu/>

major market for European agri-food exporters, the value of EU imports into India amount to nearly EUR 1 billion. India mostly imports spirits, vegetables, pet food and olive oil from European countries.

4.3.2 Key trade agreements, present and future

India is part of several multilateral and regional organisations and forums for trade, including the GATT and WTO. On top of that, India has concluded several regional and bilateral Free Trade Agreements (FTAs) and Comprehensive Economic Partnership Agreements (CEPAs) involving African, Asian and Latin American countries, as set out in Table 4-3.

Benefitting from a reduction in tariff and non-tariff barriers, India's FTA partners (see Table 4-3) are advantaged in terms of exporting to the country. In its FTAs, India has been cutting import duties on more than 90% of agri-food products. This notwithstanding, in its FTAs, India has used the **negative list** (i.e. a list of products excluded from the agreement) quite extensively for agri-food products. For example, in the ASEAN-India FTA, India has kept many items in its negative list (including e.g. poultry, vegetables and beer), to protect the domestic industry²⁶.

Table 4-3: Trade Agreements concluded by India

Partner/s	Type of Agreement	Entry into force
African countries Angola, Botswana, Cameroon, Cote D' Ivory, Ghana, Liberia, Mauritius, Mozambique, Nigeria, Rwanda, Senegal, Seychelles, South Africa, Swaziland, Tanzania, Uganda, Zaire, Zambia, Zimbabwe	Bilateral FTAs	In different periods
Sri Lanka	FTA	2001
Asia Pacific Bangladesh, China, India, South Korea, Lao, Sri Lanka	FTA	2003
Afghanistan	Preferential Trade Agreement	2003
SAARC Bangladesh, Bhutan, Maldives, Nepal, Pakistan, Sri Lanka	FTA	2006
Thailand	FTA	2004
Chile	Preferential Trade Agreement	2005
Singapore	CEPA	2005
Mercosur Argentina, Brazil, Paraguay, Uruguay	Preferential Trade Agreement	2005
ASEAN Brunei Dar, Cambodia, Indonesia, Lao, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam	FTA	2009
Nepal	FTA	2009 (revision)
South Korea	CEPA	2010

²⁶ India's Free Trade Agreements and Micro, Small and Medium Enterprises - A Case Study of the Food Processing Industry, https://www.twn.my/title2/FTAs/General/MSMES/FTAs_MSME_India_Food%20Processing_vol_IV.pdf

Partner/s	Type of Agreement	Entry into force
Japan	CEPA	2011
Malaysia	CEPA	2011
Bhutan	FTA	2017

Source: Agra CEAS based on Indian Trade Portal

On top of that, India is currently negotiating a free trade agreement with the ten Member States of the ASEAN and the five Asia-Pacific states with which ASEAN has existing FTAs (i.e. Australia, China, Japan, South Korea and New Zealand). This agreement, known as the Regional Comprehensive Economic Partnership (RCEP), is set to reduce tariff and non-tariff barriers, hence securing better market access for goods, including agri-food items, in the region²⁷. Progress is fairly slow with 24 rounds concluded so far. In view of this, negotiations are unlikely to be concluded before 2020²⁸.

Regarding EU-India trade relations, negotiations for an ambitious BTIA were launched in June 2007 and suspended in 2013, given the little progress made after 12 formal rounds. The dialogue with Indian trade authorities continues²⁹.

An up to date list of Trade Agreements concluded by India can be consulted on the website of the Department of Commerce's Indian Trade Portal:

<http://www.indiantradeportal.in>

4.3.3 Import tariffs

As Indian trade policy is rather protectionist, import duties on most agri-food products shipped to India are relatively high, ranging between 30 and 150%, except in live plants, where they do not exceed 5%. In addition to the import duty, European enterprises face a further Goods and Services Tax (GST), which is levied at a rate of 5-18% of the duty paid value, as well as a Social Welfare Surcharge (SWS), i.e. maximum 10% of the duty paid value. Further details by product category are provided in market Snapshots in section 5.

The list of import duties and taxes for the export of food and beverages to India can be consulted here:

http://madb.europa.eu/madb/datasetPreviewFormATpubli.htm?datacat_id=AT&from=publi

²⁷ Regional Comprehensive Economic Partnership (RCEP), https://asean.org/?static_post=rcep-regional-comprehensive-economic-partnership

²⁸ CPTPP to continue attracting more members, RCEP unlikely to be concluded this year, say experts, <https://www.straitstimes.com/world/united-states/cptpp-to-continue-attracting-more-members-rcep-unlikely-to-be-concluded-this>

²⁹ EC Trade – India, <http://ec.europa.eu/trade/policy/countries-and-regions/countries/india/>

4.3.4 WTO disputes and other trade barriers

India has recently been involved as a respondent in 9 notable WTO disputes, most of which concern agricultural and food products, as set in Table 4-4.

Table 4-4: Key ongoing WTO disputes involving India

Role	Counterparty	Issue	Reference
Respondent	US	Quantitative Restrictions on Imports of Agricultural, Textile and Industrial Products	DS90
Respondent	European Communities	Measures Affecting Export of Certain Commodities	DS120
Respondent	European Communities	Import Restrictions	DS149
Respondent	European Communities	Measures Affecting Customs Duties	DS150
Respondent	European Communities	Import Restrictions Maintained Under the Export and Import Policy 2002-2007	DS279
Respondent	European Communities	Anti-Dumping Measures on Imports of Certain Products from the European Communities	DS304
Respondent	European Communities	Measures Affecting the Importation and Sale of Wines and Spirits from the European Communities	DS352
Respondent	European Communities	Certain Taxes and Other Measures on Imported Wines and Spirits	DS380
Respondent	US	Measures Concerning the Importation of Certain Agricultural Products	DS430

Source: Agra CEAS based on WTO

An up to date list of WTO disputes can be consulted here:

https://www.wto.org/english/thewto_e/countries_e/india_e.htm

Furthermore, several trade barriers concerning the agri-food sector have been recently reported to the European Commission, as set out below:

- Standards on alcoholic beverages³⁰
- Standards for food additives for alcoholic beverages³¹
- Restrictions on imports of plants and plant products relating to fumigation treatments - Alternatives to methyl bromide³².

An up to date list of trade barriers reported to the EC can be consulted here:

http://madb.europa.eu/madb/barriers_result.htm?isSps=false&countries=IN

³⁰http://madb.europa.eu/madb/barriers_details.htm?barrier_id=14123

³¹http://madb.europa.eu/madb/barriers_details.htm?barrier_id=10801

³²http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

4.3.5 Summary of key trade barriers

As there is no Free Trade Agreement in place, European enterprises face several challenges when entering the Indian market. Trade barriers include tariff and non-tariff measures. The latter include several import restrictions, strict labelling and packaging standards for agri-food products. On top of that, producers of most agri-food products face high import tariff, reaching 150% in some categories, as well as taxes.

4.4 Operating in the Indian food and beverage market

4.4.1 Logistical services and transportation infrastructure

India's distribution network within the country predominantly relies on the rail and road system, carrying nearly 87% of the total freight traffic, with limited traffic carried by air and water transport. The transport sector has, however, received a special attention from the government, with investment increasing over the years.

Shipping

Water transport is of particular importance for imported goods, as 95% of India's trade volume is moved by sea. Along the coast and islands there are 13 major ports and 200 smaller ports. The largest ones are the Mumbai port, located in the Gulf of Kutch and the Chennai port, in the Bay of Bengal (Figure 4-1). Although ports traffic has been on continuous rise, port capacity remains stable, with the gap between growth in traffic and growth in port capacity widening³³³⁴.

³³India Transport Report, http://planningcommission.nic.in/reports/genrep/NTDPC_Vol_01.pdf

³⁴Sea Ports in India, <https://www.mapsofindia.com/maps/sea-ports/>

Figure 4-1: Major ports and terminals in India



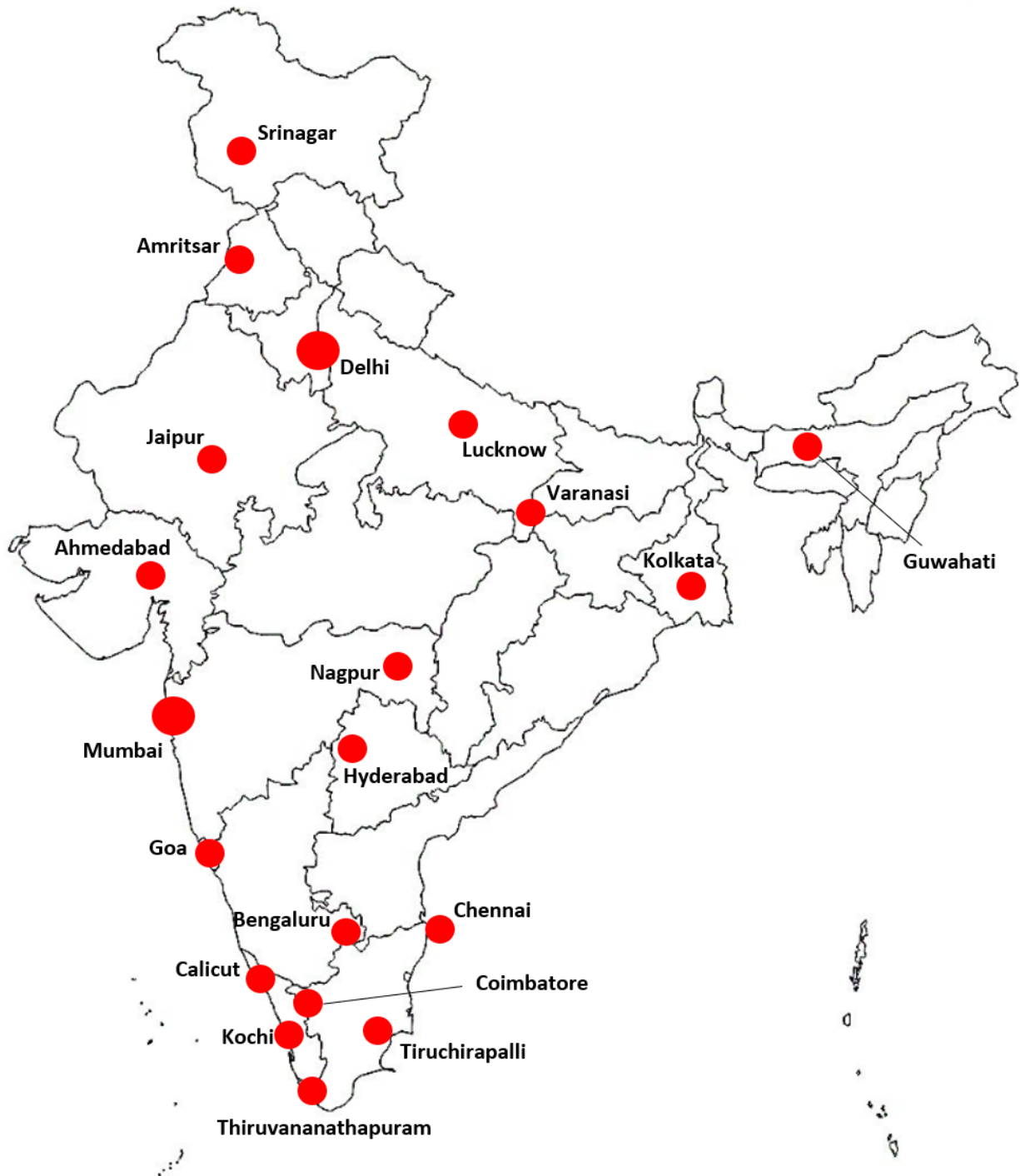
Source: Agra CEAS based on Maps of India, www.mapsofindia.com/maps/sea-ports

Air freight

The Indian airport system consists of 23 international airports of different size (the major ones are illustrated in Figure 4-2). The Delhi's Indira Gandhi and Mumbai's Chhatrapati Shivaji International Airports are of particular importance, as they account for most air freight traffic³⁵.

³⁵India Transport Report, http://planningcommission.nic.in/reports/genrep/NTDPC_Vol_01.pdf

Figure 4-2: Main International airports in India



Source: Agra CEAS based on Maps of India, www.mapsofindia.com/air-network/international-airport-map.htm

Rail freight

Railway services were introduced in India in 1853, with first line between Mumbai and Thane. Today, Indian Railways (IR) is the third major railways network in the world, with 7 500 railways stations and nearly 65 000 km of track, on which over 2.8 million tonnes of freight traffic are transported on a daily

basis. Investment in the railway sector has been increasing over the years. Notably, a key development currently ongoing is the Dedicated Freight Corridors (DFCs), aimed at increasing the rail freight transportation capacity³⁶. The major railway network, including the most important broad-gauge lines, is depicted in Figure 4-3.

Figure 4-3: Railway network in India



Source: Agra CEAS based on Maps of India, www.mapsofindia.com/maps/sea-ports

Road Freight

³⁶India Transport Report, http://planningcommission.nic.in/reports/genrep/NTDPC_Vol_01.pdf

With nearly 5 million km road length, the road system is one of the most developed transport systems in India. On top of that, India's road network is the second largest globally and grew by 26% over 2012-2017. The Indian road network can be divided into three main categories, i.e. (1) National highways, (2) Public roads, (c) Rural roads. Road infrastructure has been a priority for the Indian governments, as demonstrated by the National Highways Authority of India (NHAI) plan to expand the road network by 50 000 kilometres by 2022 with an investment of over EUR 220 billion³⁷³⁸.

Packaging for transport and distribution in India

Despite India's improving infrastructure, it must be recalled that India is a large country with varying climatic conditions. Products may have to travel 1 000km or more after arrival in India; and the infrastructure may vary, hence potentially exposing the product to different temperatures and humidity levels. In view of this, packaging material should be designed to sustain such conditions. Foil sealed packs are generally suitable for these conditions.

4.4.2 Distribution

Distribution of food and beverages in India is mostly done through *kirana*, which are traditional grocery retailers widely spread all over the country; with their products provided to them by distributors / sub-distributors. Nonetheless, supermarkets and hypermarkets are gaining ground in India. The modern retailers as well as the HoReCa channels are important for the distribution of imported products, including European food and beverages as they have the right infrastructure and facilities for storing and selling some European food and beverage products, which a *kirana* store may not have. On top of that, e-commerce should not be overlooked, as it is expected to quadruple by 2022.

4.4.2.1 Retail channel overview

***Kirana* (traditional grocery retailers)**

Kiranas are widespread independent traditional grocers, available in nearly all Indian streets, in urban and rural areas. There are indeed over 15 million *kiranas* throughout the country, and despite the growth of modern retail grocers, they still account for most of the country's purchases. This traditional channel has limited bargaining power due to constraints in products, price or location. This said, they have strong competitive advantages over modern retailers, which stand in the flexibility and the personal relationships built with the consumers they serve. In this regard, they (*kiranas*) provide personalised services such as

³⁷Euromonitor International: Business Dynamics, 2018

³⁸India Transport Report, http://planningcommission.nic.in/reports/genrep/NTDPC_Vol_01.pdf

ordering special items/quantities for consumers or allowing purchases on credit, which are valuable for several consumers³⁹⁴⁰⁴¹.

Supermarkets & hypermarkets

Despite the extensive presence of traditional grocers throughout the country, supermarkets and hypermarkets are gaining ground in India. Notably, young urban consumers place greater importance on convenience and variety of products, thus have a preference for modern retailers. On top of that, as Indians are price-sensitive consumers, they are usually attracted by discounts and deals modern retailers offer; not to mention that several products – for example dairy, confectionary and frozen items – are available at much lower prices at modern retailers. Supermarkets and hypermarkets are also in a better position to meet the growing demands of wealthier consumers for healthy food, especially organic products, as well as high-end and imported products⁴²⁴³. The most popular retail stores in this category are Big Bazaar, D-Mart, Easyday, Foodworld, HyperCity, Lulu Hypermarket, Nilgiris (operating in South India).

Convenience stores

Convenience stores are a niche channel, limited to larger cities. The main reason is that they offer a limited assortment of products, and usually at higher prices⁴⁴.

Hotels, restaurants, and cafés

On-trade outlets are more often frequented by millennials, with 60% saying they go out for meals more than three times a month. Millennials mostly visit standalone outlets selling Indian dishes, but also international restaurants, or cafés. The majority of restaurants based in India are international / multi-cuisine, although restaurants specialising in Odiya, Bengali, North Eastern, Tibetan, Chettinad and Awadhi (Mughlai) cuisines are slowly spreading.

e-commerce

The online grocery is still underdeveloped, as only 14% of Indian internet users shop online (and mostly for other goods than food)⁴⁵. This notwithstanding, young urban consumers with busy lifestyles are

³⁹Supermarket Vs Kirana Store: A Consumer Survey, <https://www.indianretailer.com/magazine/2013/february/SUPERMARKET-VS-KIRANA-STORE-A-Consumer-Survey.m61-2-9/>

⁴⁰Euromonitor International: Consumer Lifestyles, 2018

⁴¹“Kirana Stores Are Here to Stay”: FMCG Strategy for Indian Retail, <http://isbinsight.isb.edu/kirana-stores-are-here-to-stay-fmcg-strategy-for-indian-retail/>

⁴²Supermarket Vs Kirana Store: A Consumer Survey, <https://www.indianretailer.com/magazine/2013/february/SUPERMARKET-VS-KIRANA-STORE-A-Consumer-Survey.m61-2-9/>

⁴³Euromonitor International: Consumer Lifestyles, 2018

⁴⁴Convenience Stores: A challenging opportunity in India, <https://www.indiaretailing.com/2018/07/13/food/food-grocery/convenience-stores-a-challenging-opportunity-in-india/>

⁴⁵Euromonitor International: Consumer Lifestyles, 2018

increasingly purchasing online, mostly driven by greater convenience, broader assortments, and higher discounts. Between 2014 and 2017, value sales of food and drink internet retailing increased by 153% (in real terms) and e-commerce is expected to quadruple by 2022, particularly with the recently announced revamp and expansion of Amazon India's online grocery options, which include faster same-day delivery. Rivals BigBasket and Flipkart are also investing in expanding their services and product ranges.

4.4.2.2 Intermediaries

Intermediaries, including importers play a key role in the distribution of food and beverage products in India. Most importers will be active in certain regions and will work with a network of distributors who will subsequently sell products to retailers. EU enterprises that wish to export into India are, therefore, strongly advised to closely work with importers/distributors/agents from different regions, to broaden their distribution network. While marketing through retailers or HoReCa can be useful, the volume which can be imported working directly with these channels is likely to be limited. Furthermore, good intermediaries should know which outlets to effectively target with their products.

Business Contact Database:

A database of importers, wholesalers, retailers and distributors operating in India can be found in section 9.

N.B. due diligence will have to be performed for any contacts on this database as no warranty is given as to the standing of these individuals, organisations or firms and no corresponding responsibility or liability is accepted by the authors.

Against this background some tips on finding intermediary partners in India are set out below:

- **Find partners that specialise in your product and is active in your target region.** Importers in India tend to be specialised in certain products; it is therefore important to find the match to the product being exported as this will provide the product with legitimacy. Furthermore, they tend to be more focused on certain geographical regions, therefore it is best to ensure they are strong in the regions being targeted by a product.
- **Distribution network.** As noted above importers will generally work with a network of distributors and sub-distributors, and any indication of the reach of their network may help indicate the suitability of the partner. Most imported products from Europe can be expected to ultimately target between 500 and 20 000 retail outlets spread across India's 60-80 largest cities (in most cases, such products will not be distributed in smaller cities and towns)⁴⁶.
- **Use trade missions and B2B events to find possible partners.** These methods are much more effective for finding partners and entering the Indian market than food shows for the public. B-2-B meetings with pre-screened intermediaries is an option. Through presentations to the industry

⁴⁶It must be remembered that importers do not typically cover the whole country, so any information on their distribution network must be put in the context of the region(s) they primarily cover.

(including some representatives of retailers and hotels as well as potential intermediaries further up the chain) is another technique that has been effectively used by some food importers.

- **The choice of first partner is important.** Against this background, it may be prudent to start with small quantities and small lines of credit for testing; and to only increase volumes/credit once both the relationship and customs procedures are running smoothly. Indeed, importers, which immediately request large volumes (e.g. multiple containers), should be treated with caution. The incorrect choice of first partner can damage the product image in India, if left unchecked.
- **Perform due diligence.** Methods of doing this include: visiting an intermediary's warehouse prior to agreeing to work together; and asking for references from the intermediary themselves, your local embassy or Chambers of Commerce, or possibly organisations such as the Federation of Indian Food Importers (www.fifi.in).

4.4.3 Business environment

India's business environment faces several challenges, as outlined below:

- A burdensome regulatory environment, though this has improved recently thanks to recent reforms;
- Potential for challenges when dealing with the public sector;
- Historical complications for trading across state borders; though the introduction of the Goods and Service Tax and related provisions have greatly facilitated this (see below); however, for alcoholic beverages barriers across state borders remain.

The goods and services tax (GST)

The GST was introduced in 2017 following almost two decades of discussions. The system, which is a consumption tax composed of five "slabs", imposes a single tax in India on goods and services at all stages of the chain. Previously, there were various different taxes and furthermore different states impose different rates of consumption tax. This created various complications, including for the trading of goods between different states. Petrol, alcohol and electricity are outside the GST and hence are still taxed differently by different states.

4.4.4 Key operational considerations and challenges: summary

EU exporters planning to export to India should be aware of the dynamic regulatory situation; partly as a result of the ongoing work of the Food Safety and Standards Authority of India, which continues its work to introduce new standards following its establishment in 2006. While, no major evolutions to the regulatory landscape seem likely over the short-to-medium term, smaller evolutions are likely to continue. Exporters in certain sectors (e.g. fresh fruit and vegetables and meat) will face some specific regulatory challenges. While the GST has removed a major barrier to moving most goods between states, it is not applicable in the case of alcohol. Nonetheless, the size of India and some limitations on some transport infrastructure mean that challenges for moving some goods around the country remain; and that for many goods there are effectively a series of more local markets rather than one national level market. Finally, the importance of traditional independent grocery stores – *Kiranas* – means that it is important that they are reached for products which target the mass market; but by their very nature they

are extremely scattered and hard to reach. Products targeting certain segments may be able to minimise this challenge by targeting specific retailers or intermediaries.

4.4.5 Other relevant information

4.4.5.1 Methods of payment in India

The Indian Rupee (INR; symbol ₹;), issued by the Reserve Bank of India (RBI) is the country's official currency. Considerable efforts have been made by the government in recent years to move away from cash transaction to other, primarily electronic-based methods; most notably over 80% of the country's currency was withdrawn in 2016 and cash transaction limits have been introduced. While, there are specificities to this, in general terms the limit is 200 000 INR (2 500 EUR approx.) cash payments to/from a person per day or in a single transaction. In view of this, alternative payment methods are popular, notably:

- Credit and debit cards: there are almost 1m of these in India at present – i.e. 1 for every 1.4 people. The majority of these cards – over 95% - are believed to be debit cards⁴⁷. Cards are, therefore, widely accepted.
- Interbank payments: real-time gross settlement (RTGS) is RBI's main and fastest payment method and is intended for large transactions, while the National Electronic Funds Transfer is for smaller transactions.
- e-wallet options are also available.

That said, cash payments have recovered some popularity of late.

For imports, financing procedures generally adhere to western business practices, with irrevocable letters of credit a common method as well as probably the safest. Finally, it should be noted that visitors are not permitted to bring any quantity of rupees into the country; rather they must bring a foreign currency or bank card and exchange/withdraw money in India.

4.4.5.2 Travel from the EU to India

Travel from the EU to India requires a valid passport and an e-visa (see box below). The e-visa can be obtained in three days, at a fee of US\$ 69 (approximately EUR 61). The validity of the eVisa is around two months (60 days) from the date of arrival in India; however, double entry is permitted for e-Tourist and e-Business Visa.

The application form for an electronic visa (e-visa) can be found at the link below:

<https://www.indianvisagov.in/apply-visa>

⁴⁷<https://www.medianama.com/2018/09/223-credit-card-debit-card-data-india-june-2018/>

5 Market Snapshots for Selected Products

This section provides specific information for various food and beverage categories and products. This information covers three main categories:

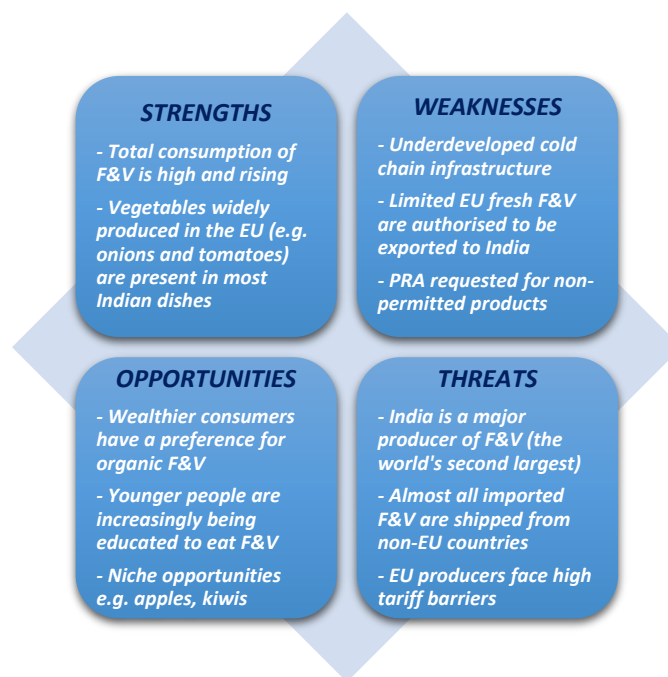
- **Consumption:** data on the evolution of consumption; consumer profiles and any notable consumer trends;
- **Offer:** domestic production; imports and exports; the competitive landscape; relevant specific customs procedures / import considerations;
- **Distribution:** main distribution channels used; domestic and imported offer;

Furthermore, each category contains a SWOT analysis and a key takeaways message.

Fresh fruit and vegetables	Spirits	Olive oil
Dairy	Wine	Fresh meat
Chocolate and confectionary	Processed fruit and vegetables	Live plants
Baked goods	Pasta	Processed cereals
Beer	Processed meat	Honey

5.1 Fresh fruit and vegetables

5.1.1 SWOT analysis



5.1.2 Consumption

5.1.2.1 Evolution of consumption

As India is the second largest producer of fruit and vegetables in the world and estimated to be the second largest consumer, lagging behind China in both respects, consumption of fresh fruit and vegetables reaches high overall volumes in this country.

As outlined in Figure 5-1, in 2017 consumers purchased over 82.3 million tonnes of fresh fruit. The category of “Other fruits” – including for example mango and papayas, of which India is a heavy producer – accounted for over half of total consumption by volume. Bananas follow with 30% of total consumption (or 25 million tonnes). Other, rather popular segments were Oranges, Tangerines and Mandarins (5% of total consumption by volume), Lemons and Limes, Grapes and Apples (3% each) and Pineapple (2%). Less popular, fruits like Pears/Quinces, Grapefruit, Peaches/Nectarines, amongst others, overall accounted for the remaining 1% of the total consumption by volume.

Growth widely varied between different categories, in 2012-2017, with most segments recording a positive rate (up to 14% in “Other fruits” and 19.8% in kiwi fruits). However, a few segments recorded negative rates, namely Strawberries, Peaches, and Plums/Sloes, which have grown by respectively -26.5%, 14.4%, and -0.4% over the period.

Consumption of fresh fruit in per capita terms was also substantial in 2017, reaching 33 kg in the “Other fruit” category, and 19 kg in bananas. This trend is expected to further increase over the next years, with

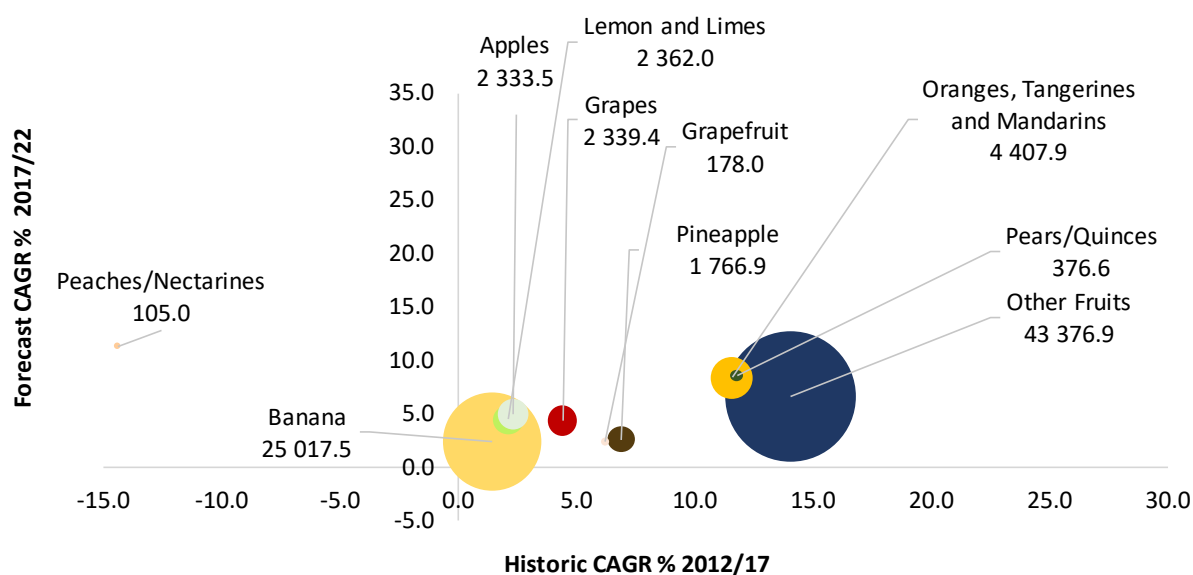
per capita consumption of “Other fruits” and Bananas respectively increasing up to 43.5 and 20.6 kg in 2022.

Consumption of fresh vegetables is particularly high, amounting to over 138 million tonnes in 2017 (Figure 5-2). With nearly 93.7 million tonnes sold in 2017 (or 68% of total consumption by volume), the category of “Other vegetables” – which includes several items produced in large volumes in India – was the most popular. Tomatoes and onions followed, with a volume of respectively over 17 and 15 million tonnes (or 12% and 11% of total consumption). Finally, cauliflower and broccoli and maize were less popular, accounting for respectively 5% and 4% of total consumption by volume.

Growth in the fresh vegetables category slightly varied between segments. In 2017, the “Other vegetables” and tomatoes categories recorded the highest yearly growth rate (by 5.7% each), followed by maize (5%), cauliflowers and broccoli (1.1%), and onions (0.2%).

Per capita consumption of fresh vegetables amounted to 105.6 kg in 2017, a volume which is set to further grow, up to 138.1 kg in 2022⁴⁸.

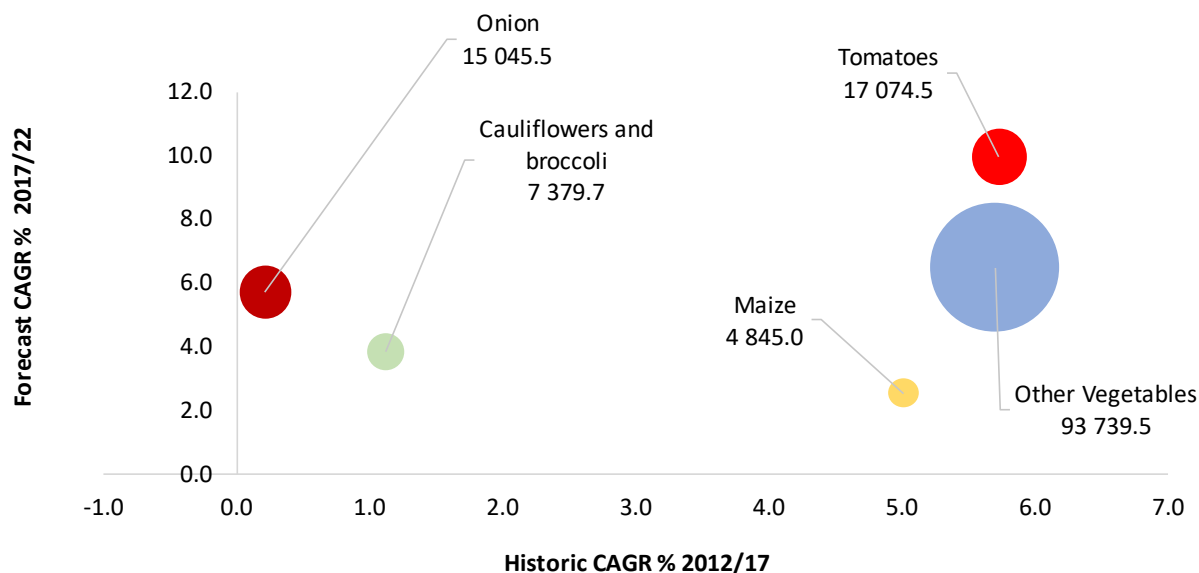
Figure 5-1: Evolution and forecast of fresh fruits market (000 tonnes) in India, total volume 2012-2022



Source: Euromonitor International: Fresh Food, 2018

⁴⁸Euromonitor International: Fresh Food, 2018

Figure 5-2: Evolution and forecast of fresh vegetables market (000 tonnes) in India, total volume 2012-2022



Source: Euromonitor International: Fresh Food, 2018

5.1.2.2 Consumer profile and purchase criteria

Though availability is an issue due to barriers in supply chain, the moderate intake of fruits and vegetables on a per capita basis is largely determined by dietary choice of consumers, which are skewed towards cereals. Indeed, despite being a largely vegetarian country (many Indians—particularly Hindus, Buddhists, and Jains—are vegetarian) fruit and vegetables only account for a limited share of the total calorie intake in the country. The trend in consumption pattern, however, varies from region to region with people living in south Indian cities consuming more fruits and vegetables as compared to those in the north.

Consumers

As India is a large country, eating habits widely vary within the country. Notably, a recent survey of 1001 consumers from the National Capital Region, Mumbai, Chennai, Hyderabad and Kolkata concluded that, on average, intake of fruit and vegetables is 3.5 servings per day (1.5 of fruit and 2 of vegetables).

Nonetheless, intake tends to vary on the basis of several factors, the most significant of which are outlined below:

- **Age:** in National Capital Region, Mumbai, Chennai, Hyderabad and Kolkata, people aged 35-50 reported the highest daily intake of fruit and vegetables (i.e. 3.74 portions), followed by people aged 50-60 (3.65), and 25-35 (3.42). Older and younger people recorded the lowest average consumption, notably 3.1 and 2.97 daily portions respectively⁴⁹. However, consumption of fruit

⁴⁹ Production high, but Indians eating less fruits and veggies,

and vegetables amongst children and teenagers is mounting, with these consumer groups being educated to eat fruit and vegetables more often.

- **Area of residence:** consumption of fruit and vegetables is higher in urban areas, where infrastructure and supply chain are more developed, just like incomes are higher. Notably, in Chennai and Hyderabad, where vegetarianism is more widespread and incomes can be considered quite high, consumers reported relatively high intake levels (respectively 4.35 and 4.05 daily portions). On the contrary, in Mumbai and Kolkata, intake levels were lower, amounting to 3.17 and 2.81 servings per day).
- **Income:** high costs hampers intake of fruit and vegetables amongst lower-income consumers. Notably, a vast majority of Indians finds vegetables unaffordable, many of them based in rural areas.
- **Food habits:** more vegetarians than non-vegetarians consume fruits and vegetables on a daily basis. Furthermore, consumption of vegetables is also affected by dietary restrictions, as outlined in the box below.
- **Lifestyle:** most workers and students reported low intake of fruit and vegetables, due to a lack of time to cook vegetables and the preference for convenience processed food instead of fruit.
- **Gender:** a recent survey found out that a large share of the women population eats green vegetables only once a week, while intake amongst men tends to be higher. This is mostly due to higher income levels for men, as well as discrimination, as women are sometimes trained to eat less. However, there are some differences across the whole country, with women eating more vegetables in Rajasthan and Uttar Pradesh than in other states⁵⁰⁵¹⁵².

Dietary restrictions

In India people follow dietary restrictions based on their religion. This may affect also consumption of vegetables, as outlined below:

- **Vaishnavism** followers are advised not to eat garlic and onions.
- **Jains** follow a strict vegetarian diet, which excludes potatoes and other root vegetables because when the root is pulled up, organisms that live around the root also die.

http://timesofindia.indiatimes.com/articleshow/50859920.cms?utm_source=contentofinterest&utm_medium=txt&utm_campaign=cppst

⁵⁰Consumption of fruits and vegetables short of requirement in Indian cities, finds survey,

<https://www.livemint.com/Consumer/a2zrXCDtCxUgdOKdd8K3HP/Consumption-of-fruits-and-vegetables-short-of-requirement-in.html>

⁵¹Most Indians eat unbalanced diet, says national family health survey,

<https://www.livemint.com/Politics/4x1Py35VFQqA3yZgOKMrPO/Most-Indians-eat-unbalanced-diet-says-national-family-health.html>

⁵²To 57% Indians fruits and vegetable are "unaffordable", same is true of other lower income countries: Lancet, <https://sabrangindia.in/article/57-indians-fruits-and-vegetable-are-unaffordable-same-true-other-lower-income-countries>

Drivers and method of consumption

A growing desire to eat healthily, higher spending by consumers and the wide availability of fruits and vegetables drives sales of fruit and vegetables in India. Some consumers are changing their dietary habits due to the adulteration of processed foods, prescriptions from dieticians and (mainly) the voluntary adoption of fresh produce, at least in urban areas.



Indian consumers have a taste for all domestically produced fruits, including bananas, mangoes, papayas, citrus fruits, grapes and apples (see section 5.1.3.1). Nonetheless, consumption of exotic fruits from China, Mexico, Thailand and other Southeast Asian nations is on the rise, especially amongst wealthier consumers. Fruit is often eaten as a snack or a dessert, topping yoghurt or rice milk puddings.

As for vegetables, tomatoes, onions and potatoes are staple foods, which can be found in almost all Indian dishes. Nonetheless, urban Indians are used to eat raw vegetables as salad, either at home or in food service. Also, Indians consume non-starchy vegetables usually accompanied by rice or flatbread. The most popular are spinach, broccoli, mushrooms, courgette, cauliflower, and carrots, which are considered particularly healthy.

In India, fruit and vegetables are consumed in various moments of the day, as outlined below:

- **Breakfast:** flatbread stuffed with potatoes is usually eaten.
- **Mid-morning snack:** students and workers usually opt for a banana.
- **Lunch:** usually includes one or two cooked vegetable dishes, paired with rice and flatbread.
- **Afternoon snack:** sometimes it consists of samosa, a small turnover stuffed with potatoes and peas. Also mango, pomegranate, grapes, and melon are popular afternoon snacks.
- **Dinner:** like lunch, it includes two or three vegetable dishes along with rice and flatbread⁵³⁵⁴⁵⁵.

Purchase criteria

Consumption of fresh fruit and vegetables is a tradition in India, where the large vegetarian consumer group has affected food habits. On top of that, the increasing disposable incomes and the recent healthy living trend has further boosted sales in the category, with a larger share of consumers, including younger ones, purchasing more fresh fruit and vegetables. Purchase criteria vary between consumer groups:

- Price tends to be the main purchase criterion for lower-income consumers, which account for a large share of the population. These consumers usually consume less, mostly domestically

⁵³Are 'fruits and vegetables' intake really what they seem in India? <https://www.nature.com/articles/s41430-018-0094-1>

⁵⁴ Food in Every Country – India, <http://www.foodbycountry.com/Germany-to-Japan/India.html>

⁵⁵Euromonitor International: Fresh Food, 2018

produced fruit and vegetables which are thus more affordable; and purchase these through street vendors.

- On the contrary, wealthier consumers are willing to spend more for fresh fruit and vegetables, especially organic items (see box below) and are developing a taste for exotic fruits. Examples of fruits considered to be exotic in India are: kiwis, dates, apples, pears, avocados, plums and peaches. The interest in exotic produce also extends to some vegetables (e.g. courgettes, broccoli, red cabbage), albeit to a lesser degree. All of these products are more commonly found in modern grocery retailers.
- Quality is also often preferred by wealthier consumers, and imported products are often considered higher quality by consumers due to the rigorous checks they must pass.
- Availability plays a key role in rural areas; consumers in such areas generally do not have the option to purchase imported goods. In contrast, consumers in urban areas tend to have a wider range of products to choose from and indeed some consumers may be influenced by the range of products on offer.

Organic Fruit and Vegetables

As outlined in section 3.23, several health-conscious consumers, especially wealthier ones, have recently started consuming more organic fruit and vegetables. Due to high prices, limited availability in shops and unawareness of the health benefits of organic food amongst rural consumers (the largest group by number in India), this category remains a small niche, in India. Indeed, despite sales of organic fruits and vegetables are expected to grow rapidly in the near future, the shift to majority or complete consumption of organic produce will not be seen for at least the next decade⁵⁶.

5.1.2.3 Recent market trends

In terms of market size, driven by increasing disposable incomes and health consciousness, fresh fruit sales have overall recorded a positive annual growth in 2012-2017. Except for strawberries, peaches/nectarines and plums/sloes, whose sales grew at negative rates over the period, consumption of the other fruit grew positively. Amongst the most popular commodities, “Other fruits” as well as oranges, tangerines and mandarins recorded the highest growth (by 14% and 11.6% respectively). On the contrary, bananas and apples annual growth was rather slow (1.4% and 2.3% respectively).

Annual growth is projected to further rise in 2018-2022, with all segments growing at positive rates. Notably, strawberries, kiwifruit and peaches/nectarines are expected to record a double-digit growing rate well in excess of the population growth rate. Kiwi in particular will continue to be boosted by its status as an exotic fruit in India and the belief of some consumers about the health benefits it provides. Among the most purchased commodities, oranges, tangerines and mandarins are projected to record the fastest annual growth (8.4%) over the period, followed by “Other fruits” (6.7%), and apples (5%).

⁵⁶Euroonitor International: Fresh Food, 2018

Similarly, the vegetables market is further expanding. Sales have been growing at a positive single-digit rate and they are projected to continue to grow over the next years. Notably, sales of tomatoes, which recorded a 5.7% annual growth in 2012-2017, are set to grow at a 10% annual rate in 2018-2022. Similarly, the other segments, except maize, are expected to perform better compared to the previous five years⁵⁷. Among vegetables imported to any notable degree, cucumber has shown potential recently due to demand from some consumers for high quality, fresh produce from other countries.

5.1.3 Offer

5.1.3.1 Domestic production

India's diverse climate ensures availability of all varieties of fresh fruits and vegetables. With 90.2 million metric tonnes of fruits and 169.1 million metric tonnes of vegetables in 2016⁵⁸, the country is indeed one of the largest fruits and vegetables producers in the world, taking second place only to China. However, due to poor infrastructure unavailability of cold chain facilities in various parts of country, large volumes of this produce are annually wasted.

Production of fruit is concentrated in Uttar Pradesh, Andhra Pradesh, Maharashtra, Gujarat and Karnataka, accounting for over half of the total Indian production. Major vegetable producers include Uttar Pradesh, West Bengal, Madhya Pradesh, Bihar, and Gujarat, accounting for around 55% of the domestic production.

Bananas, mangoes and citrus fruits are the most grown fruits, while potatoes and maize and tomatoes are the most produced vegetable (Table 5-1). Given the strong demand, Indian farmers have also started cultivating a few varieties of exotic fruits; however, local production of these fruits only accounts for a small share of total consumption. India is also an important organic fruit and vegetables producer, with a yearly volume of 18.8 MT of fruit and 10.8 vegetables grown organically⁵⁹⁶⁰⁶¹⁶².

Table 5-1: Main fruits and vegetables produced in India, 2016

Commodity	Production (million MT)	Rank in the world
<i>Fruit</i>		
Bananas	30.5	1 st
Mangoes	19.5	1 st

⁵⁷Euromonitor International: Fresh Food, 2018

⁵⁸ APEDA: Fresh Fruits and Vegetables, http://apeda.gov.in/apedawebsite/six_head_product/FFV.htm

⁵⁹ APEDA: Fresh Fruits and Vegetables, http://apeda.gov.in/apedawebsite/six_head_product/FFV.htm

⁶⁰Euromonitor International: Fresh Food, 2018

⁶¹ The Indian Organic Market: A New Paradigm in Agriculture, [https://www.ey.com/Publication/vwLUAssets/ey-the-indian-organic-market-report-online-version-21-march-2018/\\$File/ey-the-indian-organic-market-report-online-version-21-march-2018.pdf](https://www.ey.com/Publication/vwLUAssets/ey-the-indian-organic-market-report-online-version-21-march-2018/$File/ey-the-indian-organic-market-report-online-version-21-march-2018.pdf)

⁶² MFPI India: Opportunities in Fruits & Vegetables Sector in India, <https://foodprocessingindia.co.in/pdf/fruits-&-vegetables.pdf>

Commodity	Production (million MT)	Rank in the world
Citrus fruits	11.4	3 rd
Papayas	5.9	1 st
Grapes	2.9	7 th
Apples	2.3	5 th
<i>Vegetables</i>		
Potatoes	48.6	2 nd
Maize	28.7	5 th
Tomatoes	20.7	2 nd
Eggplants	12.6	2 nd
Cabbages	8.8	2 nd
Cauliflowers and broccoli	8.6	2 nd

Source: Fact Fish, <http://www.factfish.com/catalog/crop>, based on FAO statistics

5.1.3.2 Imports and exports

As reported in section 5.1.3.1, India is the second largest producer of fruit and vegetables. For this reason, and due to the limited products allowed to penetrate the market (see section 5.1.4), India is a net exporter of fresh vegetables. On the contrary, the value of imported fresh fruit largely exceeds exports, as outlined in Figure 5-3, as domestic production is not sufficient to meet the internal demand. The total value of fresh fruit shipped into India has steadily increased over the period 2012-2017, peaking in more recent years. Imports of fruit reached indeed a value of over EUR 3 billion in 2017.

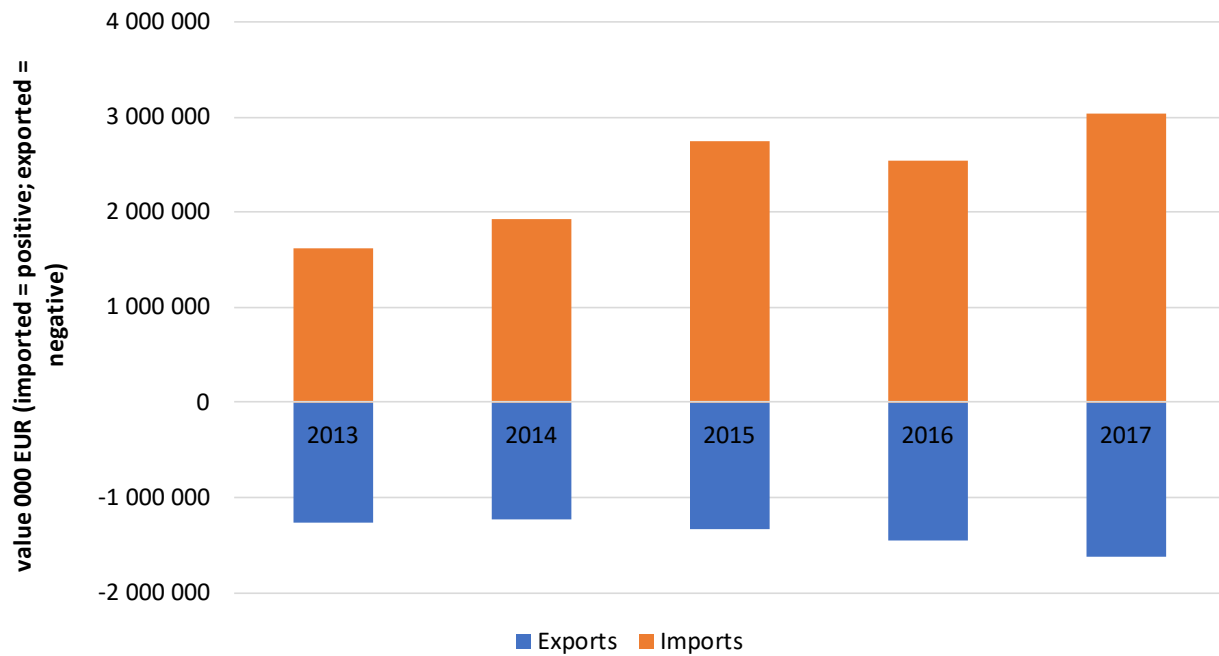
Notably, Figure 5-4 indicates that India is a net importer of apples and pears/quinces, which were valued at nearly EUR 287.6 million, far higher than EUR 3.3 million (the value of Indian exports of the same products). Similarly, the value of imported dates, figs, pineapples, avocados, guavas, mangoes (i.e. nearly EUR 305 million), was almost twice the value of the same products exported from India. India is also a net importer of citrus fruits (about EUR 28.5 million) and apricots/cherries/peaches (EUR 5 million). On the contrary, trade in grapes, melons, bananas, as well as strawberries/other berries is unfavourable for European importers, as India is a net exporter in these segments.

With regard to vegetables, the fresh market is saturated by local production, hence India mostly imports processed vegetables (for further details, see section 5.8). Subsequently, imports of fresh vegetables are limited. Under 15% of all vegetable imports are fresh, and the value of such imports exceeds EUR 1m only in one category - onions/garlic/leeks - which are almost entirely shipped from Egypt. Imports of “Other fresh vegetables” - including e.g. artichokes, mushrooms, eggplants, and olives – are also relatively high, compared to other fresh segments, i.e. close to EUR 1m. Fresh vegetables in this category are mostly imported from Thailand.

As outlined Figure 5-5, fruits are supplied by several non-European countries, with European exporters accounting for a very limited share. With regards to exports of fruit into India, the United States took the lead in 2017, with EUR 685.5 million (or 23% of the total imports by value). The country exports are focused on nuts, apples, and pear/quinces; hence it is the major competitor of EU exports, which are

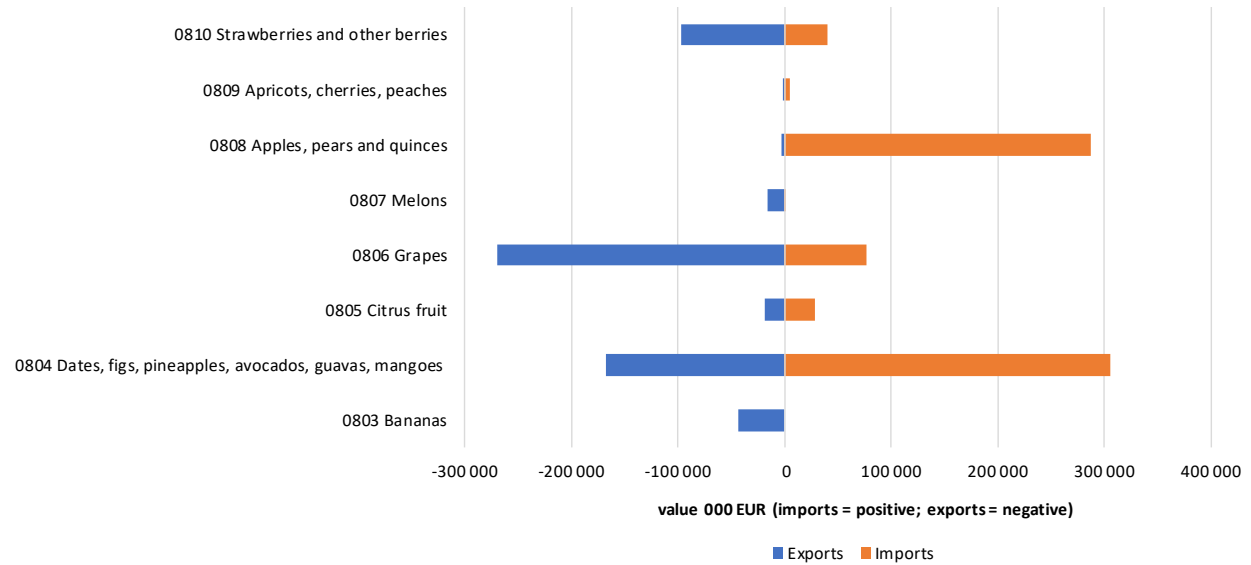
focused on apples, pears and quinces. Other relevant exporters were Côte d'Ivoire, Tanzania (each accounting for 9% of total imports by value), Afghanistan and Guinea-Bissau (7% each). However, these countries do not pose a challenge to European producers, as they mostly export coconut and dates. European exports, on the contrary, accounted for a mere 2%, half of which were shipped from Italy.

Figure 5-3: Trade balance (imports and exports) of fruits in India, 2013-17; value 000 EUR



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 07 and 08

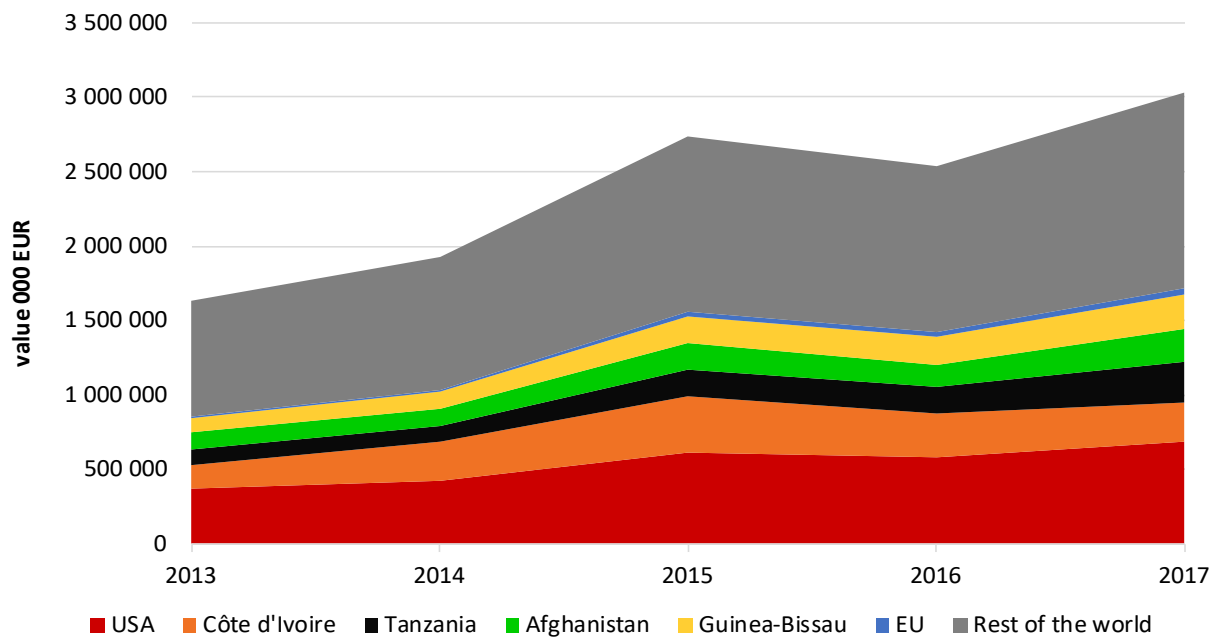
Figure 5-4: Trade balance of fruit by type, 2017 (value 000 EUR)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/>

Note: names for CN codes abbreviated in most cases

Figure 5-5: Indian imports of fruits by country, 2013-17; value 000 EUR



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 07 and 08

5.1.3.3 EU GI products

No EU fruits and vegetables names are registered as GIs in India.

5.1.3.4 Main competitors

As illustrated in section 5.1.3.1, India is a heavy producer of fruits and vegetables, second only to China in the world. Despite this, overall supply does not meet demand, and hence it is a net importer. European enterprises, however, account for a limited share of exports to India, partly due to a combination of physical distance and the several tariff and non-tariff barriers they face. In the fruits category, Europeans face the competition from United States, Côte d'Ivoire, Tanzania, Afghanistan and Guinea Bissau, amongst others – though some of this competition is indirect due to the countries' in question exporting fruit that is not grown in the EU. In the fresh vegetables category, Thailand accounts for most imports into India (see section 5.1.3.2).

Specifically, among fruit categories which show particular potential for EU exporters:

- New Zealand, Chile and Iran are notable competitors for imports of kiwifruit. New Zealand has worked on increasing the popularity of its kiwis through indirect marketing (e.g. communication to doctors about the health benefits such as vitamin C content); while Chile benefits from preferential trade terms for the fruit. In view of the boom in kiwifruit, domestic production in Arunachal Pradesh has started.
- Belgium and Spain hold strong positions in the market for imported apples in India. As noted above, domestic production is growing though still insufficient to meet demand.

5.1.4 Specific market entry requirements

Market Access and Entry

Enterprises that wish to export fresh fruits and vegetables to India should refer to the Schedule VI of the [Plant Quarantine Order 2003](#), where plant products are allowed to be imported into this market are listed. As outlined in Table 5-2, all European Union (EU) Member States are allowed to export pineapple, hazelnut, dates, stone fruits, allium species and parsley; a few other countries can also export other commodities.

Table 5-2: Fresh F&V for which exports from the EU are permitted

Product	Item number	Countries permitted
<i>Fruit</i>		
Kiwifruit	15	France, Greece, Italy
Pineapple	47	All EU MS
Citrus fruits: Lemon, Lime, Orange, Grapefruit, Mandarins, etc.	161	France, Italy, Spain
Hazelnut	186	All EU MS
Persimmon	238	Spain
Dates	519	All EU MS
Pome fruits: Apple, Pear, Quince	541	Belgium, Bulgaria, France, Italy, Netherlands, Poland, Romania (<u>only apple</u>), Spain, UK

Stone fruits: Plum, Peach, Cherry, Apricot, Almond, Nectarine	624	All EU MS
Grape	681	France, Italy, Spain
<i>Vegetables</i>		
Allium species: Onion, garlic, leek, shallot, etc.	31	All EU MS
Olive	480	Spain
Parsley	513	All EU MS

Source: Indian Plant Quarantine Order 2003 – Schedule VI

Note: as the Plant Quarantine Order 2003 is frequently amended, the most recent version should be consulted online at: http://plantquarantineindia.nic.in/PQISPub/html/PQO_amendments.htm#

If a producer wants to export to India, a product for which its country of origin is not listed in Schedule IV of the Plant Quarantine Order, it should request the National Plant Protection Organisation (NPPO) to submit a **Pest Risk Analysis (PRA)** to Indian authorities (see application form below). The above-mentioned application can be carried out provided the following technical information is provided:

- Product name
- Countries that have already imported it
- Place of production
- Export volumes
- Cultivation practices
- Pest list
- Packaging
- Trading partners
- Existing procedure for issuing phytosanitary certificates

Trial shipments (generally in the region of 8-10) will eventually be needed in order to obtain access.

PO Form 23**Application for Pest Risk Analysis for Import of agricultural commodities into India****1. Details of Applicant**

1.1 Name/ Organisation.....
 1.2 Address..... Postcode.....
 1.3 PhoneFax E-mail

2. PRA General Parameters

2.1 Scientific & Common name of the product.....
 2.2 Country/ countries of origin.....
 2.3 Quantity/ Volume

3. Product Type (circle one or more)

3.1 Processed/ Non-processed
 3.2 Living/ non- living
 3.3 Plant/ Animal
 3.4 Genetically modified/ non-genetically modified
 3.5 Seed/ plant/ soil
 3.6 Culture / non-culture
 3.7 Other.....

4. Product Processing (if applicable)

4.1 If seed: ground/ kibbled/ whole/ preserved
 4.2 If plant: fresh/ dried/ freeze dried/ preserved
 4.3 Processing refinement: cooked/ frozen/ pulped/ steamed
 4.4 Specify treatment details.....

5. Product Origins (please state if question not relevant)

5.1 Source location (by country, origin & locality)
 5.2 Production method, Certification scheme and / or accreditation type?

6. End Use (circle one or more)

6.1 Human consumption / Processing/ Stock feed/ Pet food/ Fish food/ Seeds for sowing/ Nursery stock/ Multiplication/ Post-entry Quarantine/ Therapeutic/ Fertilisers/ *In-vivo* / *Invitro* 6.2 Other

7. End Destination (circle &/or specify)

7.1 Rural/ urban
 7.2 Multiple locations/ single
 7.3 Specify Country, State & / or region (PRA defined area)

8. Entry (circle one or more)

Ship/ Air/ Ground transport/ Rail/Other.....

9. General Comments (any further general comment or notes that need to be made, please make here).....**PRA request form may be submitted to:**

Plant Protection Adviser, DPPQS, Faridabad-121001(Haryana) or
 Joint Secretary (PP), DAC & FW, Krishi Bhavan, New Delhi -
 110001

As set out in Table 5-3, European exporters of fruits and vegetables face relatively high tariff barriers when penetrating the Indian market. On most products, a 30% import duty is applied, along with a Social Welfare Surcharge (SWS) of 10% on the amount of customs duty.

Table 5-3: Duties levied on imports of fresh fruit and vegetables into India

Commodity	Hs Code	Duty	Tax
<i>Fruit</i>			
Bananas	0803	30%	Social Welfare Surcharge: 10%
Dates, figs, pineapples, avocados, guavas, mangoes	0804	30%	Social Welfare Surcharge: 10%
Citrus fruits	0805	30%	Goods and services tax:12% Social Welfare Surcharge: 10%
Grapefruit	0805.40	25%	Goods and services tax:12%
Grapes	0806	30%	Social Welfare Surcharge: 10%
Melons and papayas	0807	30%	Social Welfare Surcharge: 10%
Apples	0808.10	50%	<i>None</i>
Pears and quinces	0808.30/40	30%	Social Welfare Surcharge: 10%
Apricots, cherries, peaches	0809	30%	Social Welfare Surcharge: 10%
Plums and sloes		25%	<i>None</i>
Other fruit	0810	15-30%	Social Welfare Surcharge: 10%
<i>Vegetables</i>			
Potatoes	0701	30%	Social Welfare Surcharge: 10%
Tomatoes	0702	30%	Social Welfare Surcharge: 10%
Onions and shallots	0703	0%	<i>None</i>
Garlic	0703	100%	<i>None</i>
Cabbages, cauliflowers and edible brassicas	0704	30%	Social Welfare Surcharge: 10%
Lettuce and chicory	0705	30%	Social Welfare Surcharge: 10%
Carrots and edible roots	0706	30%	Social Welfare Surcharge: 10%
Cucumbers and gherkins	0707	30%	Social Welfare Surcharge: 10%
Leguminous vegetables	0708	30%	Social Welfare Surcharge: 10%
Other vegetables	0709	30%	Social Welfare Surcharge: 10%

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscode=07>

and

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscode=08>

Customs procedures

A list of standard documents required for import fresh fruits and vegetables into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some commodities it may be requested to present additional documents, as outlined in Table 4-2 in section 4.2.1

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/datasetPreview/fpubli.htm?hscod=07&countries=IN>

and

<http://madb.europa.eu/madb/datasetPreview/fpubli.htm?hscod=08&countries=IN>

SPS measures

Under the Indian Plant Quarantine Order 2003, most plants and plant products must be **fumigated with Methyl Bromide (MB) prior or upon arrival in India**, a substance which has been forbidden for such uses in the European Union since 2010.

In 2017, India requested the European Union (EU) Member States to provide evidence that the alternatives to mitigate the pests are at least as efficient as MB. Further information is available on the European Commission website (link in the box below). The Plant Quarantine Order 2003 has subsequently been updated in order to allow alternatives such as pre-shipment or in-transit cold treatment for certain products (e.g. kiwi from Italy). However, the situation remains dynamic and varies on a product-to-product basis; it is, therefore, recommended to check Schedule VI of the latest amendment of the Plant Quarantine Order 2003 for the latest situation. National embassies may also have some updated details (see section 8.1 for a list).

Overview of restrictions on imports of plants relating to fumigation treatments - Alternatives to MB:

http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

Latest plant quarantine order:

http://plantquarantineindia.nic.in/PQISPub/html/PQO_amendments.htm#

The issue of pest risk analysis was already covered above.

Labelling

Fresh fruits and vegetables must comply with the labelling rules outlined in section 4.2.3.

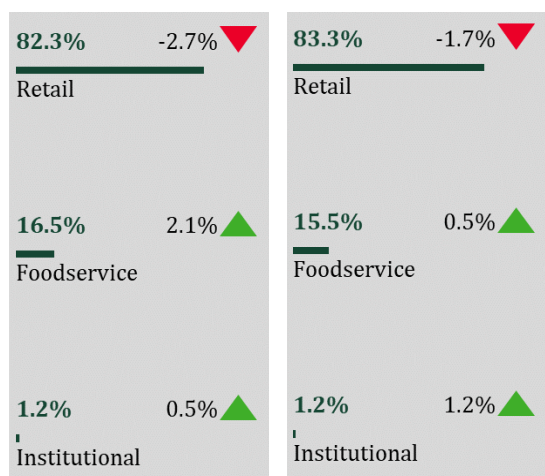
5.1.5 Distribution

As outlined in Figure 5-6, the retail channel accounted for most sales of fruits and vegetables. Notably, fruits are mostly sold through traditional retailers (i.e. at wet markets) in unpackaged/loose format. Nonetheless, the foodservice sector, accounting for 16.5% of total sales of fruits and 15.5% sales of vegetables in 2017, is on the rise. Similarly, the institutional channel is gaining ground, although it remains

small (1.2% of total fruits and vegetables sales). On top of that, many companies (especially organic producers) are taking advantage of e-commerce platforms for expanding their base of customers.

However, distribution might be challenging in some areas, as India still lacks the infrastructure to store and transport fresh fruits and vegetables to every region. India witnesses between 4% and 16% wastage in fruits and vegetables annually, due to lack of modern harvesting practices and inadequate cold chain infrastructure⁶³⁶⁴.

Figure 5-6: Distribution channel overview of fresh fruit (left) and vegetables (right) in India (2017); total volume



Source: Euromonitor International: Fresh Food, 2018

5.1.6 Challenges for EU products

European enterprises that wish to export fresh fruits and vegetables to India face significant challenges. First of all, the market is saturated in the fresh vegetables category, due to the heavy domestic production. Furthermore, large volumes of fresh fruit are produced in India, as well as exported from non-EU countries, the United States, Côte d'Ivoire and Tanzania above all. On top of that, EU potential exporters face significant tariff and non-tariff barriers; tariffs are very high (around 30% in most segments), up to 100% in garlic, and the procedures to penetrate the market are intricate. Indeed, producers of commodities for which its country of origin is not authorised to export to India, must obtain a Pest Risk Assessment. Finally, while slowly improving, the cold chain infrastructure is still underdeveloped in some areas on the country. Subsequently, distribution of fresh fruit and vegetables outside larger cities is hampered.

⁶³Euromonitor International: Fresh Food, 2018

⁶⁴ MFPI India: Opportunities in Fruits & Vegetables Sector in India, <https://foodprocessingindia.co.in/pdf/fruits-&-vegetables.pdf>

Market Takeaway: Fresh fruit and vegetables

Consumption: Driven by the numerous vegetarian consumers, total consumption of F&V reaches large volumes, although per capita consumption is relatively low for a country with an extensive domestic production. However, consumption is on the rise, due to several factors as increasing disposable incomes and health consciousness.

Competition: While heavy, domestic production does not fully meet internal demand. Hence, India imports F&V from several non-EU countries. The USA (fresh fruit), and Egypt (fresh vegetables) lead imports into India.

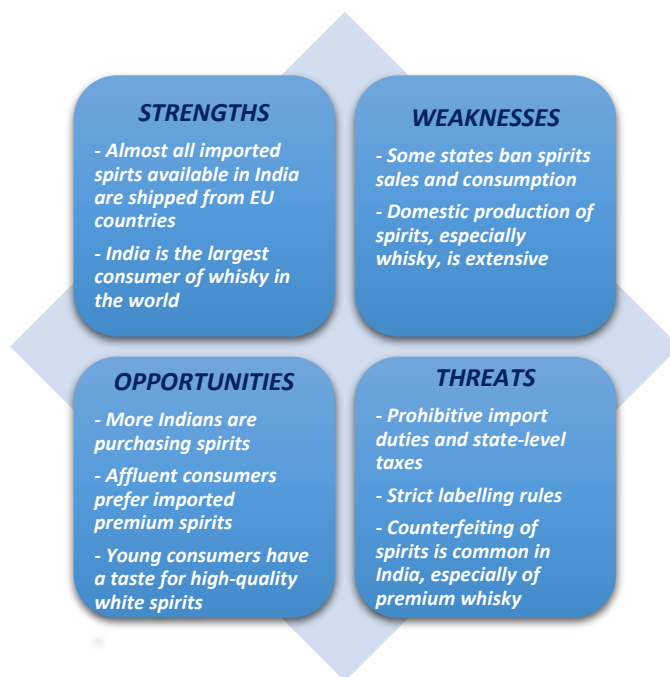
Distribution: Fresh F&V are mostly sold through traditional retail channels, i.e. wet markets. However, e-commerce is gaining ground, especially amongst organic producers.

Challenges: Ranging between 15-30%, tariff barriers are the greatest burden exporters face. Furthermore, limited fresh F&V products are allowed to be exported to India, with other commodities permitted to enter the Indian market only following a PRA. Finally, an underdeveloped cold chain infrastructure can hamper distribution in some areas.

Opportunities: F&V consumption amongst young people is on the rise; organic F&V are more and more gaining ground amongst wealthier consumers; interest in fruit perceived as exotic (e.g. kiwis); some demand for apples; and to a much lesser extent, some imported vegetables (e.g. cucumbers, broccoli).

5.2 Spirits

5.2.1 SWOT analysis



5.2.2 Consumption

5.2.2.1 Evolution of consumption

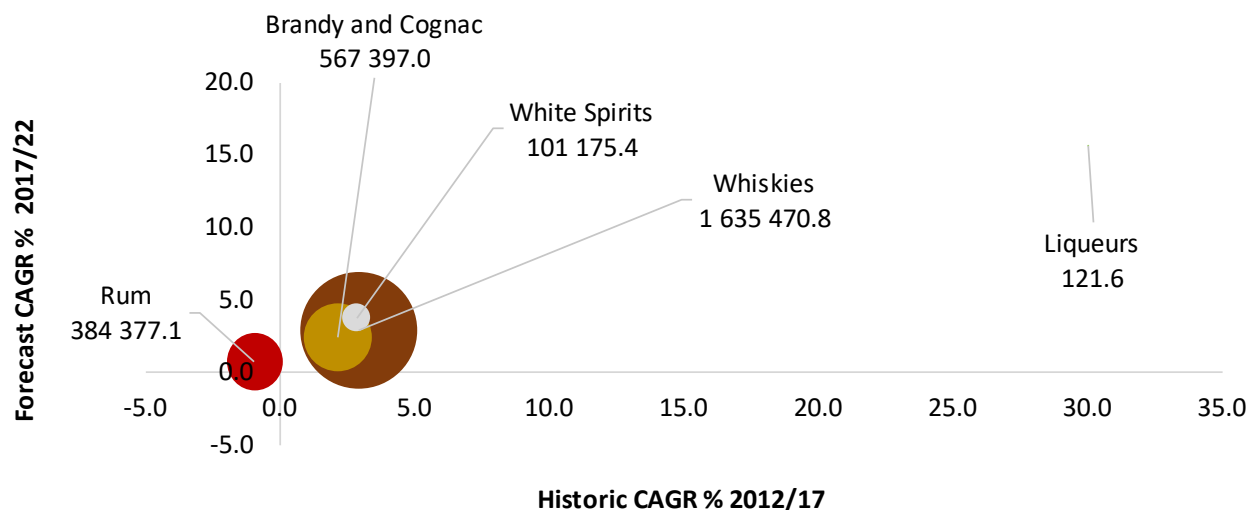
Driven by an extensive consumer base, spirits sales reach very high volumes in India, which is subsequently the third largest liquor market in the world. The demographic growth, with around 19 million new consumers entering the legal drinking age every year, constitutes a great opportunity for European exporters of spirits.

Despite the recent slowdown in spirits sales, India remains indeed responsible for a large volume of spirits consumed, that reached over 2.7 billion litres in 2017. The most popular segment was whisky, of which India is a heavy consumer. This beverage accounted for 61% of all spirits sales in India; the country is indeed responsible for nearly half of the world's whisky consumption. Other popular segments were brandy and cognac, as well as rum, with a respective volume of 567.4 and 348.4 million litres (or 21 and 14% of total spirits consumption in India). White spirits, which are less available than other spirits in India, accounted for 4% (or 101.2 million litres) of total sales in the category. Finally, liqueurs lagged behind with consumption volumes amounting to 121.587 litres in 2017 (Figure 5-7).

With the exception of rum, all categories of spirits posted a positive (albeit slow) growing rate in 2012-2017, a trend which is set to continue over the next years. Yearly growth ranged between -2.2% (brandy and cognac) and 2.9% (whiskies). A growing consumer base was responsible for the double-digit annual growth of liquors, at 30%.

Though India is one of the largest consumers of alcohol in the world owing to its huge population, the per capita alcohol consumption is rather low compared to Western countries. Notably, the 2017 per capita consumption of spirits ranged between 0.1 litres (white spirits) and 1.3 litres (whisky). However, per capita consumption of spirits is expected to grow in the long term, driven by a change in the social attitude to alcoholic beverages^{65,66}.

Figure 5-7: Evolution and forecast of spirits market (000 litres) in India, total volume, 2012-2022



Source: Euromonitor International: Alcoholic Drinks, 2018

5.2.2.2 Consumer profile and purchase criteria

Driven by an extensive domestic production, in India spirits is the most popular category within alcoholic beverages. Although drinking in public is still considered a taboo in some Indian areas, a cultural change is swiftly happening. Driven by higher disposable incomes, an increasing number of non-Muslim consumers, especially women, have indeed started to drink alcoholic beverages, including spirits. Notably, middle-class millennials account for the largest segment of imported spirits consumers. Nonetheless, more health-conscious consumers have started to reduce their intake of spirit-based drinks, primarily for health reasons⁶⁷.

Consumers

In India, religion and culture features significantly influence alcohol consumption. Notably, Muslims, who account for 14% of the population, are prohibited from drinking alcoholic beverages (see section 3.3.2.4). Furthermore, the Ayurveda, a form of traditional medicine, which is very popular in India, advises against

⁶⁵Spirit of Change: The Indian Alcohol Industry; <https://www.ukibc.com/the-indian-alcohol-industry/>

⁶⁶Euromonitor International: Alcoholic Drinks, 2018

⁶⁷India: The big opportunity for spirits;

[https://m.drinksint.com/news/fullstory.php/aid/7394/India: The big opportunity for spirits.html](https://m.drinksint.com/news/fullstory.php/aid/7394/India:_The_big_opportunity_for_spirits.html)

excessive alcohol consumption, as the latter is considered to contribute to physical or psychological diseases.

Consumption of spirits in India amongst non-Muslims, largely varies based on several factors, as outlined below:

- **Age:** consumption of spirits is higher amongst consumers aged 35-64. Nonetheless, millennials – that account for two thirds of the Indian population – are developing a taste for premium foreign spirits. Indeed, driven by higher rising disposable incomes, millennials tend to be more focused on quality. Hence, they are more likely to purchase more high-end spirits, especially whisky, which is a status symbol in India. Rum, vodka, and gin especially in flavoured versions, are gaining momentum amongst younger consumers in the legal drinking age (see box below), as the cocktail culture spreads throughout the country.



Legal age to drink spirits

Legal age to drink spirits largely varies across the country, as outlined below:

- 25 years: Delhi, Punjab, Haryana, Chandigarh and Mumbai;
- 18 years: Goa, Himachal Pradesh, Rajasthan, Jammu and Kashmir, Pondicherry and Sikkim.

Elsewhere in India, it's generally 21 years.

- **Gender:** in rural areas, women account for a negligible share of spirits consumption; conversely, in urban areas an increasing share of women has started drinking, favouring vodka and gin-based cocktails, or shots. To promote alcohol among women, several pubs of larger cities organise “ladies’ nights” where alcohol is served free to women on given days of the week. Whisky, effectively the national alcoholic beverage, is not popular amongst women, for cultural reasons, although this is changing especially amongst urban professionals.
- **Income:** young professionals and entrepreneurs belonging to the affluent and upper middle class have a taste for imported spirits. This consumer segment, although small compared to others, is expected to more than double the population of Australia over the next years.
- **Area of residence:** most spirits drinkers are concentrated in rural areas where consumption is allowed (some states ban alcohol consumption, as outlined in section 3.3.2.4); nonetheless, these consumers usually drink affordable domestic spirits. Considerable consumption levels of imported

spirits are rather recorded in large urban areas as well as in Andaman and Nicobar Islands, Karnataka, Kerala and Puducherry⁶⁸⁶⁹⁷⁰⁷¹⁷²⁷³.

Drivers and method of consumption

Drinking of spirits – most notably domestically-produced spirits – in India mostly take place at home, as drinking outdoors is still a taboo in some areas and these products are widely available at various grocery retailers and supermarkets. Nonetheless, the number of young people, including women, enjoying an evening out with friends over a drink is also on the rise. However, classy pubs, bars and nightclubs selling imported spirits are mostly popular amongst middle-and-upper income consumers from larger cities. Notably, nightclubs in luxury hotels offer wide opportunities for imported high-end spirits (see also the box on the SFIS/SEIS scheme in section 5.5.2; this scheme can also be used for the duty-free import of spirits by qualifying businesses).



Unlike larger cities, consumers in smaller cities and rural areas tend to drink local spirits at home, or in more modest venues⁷⁴.

Purchase criteria

Purchase criteria vary amongst consumer segments. Notably, affluent consumers, who have more international experience and seek luxury experiences, tend to look for premium imported spirits. Within this segment, however, health-conscious consumers may trade up spirits with healthier products, e.g. lower in calories, and this may ultimately lead to them switching to entirely different products such as wine. Driven by rising disposable incomes, middle-income urban consumers, especially millennials, are increasingly willing to pay for higher value spirits. These consumers are slowly trading up to high-quality products, as they believe them to have a lighter impact on their health.

On the contrary, lower-income consumers are more price-sensitive; hence they are more likely to opt for more affordable domestic spirits usually at the expense of quality⁷⁵.

⁶⁸Euromonitor International: Alcoholic Drinks, 2018

⁶⁹Spirit of Change: The Indian Alcohol Industry; <https://www.ukibc.com/the-indian-alcohol-industry/>

⁷⁰India: 6 Trends that the Alcobev Industry Should Watch Out For! <http://www.taalimedia.com/blog/india-6-alcobev-industry-trends-to-watch-for>

⁷¹How young India likes to drink; <https://www.indiatoday.in/mail-today/zest/story/how-young-india-likes-to-drink-1355488-2018-10-04>

⁷²10 Indian Cities Where Alcohol Is Most Consumed; <http://kanigas.com/10-indian-cities-where-alcohol-is-most-consumed/>

⁷³How India Drinks Whisky; <http://whiskyadvocate.com/how-india-drinks-whisky/>

⁷⁴Spirit of Change: The Indian Alcohol Industry; <https://www.ukibc.com/the-indian-alcohol-industry/>

⁷⁵Diageo India; https://www.diageo.com/PR1346/aws/media/2715/anand_kripalu_india.pdf

5.2.2.3 Recent market trends

Driven by increasing disposable incomes as well as transformation in lifestyle, India has established itself as the world's fastest growing spirits markets in absolute volume terms. Subsequently, this market offers several opportunities to new exporters, including smaller producers.

In terms of annual growth, sales of spirits (except rum) in terms of volume grew at a moderate rate between 2012-2017, primarily due to a ban on roadside sales of alcoholic drinks, as well as the operational challenges resulting from the Goods and Services Tax (GST). Sales in the category are expected to further grow moderately over the next years, with vodka and single malt Scotch whisky performing particularly well, benefitting of the improved distribution channels.

The three trends that are set to dominate the Indian spirits market in the next few years are:

- **Premiumisation:** with increasing disposable income, Indian consumers – especially millennials – are upgrading towards the high-end segment.
- **Focus on quality:** grain-based whiskies are gaining ground, based on the perception that these are higher quality.
- **Novelty-seeking behaviours:** Indian young consumers like experimenting new tastes. Flavoured white spirits (vodka, rum and gin) are gaining momentum amongst young drinkers. Vodka in particular has benefitted from this trend among consumers under 25⁷⁶⁷⁷⁷⁸⁷⁹.

The former two trends in particular stand out as possibilities for importers, whether of whisky or of other high-quality premium spirits.

5.2.3 Offer

5.2.3.1 Domestic production

India is the largest market for the spirit, as well as the largest global producer of whisky. In 2016, Indian spirits production was valued at INR 1.84 trillion (about EUR 23 billion), with whisky accounting for well over 60% of this figure. This value is set to go up to INR 2.36 trillion (approximately EUR 29 billion). Nonetheless, the recent introduction of the GST has created some challenges to Indian enterprises (see box below), who may in turn produce lower volumes of spirits over the next years.

⁷⁶Euromonitor International: Alcoholic Drinks, 2018

⁷⁷Spirit of Change: The Indian Alcohol Industry; <https://www.ukibc.com/the-indian-alcohol-industry/>

⁷⁸Indians spending more on premium alcohol, driving growth in spirits market; <https://www.livemint.com/Companies/xwrIEG5CEDWkKsLH5Zz8WP/Indians-spending-more-on-premium-alcohol-driving-growth-in.html>

⁷⁹India in focus: Millennials could drive growth of spirits; <https://www.thespiritsbusiness.com/2018/01/india-in-focus-millennials-could-drive-growth-of-spirits/>

Exclusion of spirits from the GST

Unlike other agri-food products, taxes on alcoholic beverages are charged by the state governments rather than the central government. Nonetheless, while alcoholic beverages were kept out of the GST, taxes paid on raw material (like glass bottles or ethanol) are taxed under the GST, hence resulting in higher raw material costs.

The Indian spirits industry is divided into two categories:

- Indian Made Foreign Liquor (IMFL), which has incorporated, imported raw material or borrowed the concept from foreign branded liquor.
- Country Liquor or Indian Made Indian Liquor (IMIL), which is both distilled and mostly sold domestically.

Whisky dominates the IMFL category, accounting for 90% of IMFL production. India has indeed the largest whisky industry in the world, driven by domestic demand whisky which is cheap in comparison to imported products. Nonetheless, most of the domestic production is focused on lower quality whisky, which is not made from cereals but from molasses, which is then artificially flavoured and aged briefly because the higher temperatures result in quicker evaporation of the spirit during the maturation stage. Consequently, such products cannot be labelled as “Whisky” in many countries.

The IMIL segment is mostly comprised of regional Indian drinks; is generally cheaper; and is particularly popular in the north. *Feni*, a spirit made from cashews or coconuts, is produced exclusively in the western state of Goa. Palm wine, made from the sap of palm trees, is common in India. Arrack is another prevalent alcoholic drink made from coconut, sugarcane or fruit sap. This category is mostly unbranded, locally distributed⁸⁰.

5.2.3.2 Imports and exports

As outlined in Figure 5-8, both exports and imports have recorded a steady growth in 2017. However, due to a large domestic production, exports of spirits have been historically exceeding imported volumes. In 2017, India exported 46 708 tonnes of spirits, and imported 39 810 tonnes. Whisky accounts for the majority of spirit exports.

As reported in Figure 5-9, volumes of “Other spirits” accounted for 47% of the volume of imported spirits, followed by whiskies (40%), gin and geneva (7%), grape spirits (3%), liqueurs (2%), rum as well as vodka (each accounting for less than 1%).

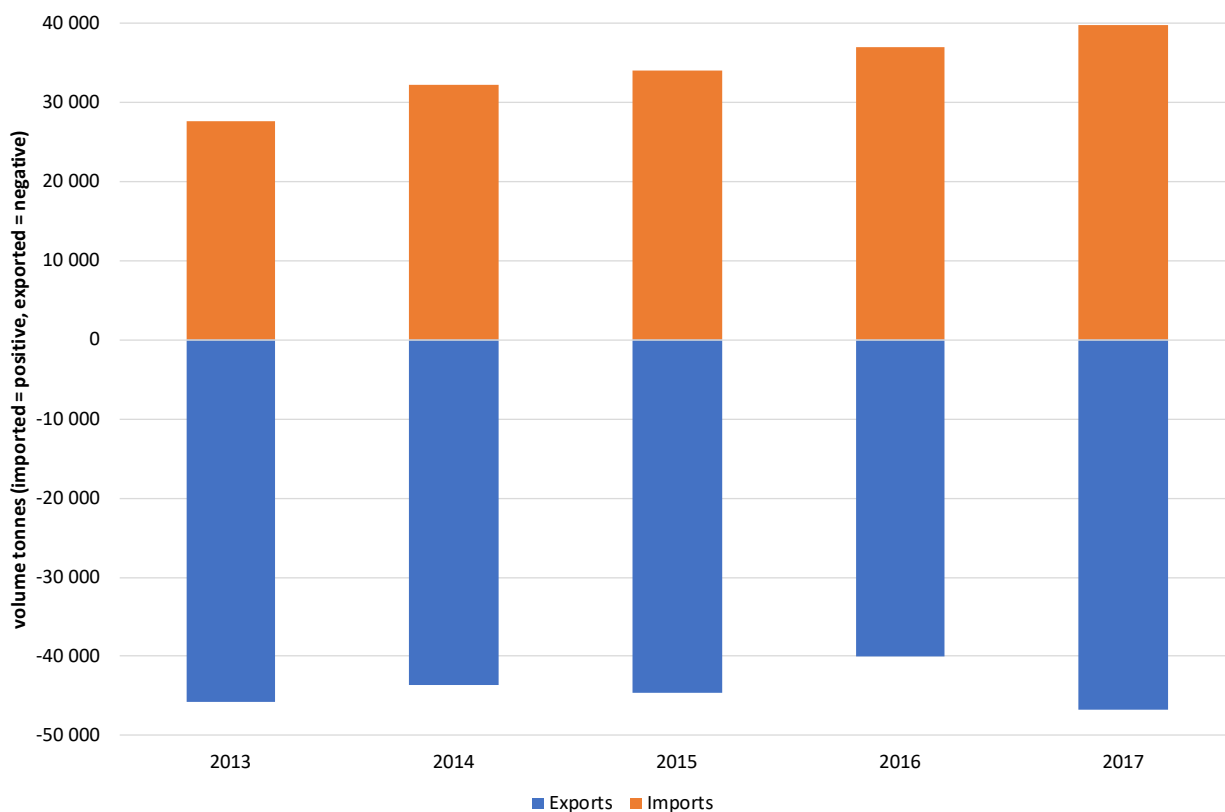
⁸⁰Whisky business; <https://www.livemint.com/Leisure/QjzklkTjqYpe7tr74PVSul/Whisky-business.html>; Next gen in liquor businesses: In good spirits; <http://www.forbesindia.com/article/indias-family-businesses/next-gen-in-liquor-businesses-in-good-spirits/49503/1>; Alcohol Industry in India; <https://amritt.com/industries/india-consumer-packaged-goods-market/alcohol-industry-in-india/>; <https://www.cppr.in/wp-content/uploads/2014/12/Report-on-Liberalizing-Liquor-Trade-in-India.pdf>

As outlined in Figure 5-10, European enterprises dominate spirit exports to India, accounting for 87% of total spirits shipped into India in 2017. Notably, with 33 199 tonnes (or 83% of the total imports in terms of volume), the United Kingdom was the leading exporter of spirits to India (mostly whisky). France followed, with a volume of 1 853 tonnes (or 5% of total Indian imports). The rest of the EU accounted for further 4% of total Indian imports of spirits, with Sweden, Ireland and Germany taking the lead.

In 2017, the United Kingdom has also posted the highest-value spirits: its imports into India were indeed valued at about EUR 190.2 million. Due to the high unit value of its imports, Singapore – which primarily imports a limited volume of high-end liqueurs – followed, with an imported value of EUR 19.1 million. France ranked third, with EUR 17.2 million.

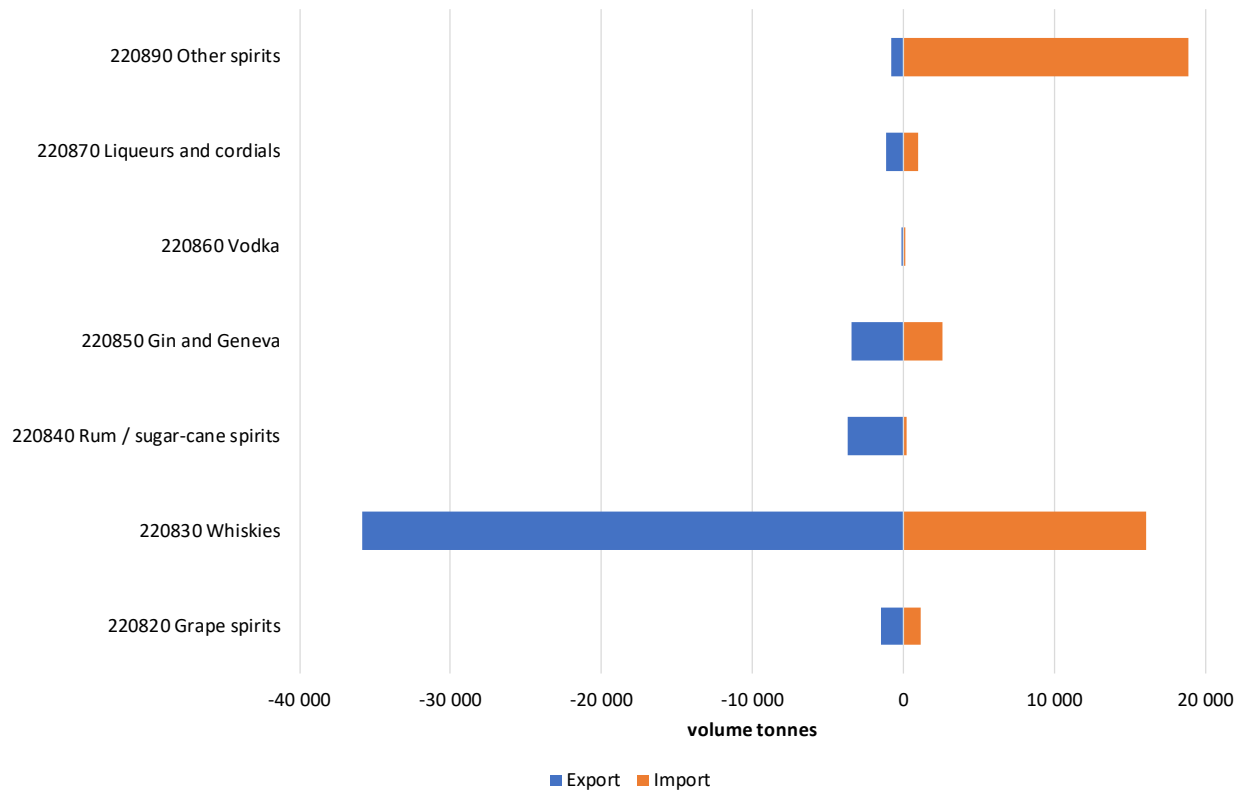
In per unit terms, indeed, imports from Singapore have historically reported the highest value, reaching 15 988 EUR/tonne in 2017, more than twice the average value of spirits imported into India (6311 EUR/tonne). Similarly, the value of French spirits was considerable in 2017, reaching 9 275 EUR/tonne. On the contrary, UK spirits were valued at 5 279 EUR/tonne, below the average of spirits imported into India (Figure 5-11).

Figure 5-8: Trade balance (imports and exports) of spirits in India, 2013-17; tonnes



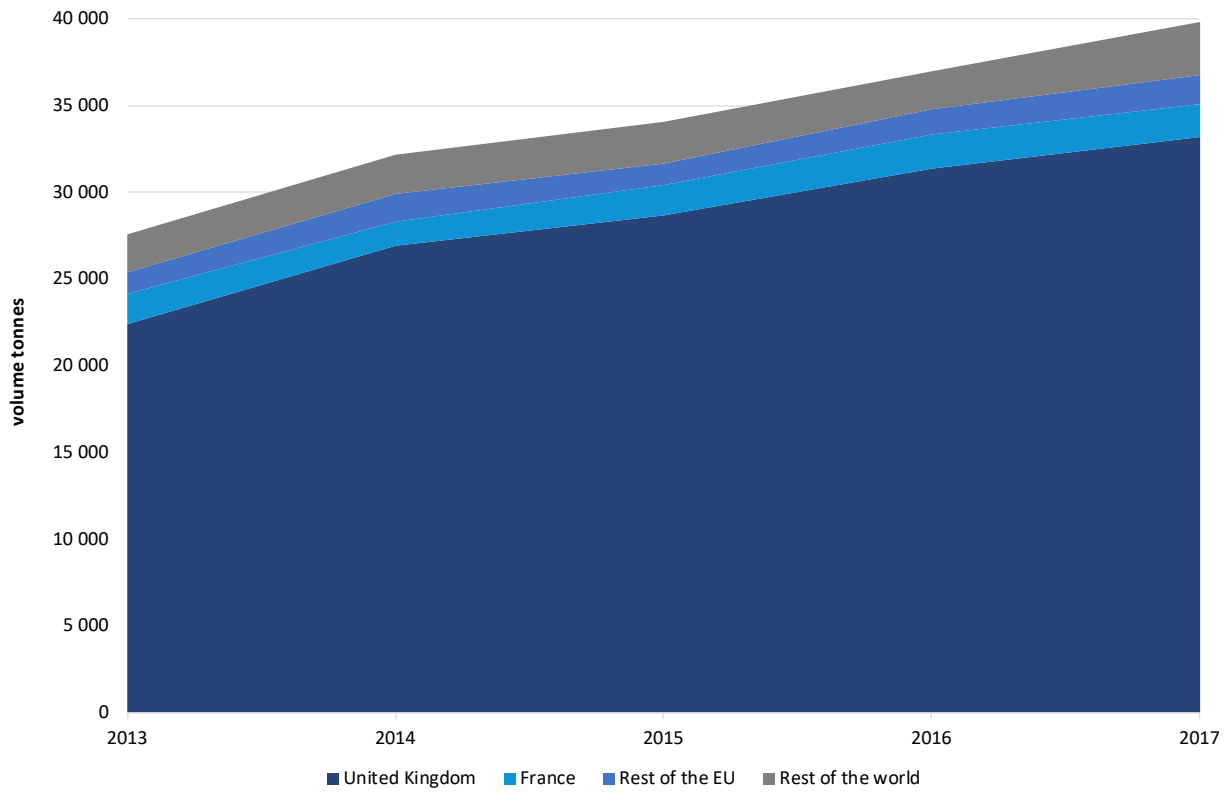
Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2208

Figure 5-9: Trade balance (imports and exports) of spirits in India, by type, 2017; tonnes



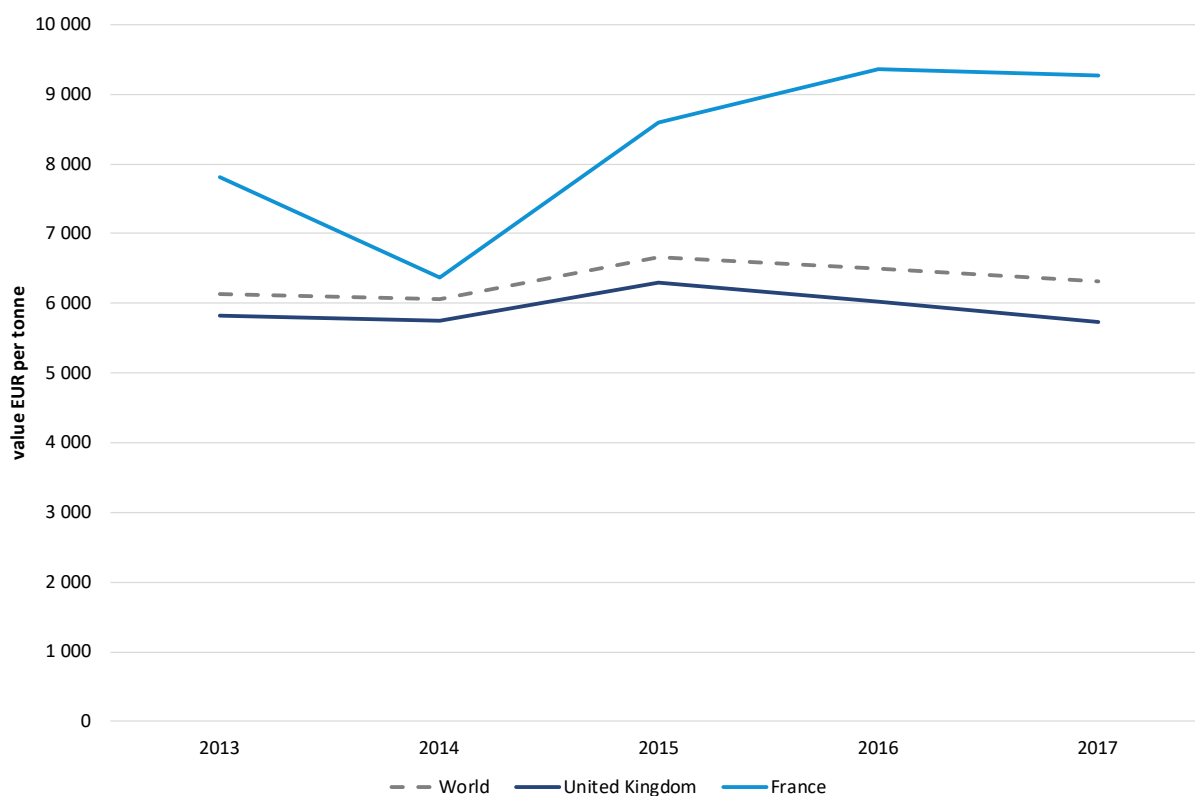
Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2208
 Spirit names shortened. CN codes before spirit name

Figure 5-10: Indian imports of spirits by country, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2208

Figure 5-11: Per unit value of Indian imports of spirits for selected countries, 2013-17 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2208

5.2.3.3 EU GI products

As outlined in section 4.2.1, Cognac (France) and Scotch Whisky (UK) have been registered as Geographical Indications (GIs) in India since 2011. The registration was aimed at tackling the counterfeiting problem, which is rather common in India due to the high prices of imported brands. Usually, empty bottles of expensive whisky are re-filled with Indian Manufactured Foreign Liquor and sold in grey market at lower prices compared to the original. Scotch Whisky in particular is a popular target of counterfeiting among alcoholic beverages in India⁸¹.

5.2.3.4 Main competitors

As outlined in section 5.2.3.2, most imported spirits are shipped from European countries, with other countries accounting for a very small share of total imports. Only Singapore premium imports – which include some re-exports from another country of origin - may pose some challenges to European exporters of high-end brands.

⁸¹The Scotch You're Drinking In India Is Probably Fake & Here's How To Tell!, <https://eattreat.in/delhi/food-and-drink/fake-scotch-in-india>

Furthermore, domestic production of spirits is considerable. Whisky production is particularly high, to the extent that imported whisky is estimated to account for under 5% of Indian whisky consumption. Still, most Indian brands of all spirit types are low-quality and hence target rather lower-income consumers. In terms of company shares, multinationals such as Diageo and Pernod Ricard lead spirits sales in India, primarily benefitting from a strong distribution network across the whole country⁸².

5.2.4 Specific market entry requirements

Market Access and Entry

European spirits producers that wish to export to India face several barriers, notably tariff-barriers. On all products, a 150% import duty is applied. Furthermore, different states impose different rates of additional excise duties on spirits, which is excluded from the country-wide GST; and this can lead to up to 500% appreciation in price at the point of sale. Some operators have tried to mitigate the impact of import tariffs by importing in bulk (in some cases as a semi-finished product) and bottling in India.

The e-waybill system facilitates the shipment of spirits to a final destination in India while crossing states. Sending spirits from state to state after a consignment has arrived at a final destination is likely to run into challenges with the different excise rates across states. In this context, it should be remembered that alcohol is prohibited in three states and one union territory (see section 3.3.2.4). It should also be noted that some interstate regulations limiting distribution exist.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=2208>

It should be remembered that the SFIS/SEIS duty-free licence scheme exists, which allows some high-end hotels to import spirits for resale without paying the 150% duty (see section 5.5.2).

Customs procedures

A list of standard documents required for import spirits into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some products it may be requested to present additional documents, as outlined in Table 4-2 in the same section.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=2208>

SPS measures

Sanitary and Phytosanitary measures concerning the import of spirits into India are in line with international standards.

⁸²Euromonitor International: Alcoholic Drinks, 2018

Labelling

Spirits must comply with the labelling rules outlined in section 4.2.3. In addition, to those requirements, spirits must comply with the **2018 Food Safety and Standards (Alcoholic Beverages) Regulations**.

The 2018 FSS (Alcoholic Beverages Standards) Regulations can be found on the FSSAI website:

https://www.fssai.gov.in/dam/jcr:cd57d3d9-03fc-4b2c-bf94-8006bc4bb6de/Gazette_Notification_Alcoholic_Beverages_05_04_2018.pdf

Under the new Regulation, which will be **enforced from 1st April 2019**, every package containing alcoholic beverages shall also comply with the requirements outlined below:

- Declaration of alcohol content must be displayed on the label.
- The label may include a statement of the approximate number of standard drinks (i.e. the amount of beverage that contains in it 12.7 ml of abv) in the package, e.g. “contains approximately 4.8 standard drinks”.
- Geographical indications are provided when the spirit originates from a certain geographical area.
- In case of imported alcoholic beverages, the provisions of the Food Safety and Standards (Import) Regulations, 2017, shall also apply.
- Spirits shall not contain any nutritional information on the label.
- No health claim shall be made.
- The label of a package of a beverage containing more than 0.5% abv shall not use the words “non-intoxicating” or words implying similar meaning.
- Spirits containing less than 10% alcohol shall mention the date, month and year of expiry on the label, in that order and shall be preceded by the words “Expiry date _____” or “Use by _____”.
- A warning mentioned in English (or in any local/regional language) must be displayed on the label (see image below). Size of statutory warning shall not be less than 3 mm.

**CONSUMPTION OF ALCOHOL IS INJURIOUS TO HEALTH.
BE SAFE-DONT DRINK AND DRIVE.**

*Note: Manufacturers of spirits are requested to produce **labels in English or Hindi that list all ingredients**. Shipments have been rejected for saying “Prodotto di Italia” (Italian) instead of “Product of Italy”; Scotch whisky bottles were stopped for not listing malted grain, water and yeast as ingredients⁸³.*

⁸³India's new alcohol labelling laws leave importers needing a drink;

<https://www.theguardian.com/world/2014/jul/11/india-labelling-laws-wine-wallahs-importers-running-dry>

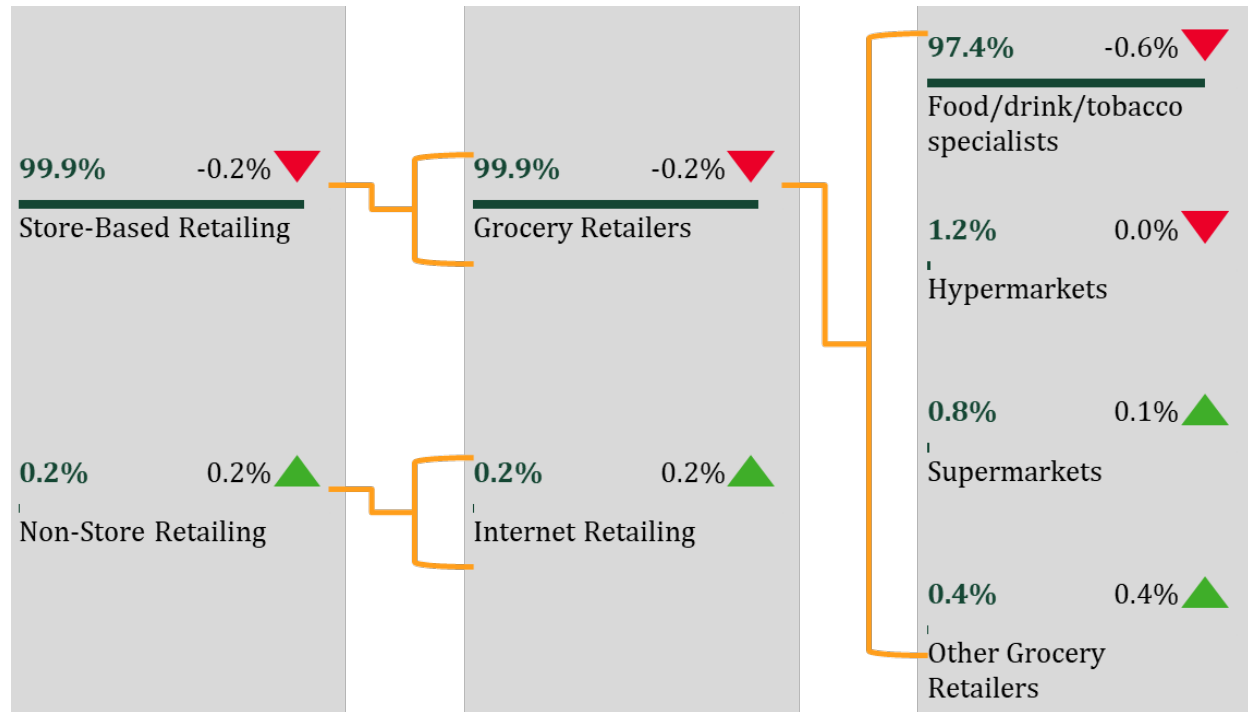
5.2.5 Distribution

In volume terms in India, spirits are mostly distributed through off-trade channels, which account for 78.7% of the total volume. Distribution through the on-trade channel is higher in cities like Delhi, Mumbai and Bengaluru. The on-trade channel of particular importance for the distribution of imported premium spirits (and hence the proportion of the market in value this channel represents is much higher than in volume terms).

With regard to off-trade sales, most of them take place at grocery retailers, namely food/drink/tobacco specialists (mostly liquor stores), accounting for 97.4% of total off-trade sales. Due to the varying laws on alcohol between states, these stores tend to be independent or smaller local chains (rather than national level chain stores). Notable examples include: Madhuloka, Not Just Wine and Cheese and Drops Total Spirits (Bengaluru); Living Liquidz (Mumbai, Maharashtra); and Tonique (Hyderabad). It should be noted that distribution is entirely government controlled in some states / union territories with sales through government-controlled specialist shops; Delhi is among these. In other states (e.g. Andhra Pradesh, Orissa, Bihar, Rajasthan and Uttarakhand) the government controls wholesale, but retail is left to private players.

Only 0.2% of total sales are done through the internet retailing, a channel which is slowly emerging in India, although it is currently limited to the cities of Delhi and Bengaluru (Figure 5-12).

Figure 5-12: Distribution channel overview of spirits in India (2017); off-trade volume



Source: Euromonitor International: Alcoholic Drinks, 2018

5.2.6 Challenges for EU products

Although total spirits consumption reaches high proportions, Indians usually drink a low volume of spirits per capita, a trend which is even stronger in the regions where the liquor ban is in force and/or Muslims account for a larger share of the population. Furthermore, domestic production of affordable spirits poses a challenge to importers of international brands, whose final consumer price is commonly prohibitive, as a result of high import tariffs and taxes. In this respect, counterfeited spirits (especially whisky) are also widely available at lower prices compared to the original.

On top of that, regulatory and tariff barriers indeed hamper imports of spirits into India. European enterprises that wish to export these products face strict labelling rules, as well as 150% import tariffs and state taxes, amongst other obstacles.

Market Takeaway: Spirits

Consumption: although per capita consumption is very low, total consumption reaches high volumes, especially amongst millennials, due to the extensive consumer base; driven by rising disposable incomes, more consumers (including women) drink spirits, although a healthy-trend is spreading amongst upper-income consumers who trade up spirits with e.g. wine.

Competition: Singapore spirits imports are high in value; domestic production is extensive, although competitive in the bottom segment. EU importers indeed account for most export of spirits to India.

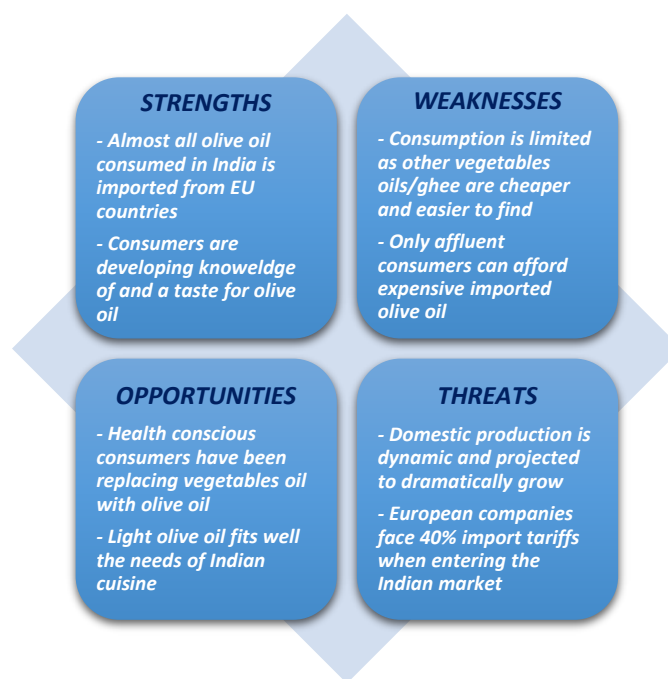
Distribution: they are mostly distributed through liquor stores (which vary between states), as drinking outdoors is still a taboo in some areas. The on-trade channel (particularly developed in larger cities) is important for the distribution of imported spirits.

Challenges: strict labelling requirements, high import tariffs (150%), state-level taxes may hinder spirits imports. Market fragmented due to differences between states. Furthermore, counterfeiting premium spirits is rather common.

Opportunities: millennials are developing a taste for premium imported spirits; the whisky market offers several opportunities for European importers.

5.3 Olive oil

5.3.1 SWOT analysis



5.3.2 Consumption

5.3.2.1 Evolution of consumption

India's consumption of olive oil is relatively low, as production is negligible meaning that it is not traditionally used, and other vegetables oils/ghee are widely available at convenient prices. The olive oil category accounts indeed for a very small share of the overall edible oil market – an estimated 0.1%.

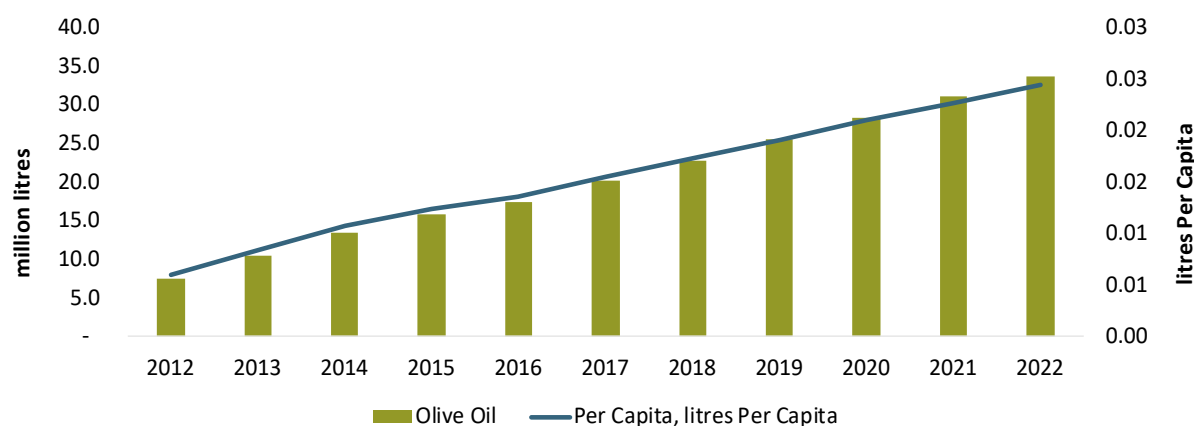
Nonetheless, as outlined in Figure 5-13, purchases have been surging in the last years and are projected to grow at a similar pace in 2018-2022, as consumers are increasingly concerned about a healthy diet. Total consumption of olive oil has indeed increased almost three-fold, from 7.4 million litres in 2012 to 20.2 million litres in 2017. This volume is set to achieve 33.6 million litres in 2022.

As the olive oil consumer base is restricted, per capita consumption across the whole population remains very low; around 12-16 millilitres in recent years, a per capita volume which is foreseen to nearly double, reaching 24.4 millilitres in 2022⁸⁴⁸⁵.

⁸⁴Euromonitor International: Packaged Food, 2018

⁸⁵ "Olive oil market in India competitive & price-sensitive," says Bhasin, <http://www.fnbnews.com/Interview/olive-oil-market-in-india-competitive--pricesensitive-says-bhasin-41338>

Figure 5-13: Evolution and forecast of market for olive oil (size; million litres) and olive oil consumption per capita in India, 2012-2022



Source: Euromonitor International: Packaged Food, 2018

Note: figures for 2018 to 2022 based on forecasts

5.3.2.2 Consumer profile and purchase criteria

In India, promotional efforts of Italian and Spanish companies have opened the market to olive oil, which is usually associated with the Mediterranean cuisine. In recent years, the consumer base has been expanding, as more consumers are more health-conscious and hence prefer olive oil to less healthy vegetable oils/ghee. Nonetheless, as olive oil is available at high prices, most consumers continue to prefer local, more economic alternatives.

Consumers

Most Indian consumers have a preference for vegetable oils other than olive oil and ghee, which are widely available at convenient prices. Notably, palm oil is the most popular edible oil in the country, along with soybean (Northern and Western India), sunflower (South), and mustard oil (East). The consumption of edible oils is higher in Western India, where production of soybean oil is concentrated. On the contrary, Eastern India accounts for the lowest consumption of edible oil, due to the lower income levels.



Olive oil consumers are located in specific areas containing tier 1 cities, notably Northern India, Hyderabad, Bengaluru and Chennai in the South as well as Mumbai in the West. Middle and upper-income urban millennials, who are increasingly concerned about a healthy diet, account for almost all consumption of olive oil. Indeed, as this product is offered to the final consumer at high prices, only more affluent Indians can afford to purchase it. On top of that, as most olive oil is imported, it is easier to find this product in cities than in rural areas.

Consumption of olive oil amongst this segment of the population is driven by health concerns, as almost 10% of Indian population is affected by heart diseases. Affluent consumers who are aware of the olive oil's health properties and are more often exposed to Mediterranean cuisines are increasingly trading up less healthy edible oils with olive oil⁸⁶⁸⁷.

Drivers and method of consumption

In India, pure and pomace olive oil are the most popular variants, although extra virgin olive oil is gaining momentum due to its health benefits. Nonetheless, currently the average Indian consumer is not fully aware of the differences between virgin and other qualities of olive oil, as well as their possible uses for cooking. This product is, therefore, primarily used in salads, as a healthier substitute to other vegetable oils and ghee.

Nonetheless, Extra Light olive oil is becoming particularly popular among certain consumers as an alternative to other vegetable oils and ghee, for everyday cooking. Indeed, olive oil lends itself to Indian cuisine, whose fried dishes require a high smoke point. For this reason, olive oil is becoming a popular choice for some Indian restaurants and home cooking. The reason why light varieties have got more acceptance in India is the fact that other than being more affordable, they have a more neutral flavour, hence they better fit cooking uses in Indian cuisine⁸⁸⁸⁹.

Purchase criteria

Although expanding, the olive oil consumer segment remains a niche, as high import duties result in high cost to the end consumer. Though most affluent consumers purchase olive oil for its health benefits (and hence the perceived/understood impact on health is an important purchase criterion), value remains an important purchase criterion for consumers outside this group. When buying oils more generally, less wealthy consumers are sensitive to promotional offers, such as “buy one, get one free”, which can induce regular consumption⁹⁰⁹¹. As a result of this, different consumer groups tend to target different types of olive oil. Higher income consumers often favour extra-virgin olive oil, but other consumer groups generally favour pomace olive oil which retails at a fraction of the price. That said, the importance of pomace oil for the market as a whole has fallen in recent years as more affordable extra light varieties

⁸⁶ Spain leads the Indian olive oil market far away from its competitors, <https://en.mercacei.com/noticia/1658/news/spain-leads-the-indian-olive-oil-market-far-away-from-its-competitors.html>

⁸⁷ Indian Edible Oils Demand & Supply and Outlook for 2016-17, <http://storage.unitedwebnetwork.com/files/23/90db670a2a3572864521f08a3006ad8b.pdf>

⁸⁸ A Report on Olive Oil Consumption in India, A Chef at Large Production, https://issuu.com/chefatlarge/docs/olive_oil_consumption_in_india_che

⁸⁹ It's Not Called Liquid Gold For Nothing - Olive Oil, <https://www.thedollarbusiness.com/magazine/its-not-called-liquid-gold-for-nothing-olive-oil/4504>

⁹⁰ Spain leads the Indian olive oil market far away from its competitors, <https://en.mercacei.com/noticia/1658/news/spain-leads-the-indian-olive-oil-market-far-away-from-its-competitors.html>

⁹¹ Olive oil players rustle up ways to gain volumes, https://www.business-standard.com/article/management/olive-oil-players-rustle-up-ways-to-gain-volumes-114030401122_1.html

have become available. These extra light varieties are often favoured as they do not detract from the original Indian taste when used in the preparation of traditional dishes.

Finally, the consumer decision to purchase olive oil can be influenced by personal recommendations and product endorsements. This may be due to recommendations from doctors/dieticians or product endorsements from celebrities (e.g. a famous Bollywood actor is the brand ambassador for one of the larger players in the market). Well-travelled, health conscious consumers may also influence purchase decisions through personal recommendations to their network/family/friends.

5.3.2.3 Recent market trends

Although consumption growth is expected to slow down slightly going forwards in comparison to the previous five years, it is expected to continue to grow at a high annual rate, i.e. by 10.7%, driven by an increasing number of health-conscious middle/upper-income consumers. Indeed, while consumers of olive oil are traditionally higher income, the product is gaining increasing traction among health-conscious middle-class consumers. This is being assisted by two key factors:

- (1) Growing and improving domestic production (see below) which is putting downward pressure on prices, hence making the product available to a wider range of consumers.
- (2) The spread of olive oil to the middle class in tier 2 cities.

This trend of popularity among the middle class is expected to accelerate, and in view of this the overall market for olive oil (both imported and domestically produced) is expected to slowly move towards being a higher volume/lower unit value market. However, at the same time it should be noted that manufacturers have been launching an increasing number of extra light and extra virgin varieties of olive oil at affordable prices. This has been in response to the health-orientated demands of consumers; and due to the ability for such products to be used in traditional Indian food while allowing the food to retain the original taste.

5.3.3 Offer

5.3.3.1 Domestic production



Because of the tropical climate, production of olives is rather limited in India. Nonetheless, Rajasthan is expected to be transformed into the centre for the olive trade in India. If currently only 282 hectares of land are devoted to the olive cultivation in Rajasthan, over the next years this area is set to grow to 5000 hectares, allowing the country to produce nearly 10 million litres of olive oil. Production is also expected to extend to Gujarat and Himachal Pradesh (positive trials have been performed in these states). Over the longer term, it is expected that the price of domestically-produced olive oil will fall as production increases.

The Indian Government recently increased tariffs on imported olive oil, a move which may make domestic production more attractive vis-à-vis imported products. Domestic producers which show particular potential include Saffola and Modi Naturals.

Nonetheless, domestic production of other vegetable oils – primarily rapeseed, soybean, and groundnut oils – is well above 7 billion litres, a volume that is expected to almost double to about 13.7 billion in 2022^{92,93,94}.

5.3.3.2 Imports and exports

With over 70% of India's edible oil demand met from imports, India is the world's largest vegetable oil importer. Nonetheless, the country primarily imports palm oil from Indonesia and Malaysia.

Although imports of olive oil are significantly lower than imports of other edible oil, India is a net importer of olive oil, due to the negligible volumes locally produced (Figure 5-14). Import levels widely oscillated in recent years, reaching 9 678 tonnes in 2017, of which 82% were pure and pomace olive oil imports, and the remaining virgin/extra virgin qualities.

Benefitting from a good price/quality relationship and a good reputation, Spanish and Italian brands dominate the Indian olive oil imports. Their exports account for respectively 71% and 25% of total Indian imports of olive oil (Figure 5-15). Following at a great distance there are Portugal (2%) and Turkey (1%). Turkey olive oil exports are rather limited, as they tend to be less competitive in terms of final price, compared to Italian and Spanish products⁹⁵. Led by Greece, other European countries accounted for a further modest 0.3% of total Indian imports.

Due to the high volume exported, Spanish olive oil recorded a high total value, amounting to EUR 32.4 million, *vis-à-vis* EUR 8.1 million of Italian exports. As indicated in Figure 5-16, the unit value of Spanish olive oils has been growing over the years, from 2 773 EUR/tonne in 2013, to 4735 EUR/tonne in 2017. On the contrary, as Italian producers tend to export more convenient regular and pomace olive oils, their products recorded a low unit value (3 339 EUR/tonne) compared to the average unit value of all olive oils imported into India (4 302 EUR/tonne). However, amongst the European ones, the Portuguese olive oil recorded the lowest per unit value in 2017, i.e. 1 447 EUR/tonne.

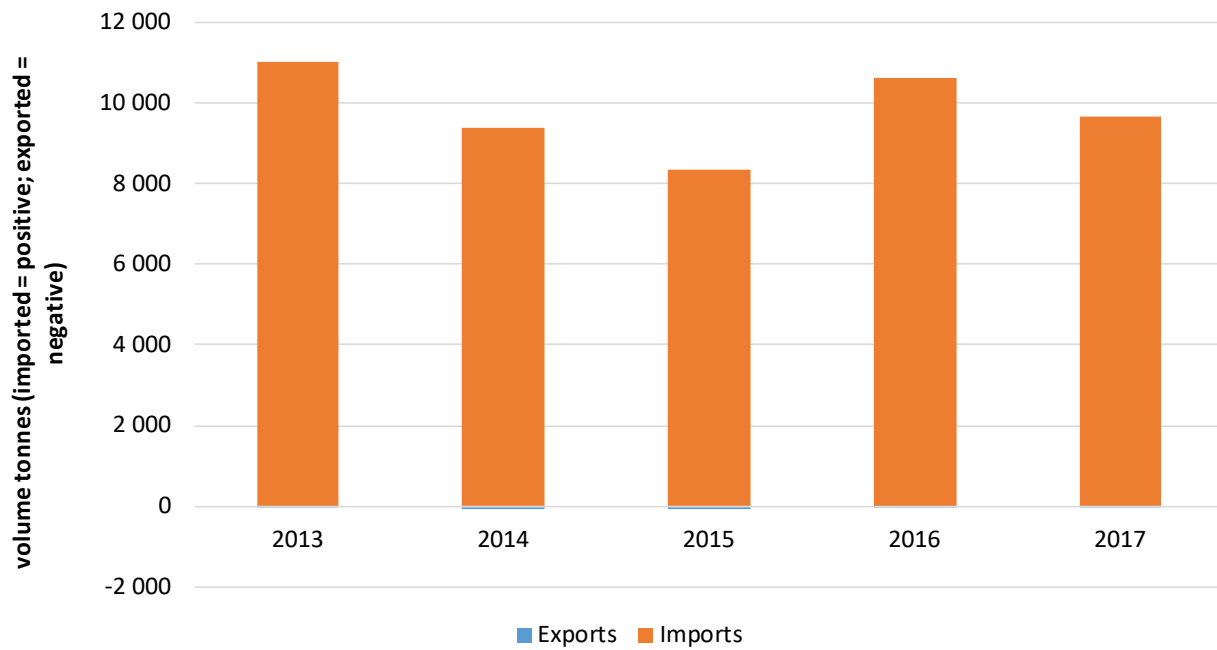
⁹²Government plans to double edible oil production by 2022 to cut import dependence, https://www.business-standard.com/article/economy-policy/govt-plans-to-double-edible-oil-production-by-2022-to-cut-import-dependence-118092400873_1.html

⁹³Government of India – Department of Food & Public Distribution – MCAFPD – Oil division, <https://dfpd.gov.in/oil-division.htm>

⁹⁴ Indian Edible Oils Demand & Supply And Outlook for 2016-17, <http://storage.unitedwebnetwork.com/files/23/90db670a2a3572864521f08a3006ad8b.pdf>

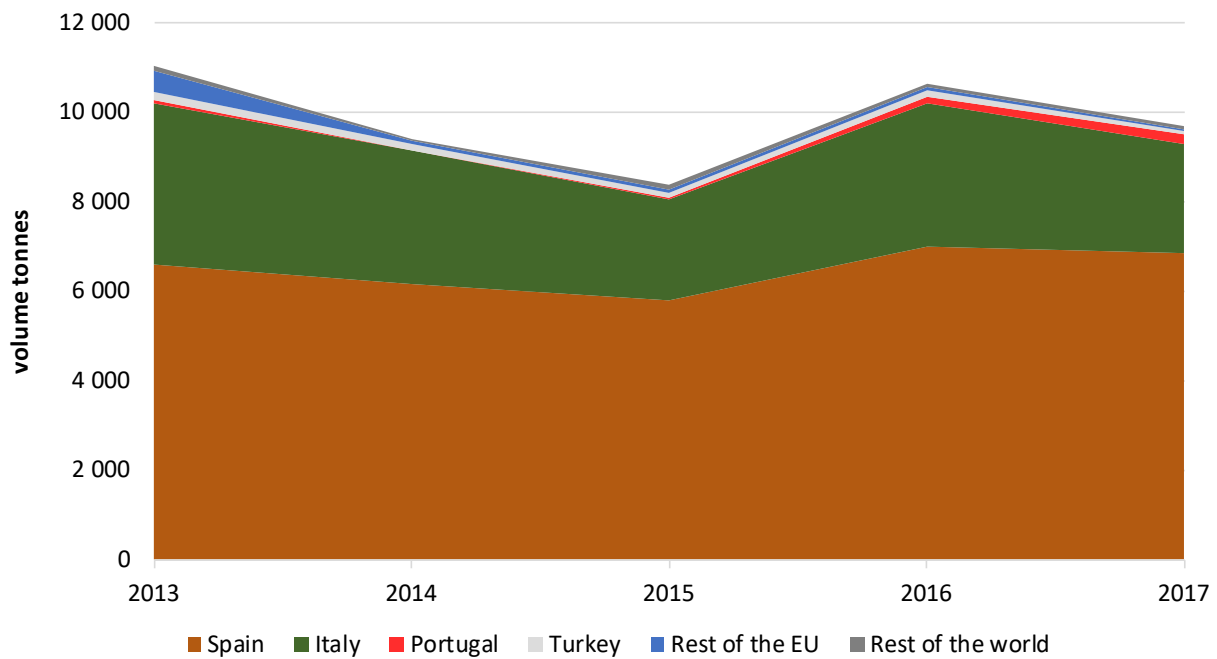
⁹⁵ It's Not Called Liquid Gold For Nothing - Olive Oil, <https://www.thedollarbusiness.com/magazine/its-not-called-liquid-gold-for-nothing-olive-oil/4504>

Figure 5-14: Trade balance (imports and exports) of olive oil in India, 2013-2017; tonnes



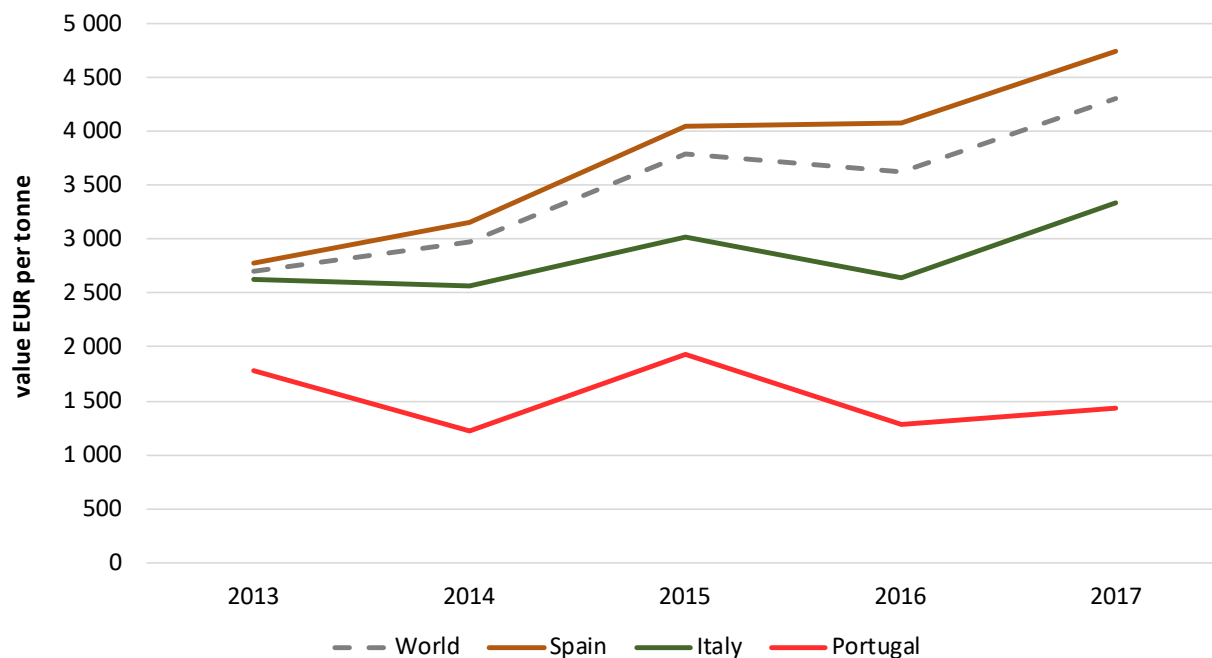
Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1509

Figure 5-15: Indian imports of olive oil by country, 2013-2017; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1509

Figure 5-16: Per unit value of Indian imports of olive oil for selected countries, 2013-2017 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1509

5.3.3.3 EU GI products

No GIs for olive oil are currently registered in India.

5.3.3.4 Main competitors

As outlined in sections 5.3.3.1 and 5.3.3.2, most olive oil consumed in India is currently imported from European countries. Nonetheless, domestic production is dynamic, with Rajasthan expected to be transformed into the centre for the olive trade in India. Furthermore, Turkish and Tunisian producers are starting to target the market more actively, though their shares remain a fraction of EU exports to India.

In total, there are around 90 olive oil brands on the Indian market at present. These include olive oil products from large multinationals such as Cargill and Del Monte. Some of the products offered by these larger companies are mixes, which combine olive oil with other oils such as canola.

5.3.4 Specific market entry requirements

European exporters of olive oil face a 40% import tariff when penetrating the Indian market. Furthermore, a Good Service Tax of 5% of the import duty and 10% Social Welfare Surcharge (SWS) are also applied on olive oil imported from the EU.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=1509>

Customs procedures

A list of standard documents required for import olive oil into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some products it may be requested to present additional documents, as outlined in Table 4-2 in the same section.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=1509>

SPS measures

Sanitary and Phytosanitary measures concerning the import of olive oil into India are in line with international standards.

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

Labelling

Olive oil must comply with the labelling rules outlined in section 4.2.3.

5.3.5 Distribution

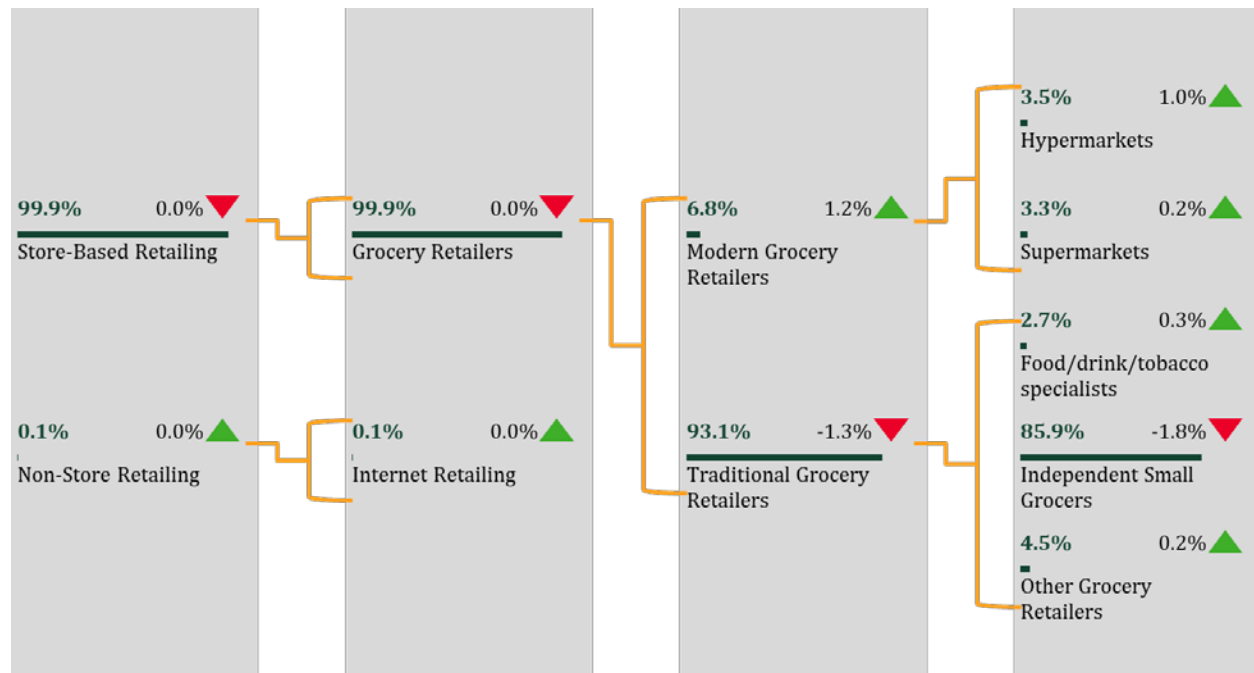
As outlined in Figure 5-17, distribution of edible oils as a whole in India entirely relies on store-based retailing, specifically grocery retailers (99.9%). Of these, in 2017 almost all were traditional grocery retailers, especially independent small grocers (85.9%), while only 6.8% were modern grocery retailers. Nonetheless, the latter have been gaining ground, growing at a faster pace compared to the other retail categories.

The distribution of olive oil more specifically slightly differs from that of edible oil as a whole in the following ways:

- Supermarkets and hypermarkets play a more important role among store-based retailing channels. This is because the main consumers of olive oil are higher income groups and urban based consumers.
- Online retailing, while accounting for a minority of sales, is more popular than for edible oils as a whole. This is often due to discounts and promotions being offered by such retailers. Examples of such online retailers include BigBasket and Groffers.

Finally, non-retail channels account for around 20-25% of olive oil sales; with the HoReCa channel accounting for the vast majority of this. Some larger players have exclusive partnerships with hotels and restaurants, which they supplement by engaging with the chef community (e.g. through dedicated annual events) in order to raise brand and product awareness.

Figure 5-17: Distribution channels overview of edible oils (including olive oil) in India (2017); retail value



Source: Euromonitor International: Packaged Food, 2018

5.3.6 Challenges for EU products

Consumption of olive oil, although on the rise, is restricted to a niche of affluent consumers, who are aware of olive oil possible uses and its health benefits and can afford to purchase this product. On the contrary, low-income segments are more likely to opt for other vegetable oils and ghee, which are widely available at lower prices. Indeed, olive oil importers face 40% tariff barriers when penetrating the Indian market, which result in high costs to the end consumer. On top of that, although current olive oil consumption almost entirely relies on imports from the European Union, domestic production is projected to conspicuously increase over the next years.

Market Takeaway: Olive oil

Consumption: on the rise, although the consumer base is limited to primarily health-conscious wealthy Indians. Regular and pomace are the most consumed varieties, although virgin and extra virgin qualities are gaining momentum due to their health benefits.

Competition: currently EU exporters do not face strong competition; however, domestic production is projected to dramatically grow over the next years. Around 90 brands are currently on the market.

Distribution: supermarkets and hypermarkets are particularly important; online retail and HoReCa play a role.

Challenges: importers face 40% tariff barrier and other taxes when penetrating the Indian market, and domestic production is increasing.

Opportunities: an increasing number of consumers opt for olive oil due to its health benefits compared to other vegetables oils/ghee; Olive oil is usually associated with Italy, Spain and in general the Mediterranean diet. Middle class consumers show particular potential.

5.4 Dairy

5.4.1 SWOT analysis

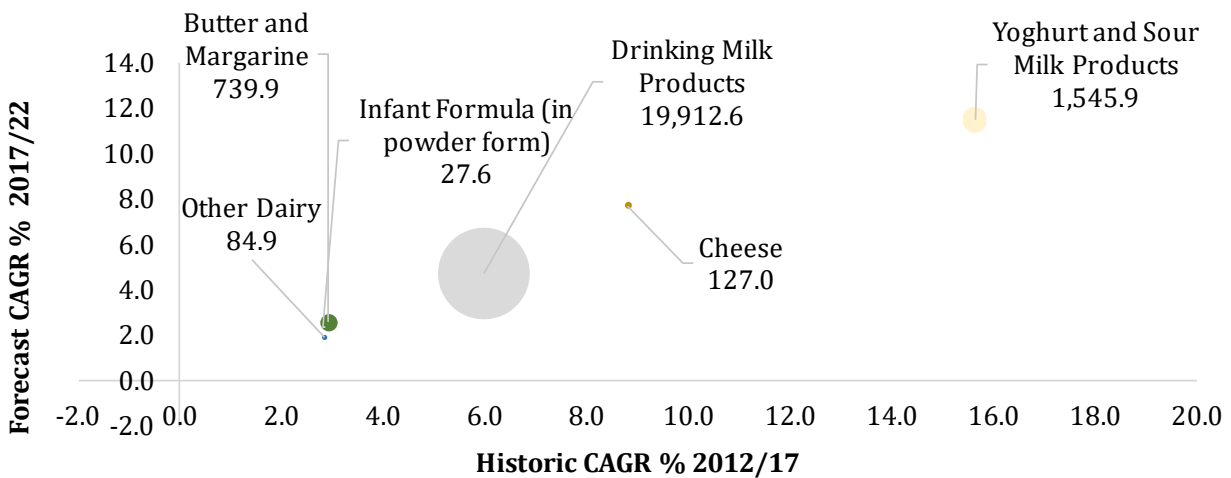


5.4.2 Consumption

5.4.2.1 Evolution of consumption

The market for dairy in India, as a whole, has been on rise (Figure 5-18). Drinking milk products remain by far the biggest category on the market and it is projected to keep the upward trend, recording growth of 4.8% per year over the forecast period. The second biggest segment, much smaller in its market size – yoghurt and sour milk products noted the highest growth of 15.6% per year and are predicted to grow further, although at slightly lower pace (11.5% per year). Butter and margarine have been on steady growth, oscillating between 2.9% and 2.6% per year, whereas the market for cheese has been recording growth of 8.8% per year in past years and is expected to grow by 7.7% in next.

Figure 5-18: Evolution and forecast of dairy market (000 tonnes) in India, total volume 2012-2022



Source: Euromonitor International: Packaged Food, 2018

5.4.2.2 Consumer profile and purchase criteria

Consumers



India is one of the largest producers and consumers of milk, having also the world's largest dairy herd, including water buffalo, indigenous and crossbred cattle⁹⁶. Consumers in India often consider dairy products as an important ingredient of diet and major source of protein, especially for vegetarian consumer population. In general, Indians prefer consuming dairy in fluid milk form, however consumption of yoghurts and cheese has been gradually increasing, especially amongst urban middle and high-end consumer groups⁹⁷. It

should be also remembered that Indians, have a fairly high rate of lactose intolerance. Up to 1/5 of the population is believed to be lactose intolerant; though awareness of the condition is low, and the most commonly consumed products of butter and ghee contain very little or no lactose, so do not create issues⁹⁸. Regardless to the fact that dairy is mostly known as a drinking beverage, it is useful to differentiate further consumer groups in relation to a way of consuming dairy:

⁹⁶ India's Dairy Sector: Structure, Performance, and Prospects; https://www.researchgate.net/publication/314496958_India's_Dairy_Sector_Structure_Performance_and_Prospects

⁹⁷ India Dairy and Products Annual; https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Dairy%20and%20Products%20Annual_New%20Delhi_India_10-13-2017.pdf

⁹⁸ Majority of Indians are lactose intolerant; <https://www.deccanchronicle.com/lifestyle/health-and-wellbeing/110617/majority-of-indians-are-lactose-intolerant.html>

- Drinking milk products: Milk is treated as a daily staple consumed by the majority of the population, mostly due to healthy image of dairy products as well as due to tradition. In vast majority of cases, fresh milk is preferred; however, given emerging fast-paced lifestyle, some consumers consider products with longer shelf life. Indians enjoy drinking milk products over the meal, after the meal or see it simply as a beverage. Moreover, in recent years, more and more consumers have started to replace carbonated drinks with flavoured milk drinks, e.g. chocolate and vanilla flavoured. Some manufacturers add additional ingredients to their products to enhance health added value, i.e. almonds, nuts etc.
- Yoghurt and sour milk products: these products are well-regarded and seen mostly as an after-meal desserts. Due to alleged health benefits, it is believed that sour milk products aid digestion. Indian consumers generally prefer drinking yoghurts, however spoonable versions of the products have also started to become popular. Additionally, sour milk products are used in traditional dishes in Southern India – and very often seen as a help to combat heat.
- Butter and margarine: butter and ghee are seen as staple in India, especially extensively used for cooking. In case of butter, manufacturers have introduced many variations, such as garlic or chocolate butter spread to further popularize butter in spread forms. Ghee, on the other hand, is perceived as healthy fat, especially cow ghee, which has been largely marketed in India.
- Cheese: cheese has seen great increase of consumption in recent years given growing popularity of Western-style foods. Moreover, consumers have been familiarizing themselves with various cheese types to accompany their dishes, such as *dosa*, *parathas* and *uttapam*. Soft cheese has been particularly popular, especially Indian *paneer*, which in many cases is prepared daily and sold unpackaged. Despite the fact that the market for cheese maintains rather small in India, it has been also one of the fastest-growing markets among dairy products, and consumers are consuming an increasingly wide range of cheeses (rather than the traditionally dominant *paneer*). It should be noted that imported cheese consumption is strongly focused in the large Indian cities (Mumbai, Delhi, Kolkata, Chennai); it is estimated that these cities presently account for 60% of imported cheese consumption. One of the reasons for this is the increasing use of imported cheese in western style restaurants.
- Other dairy: consumption of products such as coffee whiteners and condensed milk is mostly driven by influx of travellers in India

Considering infant formula, the Indian government has a strong policy of promoting breastfeeding by controlling the promotional activities of baby food manufacturers. According to the law, manufacturers are not allowed promote infant formula in any type of promotion or marketing. However, mothers have become more confident in choosing baby food, especially in case of their second babies and doctor consultations.

Drivers and method of consumption

Consumption of dairy in India is mainly driven by dietary habits, with drinking milk products treated as a daily staple. Moreover, increasing health awareness and a positive image of dairy products have impacted consumption levels. Lastly, emerging consumption of new products, such as different types of cheese, mainly relates to including Western-style dishes into Indian diets as well as fast-food chains.

Indian consumers are familiar with many methods of consumption, however for the vast majority drinking milk beverages are the most popular form of consuming dairy products. In case of cheese, consumers in India tend to prefer softer forms of cheese, including domestic *paneer*, however not exclusively, as other European cheese, such as mozzarella, cheddar and parmesan have been emerging.

Purchase criteria

There are crucial purchase criteria taken into account when choosing dairy products. These include:

- Dietary habits, with products such as milk and ghee seen as staples.
- Brand; consumers tend to choose their trusted brands and flavours across all dairy segments. This can be seen among cheese products in particular.
- Price/value; middle class and lower-income consumers (who form the majority of Indian consumers) tend to be price sensitive. This is particularly true for butter, though also for cheese to a certain extent.
- Health consciousness. There is an increasing health awareness among Indians impacted by purchasing approach, as consumers have started to seek for more premium products. This is particularly notable in the yoghurt and butter segments.
- Consumption methods, including whether a product is to be consumed at home or on the go. This is primarily important for yoghurts, and to a lesser extent cheese.

Finally, it should be also remembered that vegetarian population of the country has a stronger preference to include high protein products into their diets.

5.4.2.3 Recent market trends

The dairy sector in India has been on the continuous rise. In general, given increasing health awareness and benefits associated with dairy, the sector has been witnessing wide premiumisation across market segments, as reflected by the increasing importance of modern grocery stores for sales. Another prominent trend relates to increasing cheese usage both in volume and variety; partly driven by its use in Western-style dishes, such as pizzas or burgers. In effect, fast-food chains in the country are considered to be the one of most important factors driving cheese consumption. While premium imported cheese accounts for only 5-7% of consumption, the market is growing at around 30% per year; and subsequently varieties such as provolone, mozzarella, parmesan and gouda are increasingly present on the market, mainly in modern grocery stores. A parallel trend in the cheese product sector is that of flavour variants of cheese tailored to local tastes (e.g. pepper flavoured cheese).



Furthermore, Greek-style yoghurts have been particularly popular among health-conscious consumers and with emergence of new flavours Greek yoghurts have been also perceived as after meal dessert/snack by many consumers.

Finally, with sales of carbonated and artificial fruit-based drinks declining, consumers have a growing interest in healthier dairy-based drinks. Consequently, some manufacturers have begun to experiment with bringing flavour innovation to drinking milk products.

5.4.3 Offer

5.4.3.1 Domestic production

India's dairy production comprises in vast majority production of liquid milk, which has been on continuous rise in recent years. More than half of its production comes from water buffalo rather than cattle and according to estimations, around 60% of milk production is transformed into other products annually⁹⁹. The sector plays a crucial role in agricultural policy of the country, as it accounts for major value of India's farm output. Generally speaking, production relies on small and marginal farmers and landless labourers with small number of cows or water buffaloes¹⁰⁰. Many farmers choose buffalo husbandry, as their milk contains more fat and, effectively, the price is determined by fat contents. In addition, water buffaloes can be sold for slaughter, unlike cattle. However, most of private dairies do not have separate collection system for cow and water buffalo milk thus, it is often the case that packaged milk is mostly a mix of both types of milk. Dairy production is most prominent in states of Uttar Pradesh, Rajasthan, Andhra Pradesh, Gujarat and Punjab. Dairy farmers usually sell majority of their milk production to the commercial value chain and subsequently milk is purchased by various cooperatives and private processors.

The domestic dairy sector is often constrained by low productivity, poor veterinary services, water scarcity and insufficient feed and fodder resources. However, the government, predicting large increases in consumption over next years, launched National Dairy Plan, which is aimed at breeding improvements, fodder development and milk procurement systems at the village level.

Apart from small scale farmers and cooperatives distributing milk, especially in rural areas, India has bigger companies on the market, such as Gujarat Co-operative Milk Marketing Federation, which leads the market of drinking milk products, or Karnataka Cooperative Milk Producers Federation, which is particularly present in the southern parts of the country. The competitive landscape also includes non-

⁹⁹ India's Dairy Sector: Structure, Performance, and Prospects; https://www.researchgate.net/publication/314496958_India's_Dairy_Sector_Structure_Performance_and_Prospects

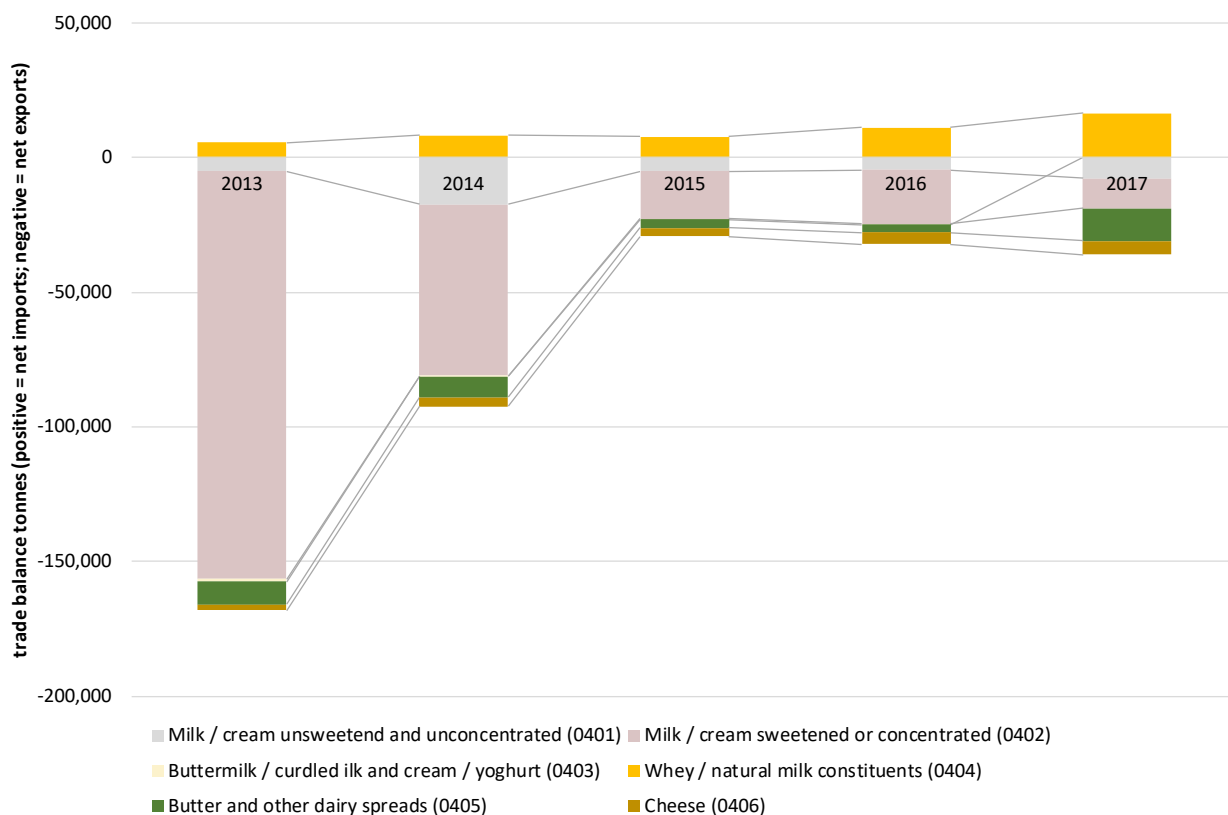
¹⁰⁰ India Dairy and Products Annual; https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Dairy%20and%20Products%20Annual_New%20Delhi_India_10-13-2017.pdf

Indian multinational corporate players, such as Lactalis and Danone, however, some of these have exited the market recently following losses incurred¹⁰¹.

5.4.3.2 Imports and exports

As presented in Figure 5-19, exports of dairy products outweigh imported volumes. However, the scale of exports drastically changed comparing figures in years 2013-2017 with gradual decrease of exported milk. Exports of cheese maintained their levels whereas volumes of exported butter increased. Imports, on the other hand, almost entirely relate to whey and were on rise between 2015 and 2017.

Figure 5-19: Trade balance (imports and exports) of dairy in India, 2013-17; tonnes



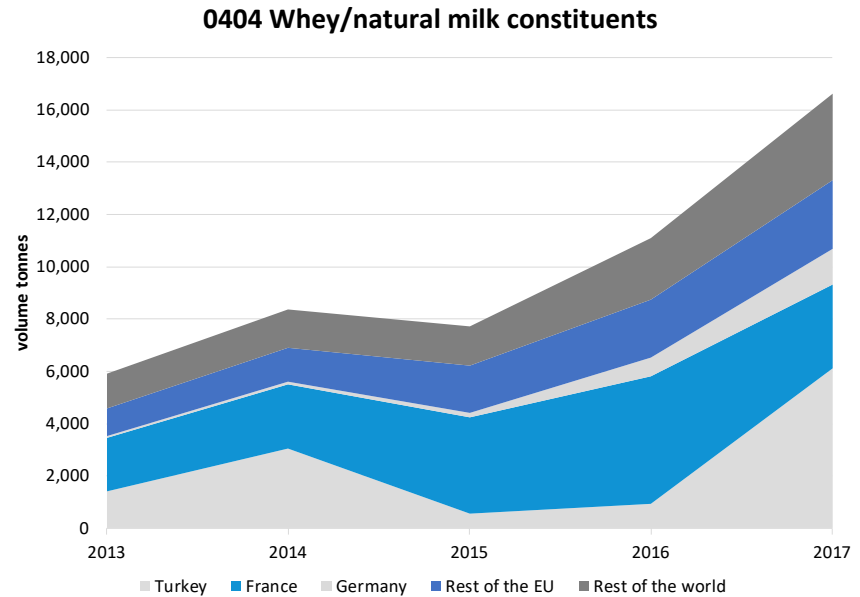
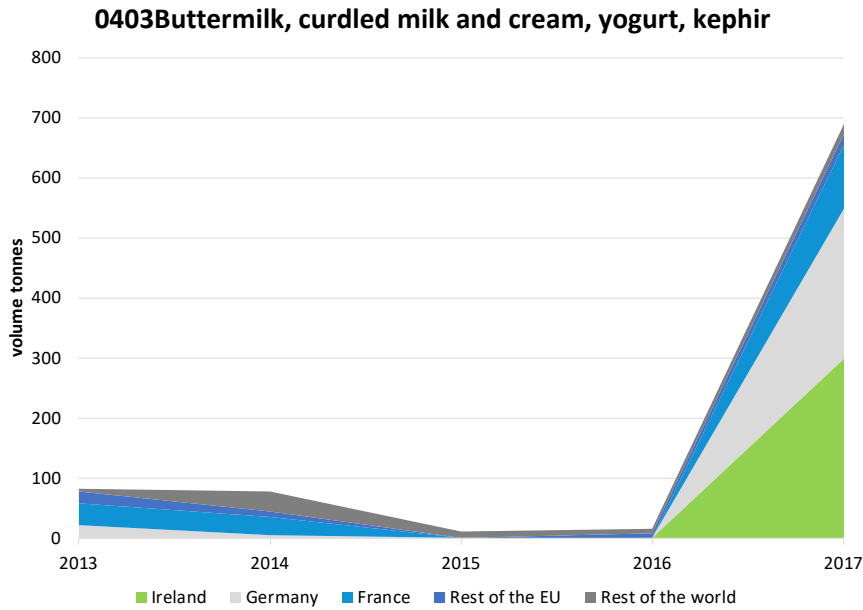
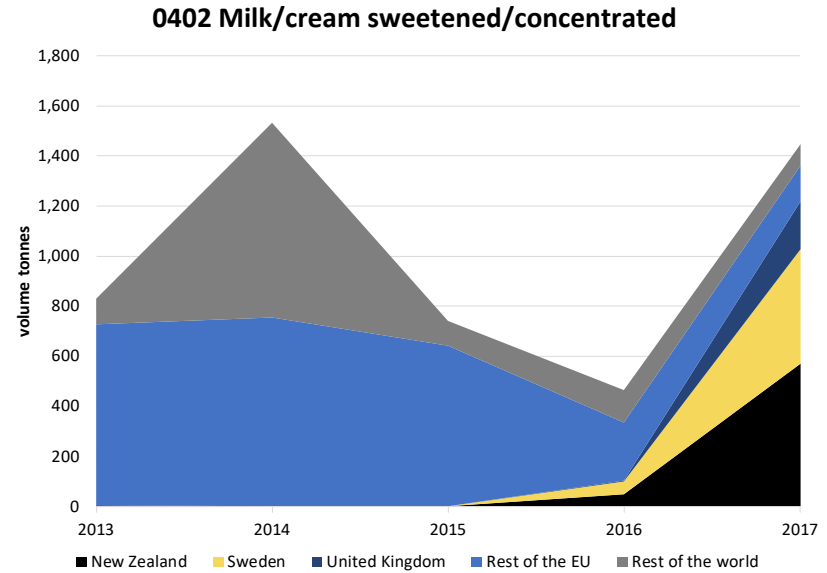
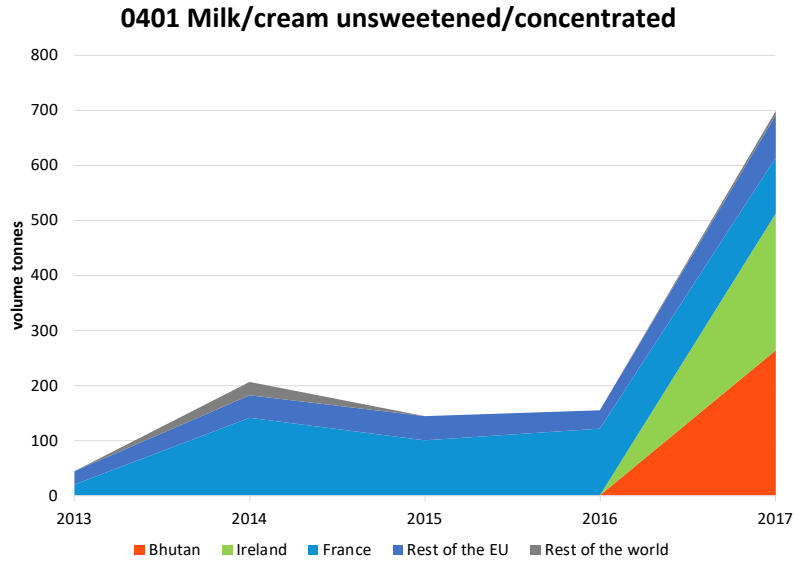
Source: Trade Map, International Trade Centre - <https://www.trademap.org/> CN codes in brackets

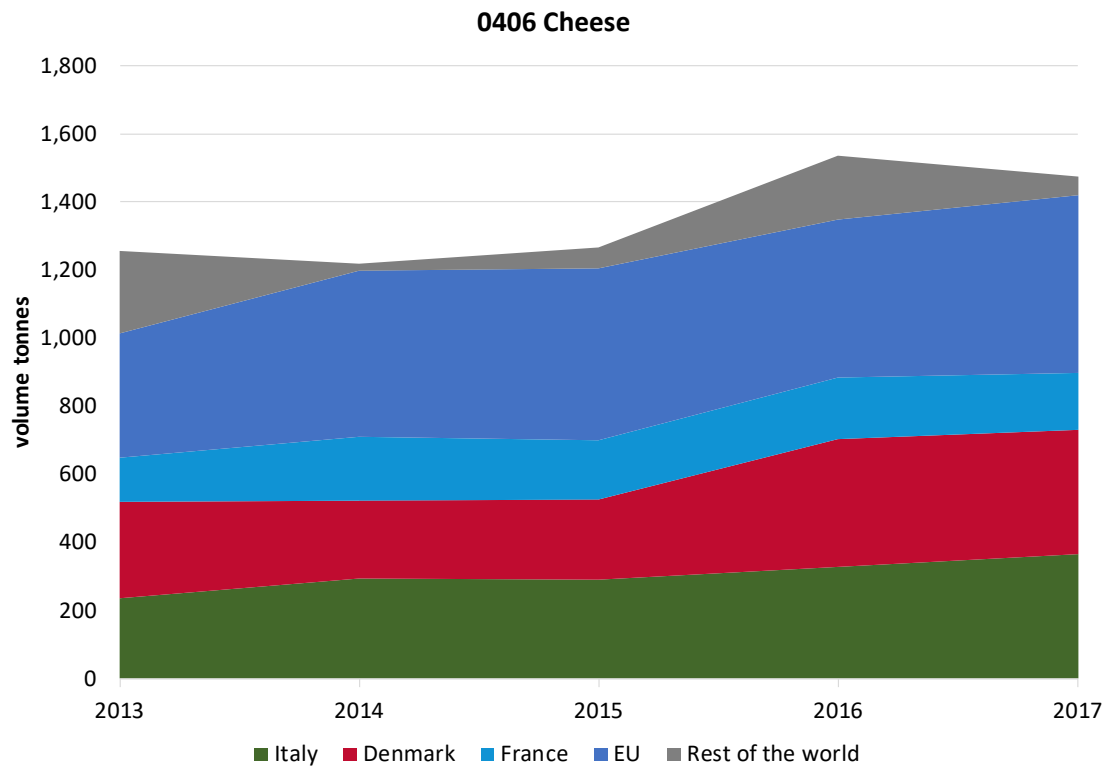
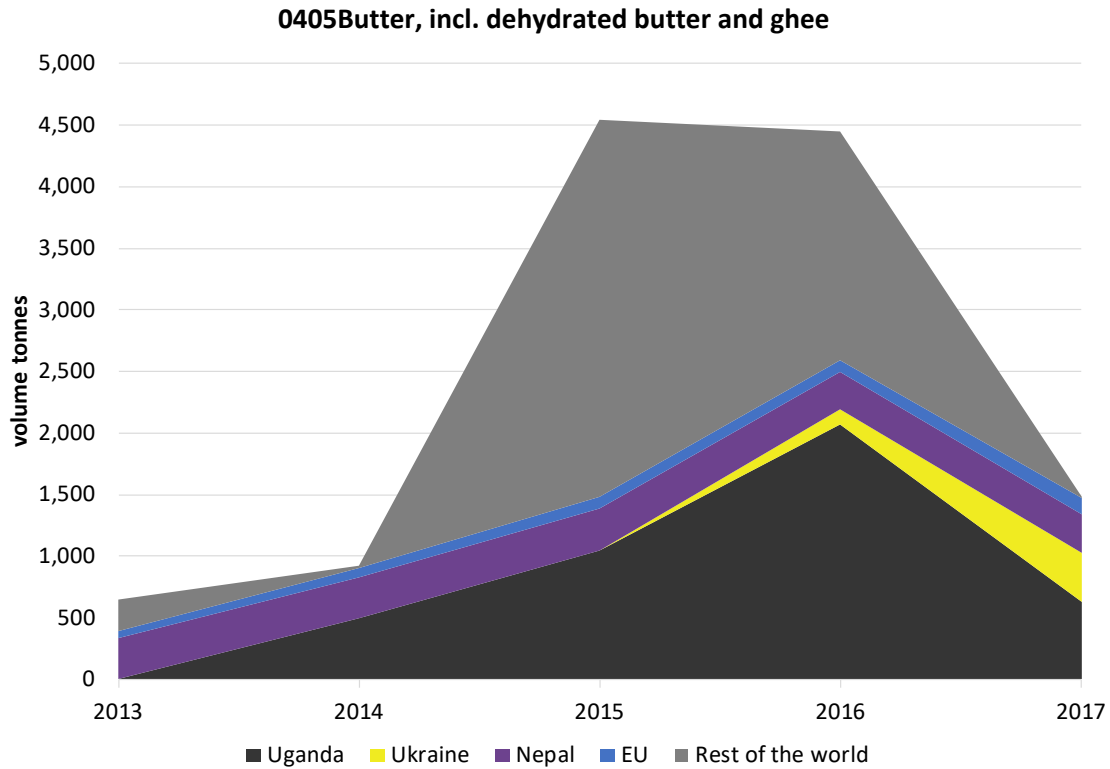
Indian imports vary in terms of countries involved and depend on the product. Whey – the most prominent imported product is mostly imported from France and Turkey, followed by Germany and other countries. Cheese, on the other hand, almost exclusively comes from the EU, i.e. Italy, Denmark, France and others. Milk imports tend not to have stabilized partnerships and include many countries, such as

¹⁰¹ Danone exits dairy business in India, recasts portfolio; <https://timesofindia.indiatimes.com/business/india-business/danone-exits-dairy-biz-in-india-recasts-portfolio/articleshow/62465456.cms>

France, Bhutan, Ireland in case of unsweetened milk; and UK, Sweden and New Zealand for sweetened milk products.

Figure 5-20: Indian imports of different dairy categories by country, 2013-17; tonnes





Source: Trade Map, International Trade Centre - <https://www.trademap.org/> CN codes in brackets

5.4.3.3 EU GI products

As indicated in section 4.2.4, as a member of the WTO, India has transposed the TRIPs provisions on GIs in the 1999 Geographical Indications of Goods Act and the 2002 Geographical Indications of Goods Rules. The list of protected GIs includes the three following Italian cheeses:

- Parmigiano Reggiano
- Asiago
- Grana Padano

5.4.3.4 Main competitors

As indicated in section 5.4.3.1, the Indian dairy market largely relies on its domestic production. Indian producers, often small scaled in rural parts of the country, dominate the market. However, there are several key important companies leading segments¹⁰²:

- Drinking milk products: Gujarat Co-operative Milk Marketing Federation, Karnataka Cooperative Milk Producers Federation
- Yoghurts and sour milk products: Karnataka Cooperative Milk Producers Federation, Gujarat Co-operative Milk Marketing Federation
- Cheese: Gujarat Co-operative Milk Marketing Federation, Parag Milk Foods
- Butter: Gujarat Co-operative Milk Marketing Federation, Patanjali Ayurved

In addition, while imports play a small role, some countries are actively targeting markets which EU products currently target; the cheese market in particular.

5.4.4 Specific market entry requirements

Market Access and Entry

EU producers planning to export their products should follow procedures, as described in section 4.2.1. Moreover, it should be remembered that EU dairy products face tariffs when entering the Indian market, which in majority of products, equals to 30%:

- 0401 Milk and cream, unsweetened– 30%
- 0402 Milk and cream, sweetened – 30%; except:
 - 0402.10.10 – 60%
 - 0402.10.20 – 60%
 - 0402.10.90 – 60%
 - 0402.21 – 60%
- 0403 Buttermilk, curdled milk and cream, yogurt, kephir – 30%
- 0404 Whey/natural milk constituents:
 - 0404.10.10 – 30%

¹⁰²Euromonitor International: Packaged Food, 2018

- 0404.10.20 – 40%
- 0404.10.90 – 40%
- 0404.90 – 30%
- 0405 Butter– 40%
- 0406 Cheese – 30%

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

http://madb.europa.eu/madb/datasetPreviewFormIFpubli.htm?datacat_id=IF&from=publi&hscod e=0406&countryid=IN

(link for cheese; other dairy products can be checked by entering the corresponding 4-digit product code starting 04. Please see the list of these above)

Customs procedures

A list of standard documents required for import dairy products into India is presented in Table 4-1, in section 4.2.1. Furthermore, for dairy products (which are considered high risk products) it may be requested to present additional documents, as outlined above as well as in Table 4-2 in section 4.2.1. As identified by this table the necessary documents are:

- Import Permit for Livestock Products
- Veterinary Health Certificate for Animal Products

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

http://madb.europa.eu/madb/datasetPreviewFormIFpubli.htm?datacat_id=IF&from=publi&hscod e=0406&countryid=IN

(link for cheese; other dairy products can be checked by entering the corresponding 4-digit product code starting 04. Please see the list of these above)

SPS measures

As mentioned above in this section, dairy products fall into the group of high-risk products according to Indian law, thus it is necessary to obtain applicable certification documents, securing import permit¹⁰³.

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/datasetPreviewFormIFpubli.htm?datacat_id=IF&from=publi&hscod e=0406&countryid=IN

(link for cheese; other dairy products can be checked by entering the corresponding 4-digit product code starting 04. Please see the list of these above)

¹⁰³ Animal quarantine & certification services; <http://aqcsindia.gov.in/import-export-of-livestock-and-livestock-products.html>

Labelling

Dairy products must comply with the labelling rules outlined in section 4.2.3.

5.4.5 Distribution

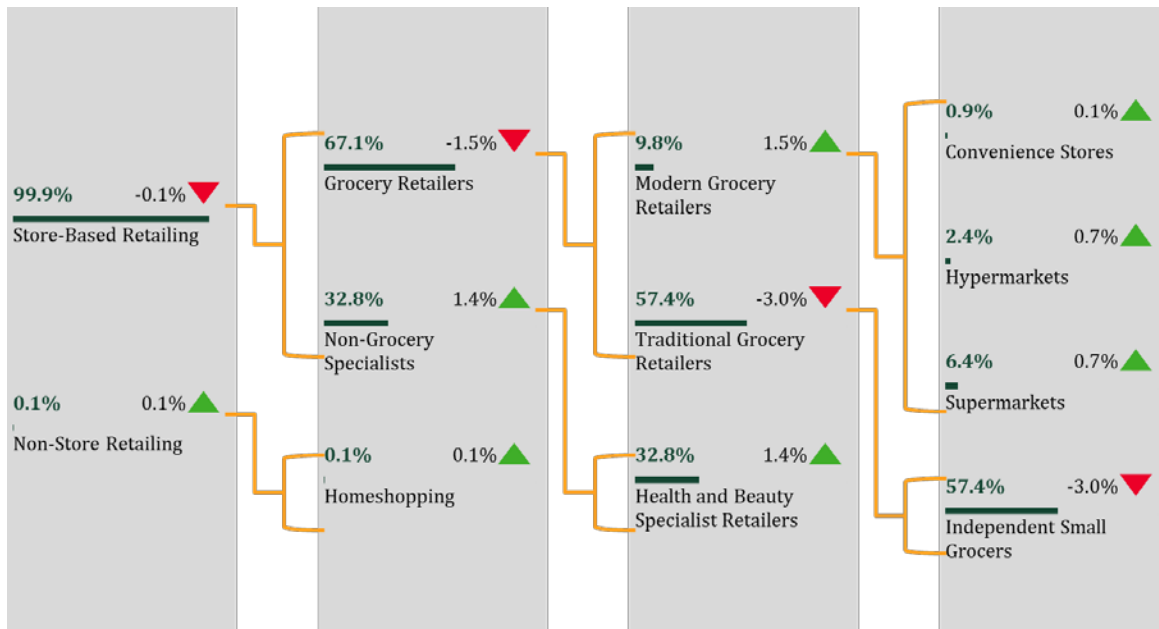
As presented in Figure 5-21, dairy products are largely distributed through traditional grocery retailers (over 93% in terms of retail value; 2017). Modern retailers, i.e. supermarkets and hypermarkets constituted over 6% of retail value in 2017 and recorded a growth of 1.3%. Infant formula, on the other hand, is being distributed mainly through traditional retailers, followed by health and beauty specialists (Figure 5-22).

Figure 5-21: Distribution channel overview of dairy in India (2017); all dairy products; retail value



Source: Euromonitor International: Packaged Food, 2018

Figure 5-22: Distribution channel overview of baby food (including infant formula products) in India (2017); retail value



Source: Euromonitor International: Packaged Food, 2018

5.4.6 Challenges for EU products

The greatest challenge for EU dairy producers is the fact that the market in India almost entirely relies on domestic production. It should also be mentioned that as products are in most cases distributed through traditional retailers, it could be troublesome to gain access to the market. Apart from this, consumers in India tend to be loyal towards known and trusted brands. Market entry requirements can pose some challenges.

Market Takeaway: Dairy

Consumption: Consumption on rise across all categories, the highest in case of yoghurts and cheese.

Competition: The market almost entirely relying on domestic production, with marginalized imports.

Distribution: Dairy products in majority are distributed through traditional retail grocers.

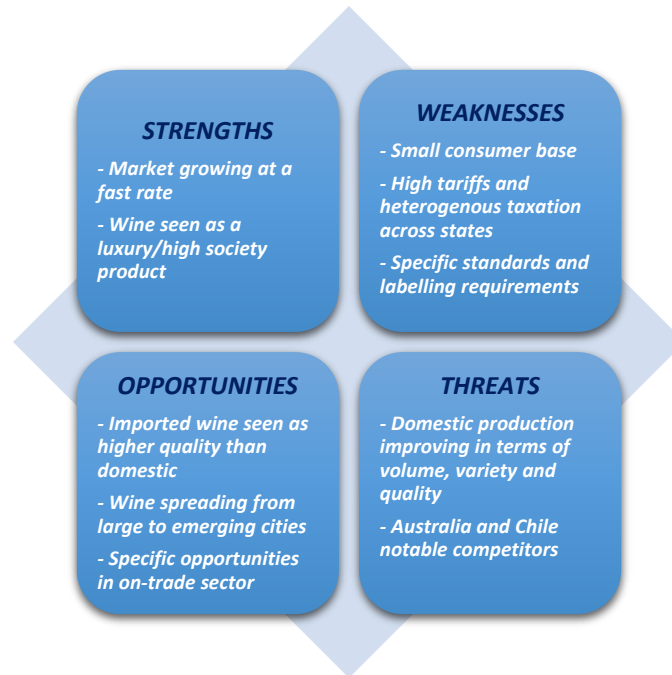
Challenges: The main challenge relates to dominance of domestic producers across all segments. Entry requirements can pose challenges.

Opportunities: Continuously growing demand for dairy products, including most notably new varieties of imported cheese.

5.5 Wine

Note: for additional relevant information on alcohol in India it is worth referring to section 3.3.2.4 and the market snapshot for spirits (section 5.2).

5.5.1 SWOT analysis

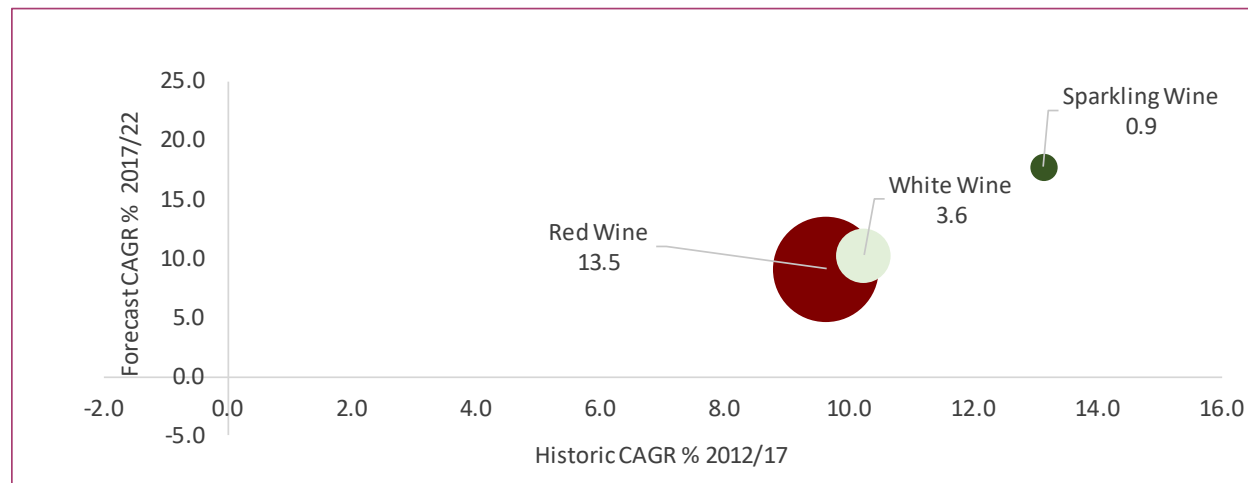


5.5.2 Consumption

5.5.2.1 Evolution of consumption

Consumption of wine in India has been growing quickly in recent years, at a rate far in excess of that of population growth. Red wine, which accounts for just over three quarters of wine consumption, has grown at 9.6% per year historically, and is forecast to grow at a comparable rate going forward. White wine has grown even more quickly at 10.2% per year, and the smallest segment of sparkling wine the fastest at 13.1% per year (Figure 5-23). However, despite rapid growth, it must be noted that overall consumption levels are very low. In total, only 18m litres of wine were consumed in India in 2017, equating to around 0.01 litres per capita.

Figure 5-23: Evolution and forecast of wine market (million litres) in India, total volume, 2012-2022



Source: Euromonitor International: Alcoholic Drinks, 2018

5.5.2.2 Consumer profile and purchase criteria

Consumers

Wine is still quite a young category in India, with corresponding low consumer penetration. However, this penetration – and wine consumption – is picking up due to a combination of economic growth and rising income levels in some groups. Typical consumers of wine share the following characteristics¹⁰⁴:

- **Residents of tier 1 or tier 2 cities:** this is because wine is primarily available in specialist retail outlets in larger cities. Mumbai in particular stands out as an important city for wine consumption (though a fair amount of this is domestic); while Delhi is particularly important for international wine consumption. Indeed, these two cities are estimated to account for over 60% of wine consumption in India. That said, this trend is slowly spreading to tier three cities as well.
- **Female:** consumption of wine in India has always been slightly more weighted towards women, who view wine as a drink which signifies class and education.
- **Young:** consumers under the age of 35 account for the majority of wine consumers by age. This consumer group is also quite open; they enjoy trying new types of wine and appreciate different tastes.
- **Affluent:** sophistication is attached to wine in India, and hence it is generally considered a drink of higher society people.

¹⁰⁴ Euromonitor International Ltd: Alcoholic Drinks (2018); <https://www.wineintelligence.com/the-india-opportunity/>; <https://www.austrade.gov.au/news/insights/insight-indias-growing-thirst-for-wine>; <https://www.wineintelligence.com/press-releases/press-release-the-indian-wine-landscape-is-dominated-by-millennials-who-are-still-learning-about-wine-but-enthusiastic-drinkers-according-to-the-latest-wine-intelligence-report/>

That said, on trade channels often target two niches which fall outside the consumer profile painted above. These niches are: tourists and affluent men over 45.

Drivers and method of consumption

Wine is generally seen as a more stylish and sophisticated drink than most spirits and is commonly perceived as a luxury product or something for special occasions. Subsequently, important functions and events such as weddings are notable occasions when wine is consumed. This also translates to a general preference for international brands over domestic products (see below). On-trade channels, restaurants and five-star hotels, in particular, are important for wine distribution in value terms, with consumption by the glass, the preferred method. The on-trade channels play an important role in exposing consumers to new wines, as the range of products on offer through such channels is often wider than that through smaller independent off-trade outlets.

Consumption of wine at home is generally rarer, but it is more popular in certain areas of the country such as Goa. Wine is also a popular gift, notably among women (i.e. women both as giver and recipient). Consumption has been boosted in recent times by the perceived health benefits linked to it¹⁰⁵.

The SFIS duty-free licence / SEIS scheme and five-star hotels

The SFIS duty-free licence scheme, which ran until 2014 allowed services providers with foreign currency earnings to import products for their business duty free, based on the amount of foreign currency earned. In the case of hotels, this includes food items and alcoholic beverages. This scheme, therefore, provided incentives for the import of wine by high-end hotels for consumption on their premises. The SFIS scheme was replaced by the SEIS scheme in 2015. The two main relevant changes were: (1) the level of credit available for duty-free purchase based on foreign currency earned were lowered; (2) the credit obtained was no longer restricted to certain goods, so could be used on any goods imported. However, the high tariffs on alcoholic beverages still make them attractive as the import target good for the use of credit by high-end hotels; and hence the boost for the on-trade channels remains, albeit arguably to a lesser extent.

Purchase criteria

As noted in section 5.5.2.1, red wine is more popular than white. That said, new female consumers are likely to start by consuming white wine and subsequently switch to red wine.

Knowledge of wine is still fairly low on average in India. Subsequently, a series of criteria are generally used to make an assessment of the quality of wine. Key ones are¹⁰⁶:

¹⁰⁵ Euromonitor International Ltd: Alcoholic Drinks (2018); <https://www.austrade.gov.au/news/insights/insight-indias-growing-thirst-for-wine>; <https://www.ukessays.com/essays/marketing/consumer-behaviour-indian-wine-consumers-marketing-essay.php>; <https://qz.com/india/944731/the-average-indian-wine-drinker-cant-tell-a-cabernet-sauvignon-from-a-sauvignon-blanc/>

¹⁰⁶ Euromonitor International Ltd: Alcoholic Drinks (2018); <https://www.ukessays.com/essays/marketing/consumer-behaviour-indian-wine-consumers-marketing-essay.php>; <https://qz.com/india/944731/the-average-indian-wine-drinker-cant-tell-a-cabernet-sauvignon-from-a-sauvignon-blanc/>

- **Foreign origin / country of origin:** foreign wines are perceived as higher quality than domestic ones, and hence are often actively sought. France has a particularly good reputation; though European wines more broadly are generally well-regarded. Consumers are also aware of wines from Spain, Australia, the USA, Chile and Italy. While connoisseurs and affluent middle-aged consumers may use specific countries of origin as a key purchase criterion, for many consumers the non-Indian origin of wine is interesting, but the specific country is not yet a key purchase criterion. A further exception to this is the purchase of bottles through on-trade channels; country of origin tends to be an important criterion in such cases.
- **Branding and packaging:** most notably elements, which promote the foreign origin or indicate the tradition in production are well seen and can influence the purchasing decision. Attractive packaging including glass bottles with corks are well received (though glass bottles with screw tops are not overly discriminated against). Awards and medals may also influence purchasing decisions. Descriptors such as “fruity” and “elegant” are appreciated in some cases.

Nonetheless, Indian consumers are also price conscious. Price will, therefore, play a crucial role; and on balance is likely to trump the quality considerations set out above. The price range of 600 to 1 000 INR (7.50 to 12 EUR) per bottle is considered attractive for products perceived to be higher in quality. That said, the majority of wines by volume are priced in the INR 300 to 600 (EUR 3.75-7.50) range.

As set out above, while knowledge of grape varieties is generally low in India and hence other factors will be used to inform the purchasing decision, varieties which have proven to be particularly popular in India are:

- Red: cabernet sauvignon, shiraz
- White: chenin blanc, sauvignon blanc

These grapes are indeed in line with the varieties that were first used for wine production in India.

5.5.2.3 Recent market trends

The outlook for the wine market is positive. The early adoption of wine among consumers (see above) along with increased product availability and consumer interest in new products at all levels of the market is expected to drive consumption going forward, with annual consumption growth forecast between 9.1% (red wine) and 17.7% (sparkling wine). The early adoption of wine by young consumers (under 35) is a notable driver of this future growth. In this context, young consumers who purchase wine through on-trade channels show particular potential as they tend to be open to trying different wines, and the on-trade channel provides them with a channel to do this.

A particular trend of late has been the targeting of the mass market. By introducing affordable entry-level wines, and in some cases using alternative packaging such as PET bottles, some producers have managed to ensure that more alcoholic drink shops stock their product. This in turn has increased the availability of wine and led to its consumption by a growing number of lower-income households.

5.5.3 Offer

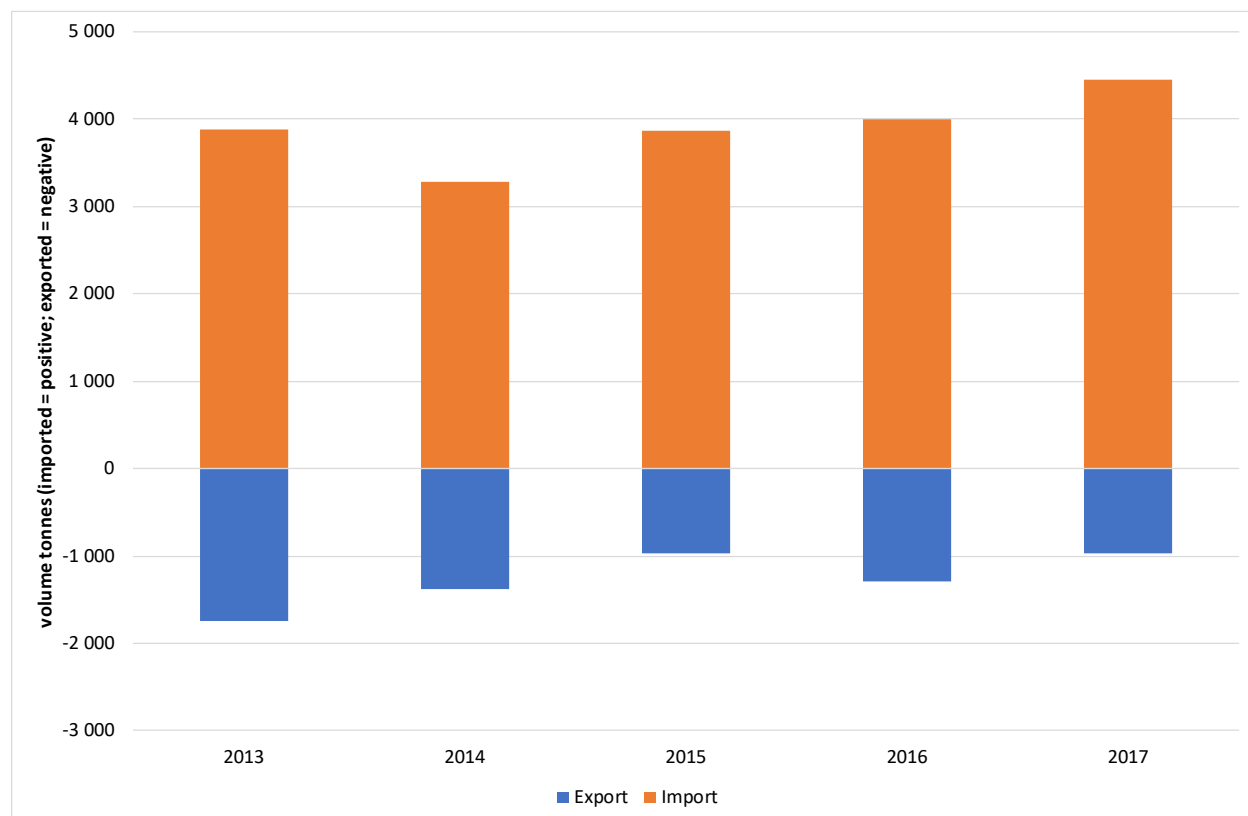
5.5.3.1 Domestic production

India has developed a significant wine industry in recent years and was estimated to have a production capacity of over 20m litres in 2018, having recently grown at over 10% per year. Major domestic producers include Sula Vineyards, which has the capacity to produce roughly half of domestic production; Grover Zampa; and Samant Soma. While production originally focused on the varieties of cabernet sauvignon, shiraz, sauvignon blanc and chenin blanc, new varieties have been introduced in recent years. These include: zinfandel, Riesling and clairette blanche ¹⁰⁷.

5.5.3.2 Imports and exports

India is a net importer of wine, with imports showing a slight upward trend in recent years to reach just over 4 000 tonnes in 2017 (Figure 5-24). Imports have generally fluctuated around the 1 000 tonnes level.

Figure 5-24: Trade balance (imports and exports) of wine in India, 2013-17; tonnes



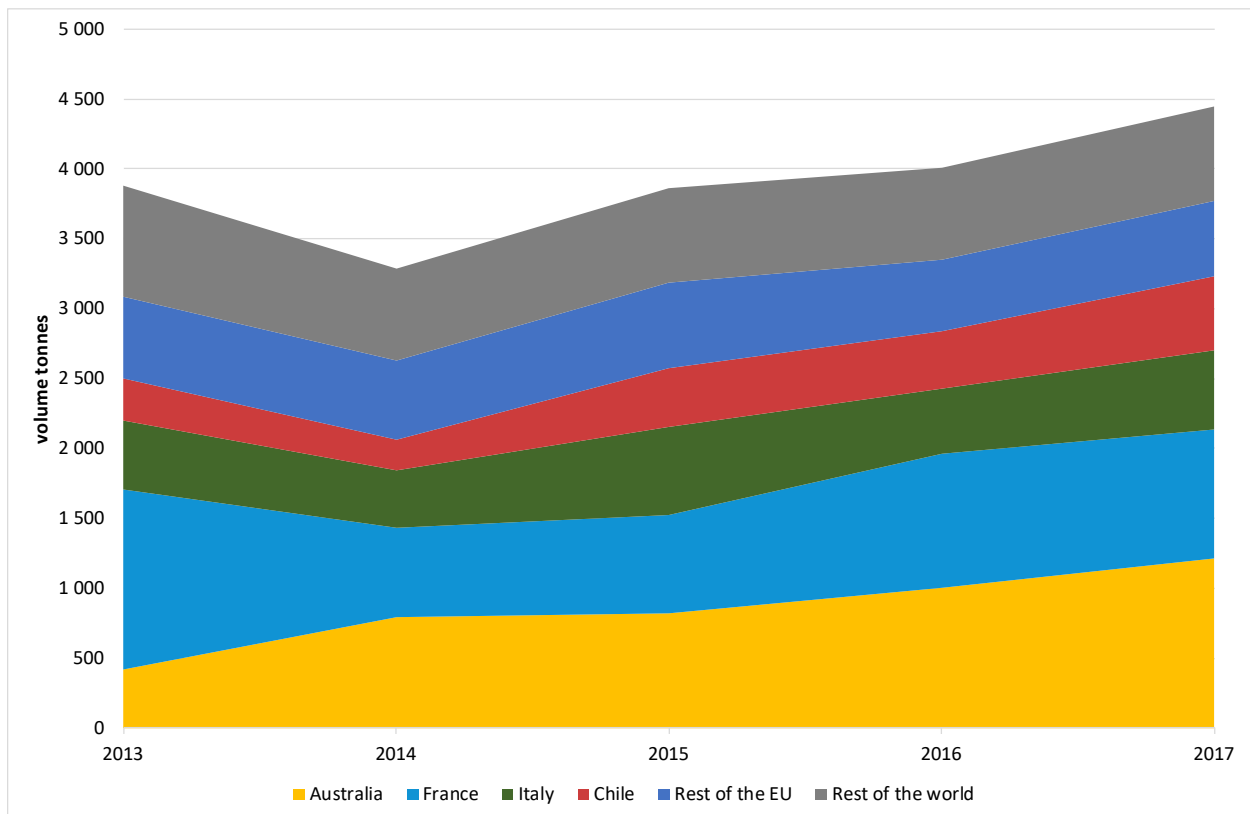
Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2204

¹⁰⁷ <https://food.ndtv.com/food-drinks/indias-wine-production-may-reach-21-million-litres-by-2018-study-1215086;>
<https://sulawines.com/abouthistory.aspx>

Australia is the main source of imports, followed by France. Australian imports have increased rapidly since 2013 (when France was the number one importer) and now equate to nearly 1 000 tonnes. Other notable importers are Italy and Chile (Figure 5-25).

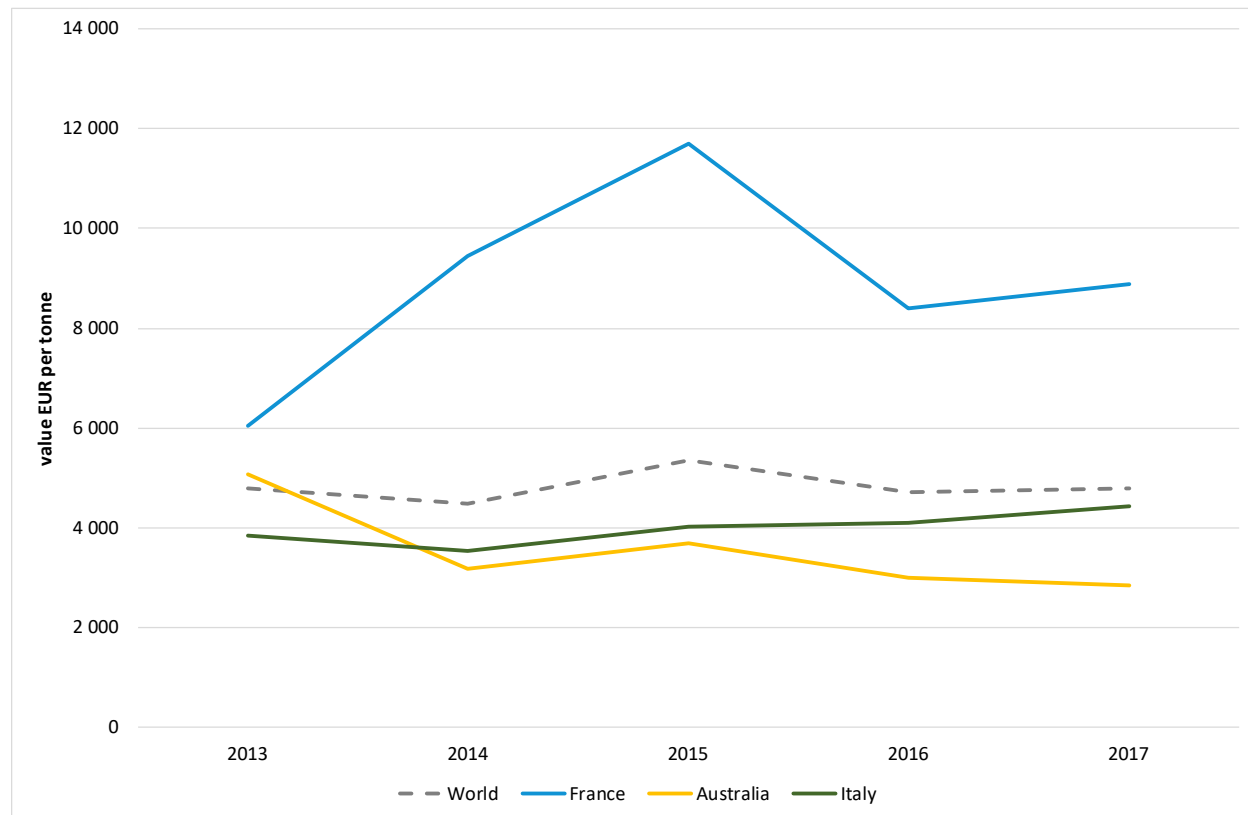
Nonetheless, the unit value of French wine (8 876 EUR/tonne in 2017) is well above the average of imports to India (4 797 EUR/tonne). The unit value of Italian wine is below the average at 4 422 EUR/tonne; but considerably higher than competing Australia (2 851 EUR/tonne) and Chile (2 311 EUR/tonne -Figure 5-26).

Figure 5-25: Indian imports of wine by country, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2204

Figure 5-26: Per unit value of Indian imports of wine for selected countries, 2013-17 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2204

5.5.3.3 EU GI products

The following EU wine names have been registered as geographical indications in India:

- Champagne
- Douro
- Porto
- Prosecco

5.5.3.4 Main competitors

Indian domestic wine production has increased rapidly in recent years with production capacity now in line with domestic consumption and offers a wider range of wines. Sula vineyards is the country's largest producer. Nonetheless, there is a large market for imported wines. While France and Italy are major players on this market, it is now led by Australia.

5.5.4 Specific market entry requirements

Market Access and Entry

European exporters of wine face an MFN 150% import tariff when penetrating the Indian market. Furthermore, different states impose different rates of additional excise duties on wine, which is excluded

from the country-wide GST. With the exception of Maharashtra, wine is generally classified under spirits for licensing and taxation purposes. The e-waybill system facilitates the shipment of wine to a final destination in India while crossing states. Sending wine from state to state after a consignment has arrived at a final destination is likely to run into challenges with the different excise rates across states. In this context, it should be remembered that alcohol is prohibited in four states and one union territory (see section 3.3.2.4). It should also be noted that some interstate regulations limiting distribution exist.

Finally, it should be remembered that the SFIS/SEIS duty-free licence scheme exists, which allows some high-end hotels to import wine for resale without paying the 150% duty (see section 5.5.2).

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=2204>

Customs procedures

A list of standard documents required for the import of wine into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some products it may be requested to present additional documents, as outlined in Table 4-2 in the same section.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=2204>

SPS measures

Sanitary and Phytosanitary measures concerning the import of wine into India are in line with international standards.

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

Standards and labelling

India has recently introduced specific Alcoholic Beverage Regulation, which will apply from 1st April 2019. These regulations include standards and labelling requirements for wine. The full text of the relevant regulation can be found at: [https://www.fssai.gov.in/dam/jcr:cd57d3d9-03fc-4b2c-bf94-8006bc4bb6de/Gazette Notification Alcoholic Beverages 05 04 2018.pdf](https://www.fssai.gov.in/dam/jcr:cd57d3d9-03fc-4b2c-bf94-8006bc4bb6de/Gazette%20Notification%20Alcoholic%20Beverages%2005%2004%202018.pdf)

Part 3.1.1 of the regulation defines table wine as follows:

- **Red wine:** *Red wine shall be made from the grape varieties, red or mixture of red and white. The fermentation shall be carried out along with the grape skin to allow extraction of colour and tannins, which contribute to the typical colour and flavour of the wine.*
- *Wine having pink colour produced during fermentation with less contact time with skin may be called as Rose wine and shall conform to the requirement specified for Red wine.*

- **White wine:** *White wine shall be prepared by fermentation of white grapes or from juice extracted after removal of skin of red grapes.*
- *Based on sugar content table wine may be of the following types:*
 - *Dry wine: Dry wine is a wine that contains 0.4 up to 0.9 per cent sugar.*
 - *Medium dry wine: Medium dry wine is a wine that contains more than 0.9 up to 1.2 per cent sugar.*
 - *Medium sweet wine: Medium sweet wine is a wine that contains more than 1.2 up to 4.5 per cent sugar.*
 - *Sweet wine: Sweet wine is a wine that contains more than 4.5 per cent sugar.*

There are also further definitions for sparkling/non-sparkling (part 3.1.2), fortified wine (part 3.1.3) and non-grape wine (part 3.1.4).

Further specific requirements for the labelling of wine is also defined in part 5.9:

In addition to requirements mentioned in sub-regulations 5.1 to 5.6, the label on wine shall also:

- i. Indicate the origin (country or state) of wine and declare the amount of sugar.*
- ii. List the name of variety of grape or fruit used in descending order of quantity provided such claim is made.*
- iii. Declare the name of residues of preservatives or additives present as such, or in their modified forms, in the final product.*
- iv. 5.9.2 In addition the label on wine may:*
- v. Declare generic name of the grape and its variety, or raw material used, geographic origin, and vintage year, provided such claims are made.*
- vi. Declare the name of the place, or region, sub-region or appellation, if 75 per cent the grapes come from that place.*
- vii. Carry the name of a grape variety, the wine is made from at least 75 per cent from that grape variety.*
- viii. Carry a date of vintage, if at least 85 per cent of the wine comes from that vintage.*

As noted in the regulation, this is in addition to the general labelling requirements for alcohol, which among others prohibits nutritional information or health claims and requires a warning label (example below); and requires that imported beverages comply with the general provisions of the Food Safety and Standards (Import) Regulations of 2017 (see sections 4.2.3 and 5.2.4 for more information).

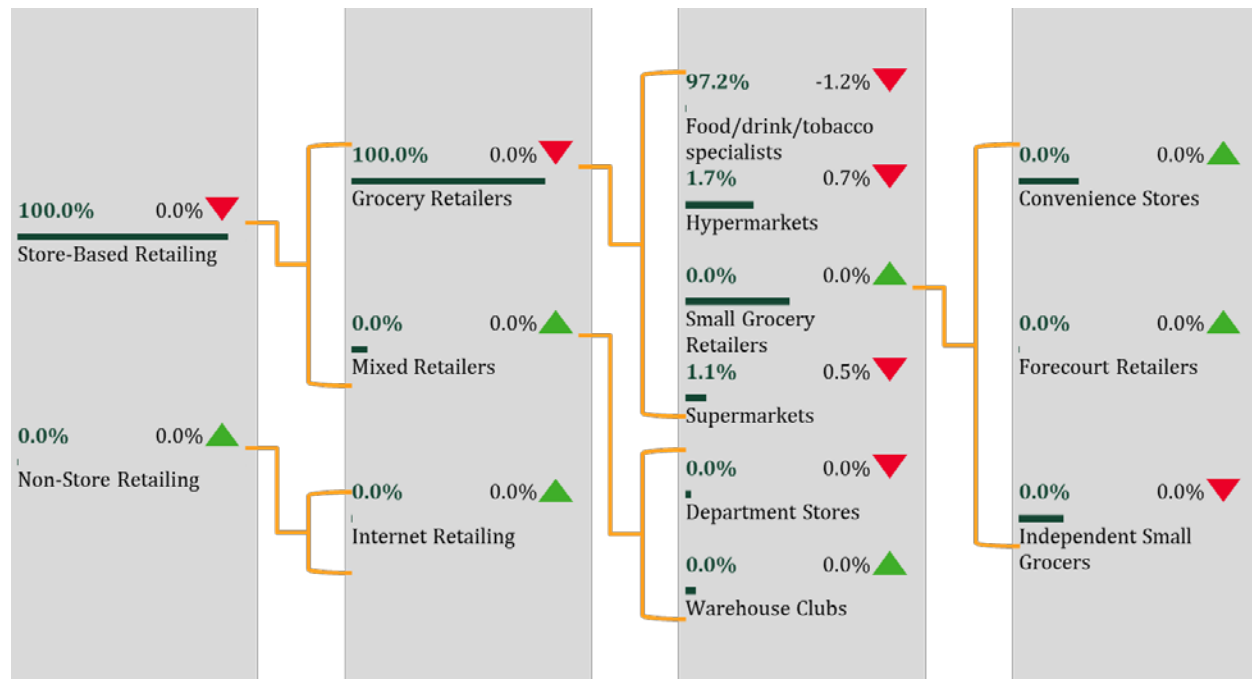
CONSUMPTION OF ALCOHOL IS INJURIOUS TO HEALTH.
BE SAFE-DONT DRINK AND DRIVE.

5.5.5 Distribution

As noted in section 5.5.2, the on-trade channel is important for the distribution of wines in India in terms of value. On-trade establishments are more likely to stock a higher proportion of Indian wines as consumers are more likely to order wine by the glass; though some imported wines will be stocked as well

for high-end consumers. Almost all wine sold through the off-trade channel – 97% - is distributed through specialist food and drink retailers (please see section 5.2.5 under spirits for more information on these stores and how they vary between states). Hypermarkets only account for under 2% of sales.

Figure 5-27: Distribution channel overview of wine in India (2017); off-trade volume



Source: Euromonitor International: Alcoholic Drinks, 2018

5.5.6 Challenges for EU products

A major challenge to EU products is the rapid development of India's nascent wine industry; domestic production capacity is now in line with consumption. That said, consumption is expected to rapidly grow, and imports have not slowed in recent years. Australia is a major competitor among importers. Tariffs for imported wine products are very high (150%). Furthermore, wine is not covered by the GST and subsequently different states apply different additional excise duties on wine. The combination of customs and excise duties can mean that the price to the end consumer of an imported bottle of wine can be several times what it would be in the EU. With a fluid situation with regards to standards, there can be challenges with existing stocks when new standards are introduced as it may be difficult to adapt labels or exhaust stocks in the transition periods provided.

Market Takeaway: Wine

Consumption: low but rapidly increasing.

Competition: fast developing domestic wine industry; Australia a notable competitor among importers.

Distribution: on-trade important, restaurants and five-star hotels in particular. Food and drink specialists dominate the off-trade channel with differences between states in their nature.

Challenges: strong competition and very high customs duties (150%). Non-uniform taxation across India and generally fragmented market.

Opportunities: rapidly growing market, driven by early-adapting young consumers who show particular potential. Imported wines are seen as being higher in quality than domestic ones. The SFIS/SEIS duty free schemes have provided some strong incentives for high end hotels to sell imported wines.

5.6 Fresh meat

Note: Most Indian states restrict or prohibit trade and slaughter of cattle due to religious sensitivities. Effectively, the country's consumption mostly relies on buffalo meat (carabeef), which is less affected by legal restrictions. The term "beef" in this section, therefore, primarily relates to carabeef.

For the Muslim population of India, the sale of halal products, including meat, is permitted upon receiving Halal Certification from one of various Halal Bodies in the country¹⁰⁸.

5.6.1 SWOT analysis



5.6.2 Consumption

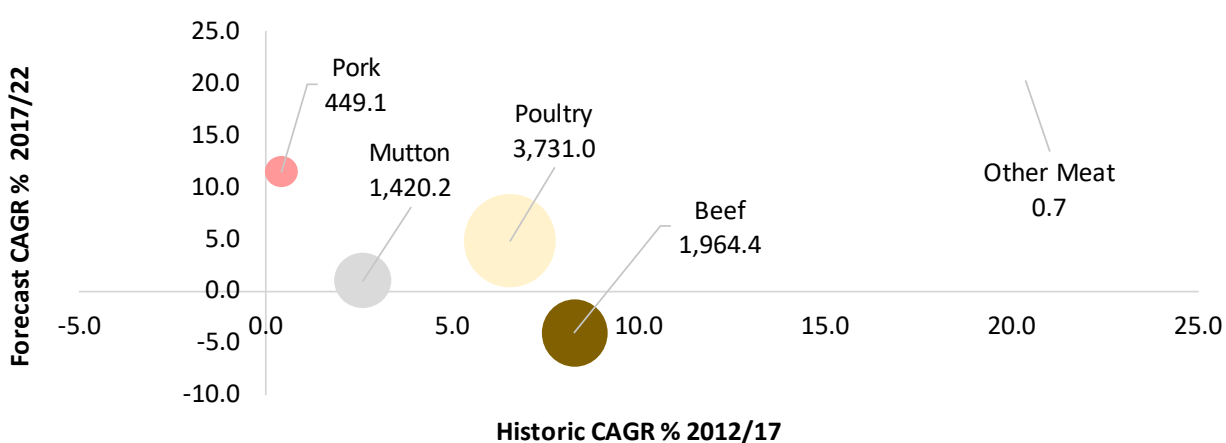
5.6.2.1 Evolution of consumption

As presented in Figure 5-28, the market for fresh meat in India has been on rise and is expected to keep the upward trend, except the beef market. The market reached 7.5 million tonnes in 2017, with the poultry constituting the largest segment, recording a growth of 6.5% per year between 2012 and 2017 and projected increase of 4.8% per year over the forecast period to 2022. Poultry's popularity is boosted by restrictions on the consumption of some other meats (beef in particular and pork to some extent); and the high price of mutton. After noting a strong growth of 8.3% per year between 2012 and 2017, the

¹⁰⁸ For example: <http://www.halalindia.co.in/> ; <http://halalcertificate.in/> ; <http://www.jamiathalaltrust.org/>

second biggest category of beef (i.e. generally carabeef, please see box above) is predicted to gradually decline by 4.1% in next years. Such a downturn may result from onset of the formal bans on the slaughter of cattle in most states in India, an on the slaughter of carabeef in some states, which was introduced in 2015¹⁰⁹. Mutton is next and has been on continuous and moderate growth – 2.6% per year in previous year and projected 1.0% in coming years. Pork does not make up for significant market due to a combination of religious views and the fact it is considered unhealthy and unhygienic. However, despite this, the market size is projected to increase by 11.5% over the forecast period. Higher wealth is a notable driver of increasing meat consumption both historically and going forwards.

Figure 5-28: Evolution and forecast of fresh meat market (000 tonnes) in India, total volume 2012-2022



Source: Euromonitor International: Fresh Food, 2018

5.6.2.2 Consumer profile and purchase criteria

Consumers

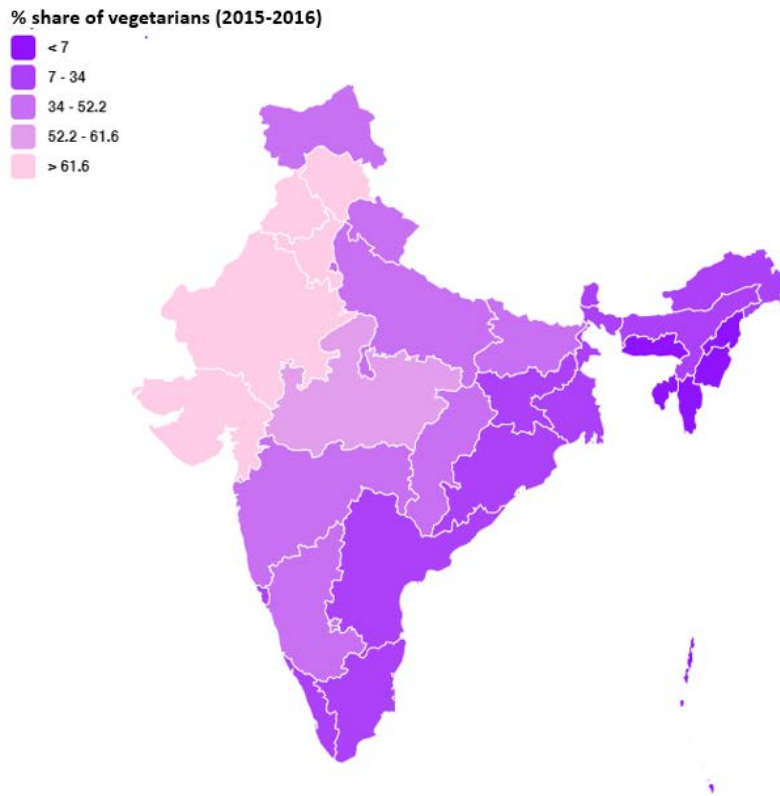
As section 3.3.2.3 outlined, around 1/3 of Indians identify themselves as vegetarians¹¹⁰, which are predominantly spread in the North-West of the country. Eastern and Southern parts of India are characterized by higher percentage of regular meat-eaters¹¹¹ (Figure 5-29).

¹⁰⁹Despite the following suspension ruled by the India's Supreme Court (2017), most Indian states restrict or prohibit slaughter of cattle, relying mostly on slaughter of buffalo cows and bulls from the dairy sector.

¹¹⁰ At this point it should be remembered that Indians perceive vegetarianism as not consuming animal products, including eggs, which inevitably means that any product with egg as ingredient as non-vegetarian.

¹¹¹ No, vegetarianism is not growing in India; <https://www.livemint.com/Politics/dWUqT4epdPTHNAYuKYVThK/No-vegetarianism-is-not-growing-in-India.html>

Figure 5-29: Share of vegetarians in India 2015-2016; %



Source: Agra CEAS based on NFHS

The perception of meat as a crucial ingredient of diet varies greatly across the country, which mainly derives from religious beliefs, tradition having evolved over millennia, additionally shaped by local availability, mode of production as well as disposable income capacity¹¹².



Poultry is well regarded and seen as the most affordable fresh meat in India. Consumers particularly appreciate chicken, having abundance of choice with more than 10 varieties¹¹³. Chicken is preferred also due to its meat tenderness and suitability for many Indian dishes as well as due to straightforward rearing and availability. However, it should be remembered that although consumption of poultry is subject to fewer religious prohibitions than other meats, it is still affected by several social practices, such as avoiding

¹¹² Meat-eating in India: Whose food, whose politics, and whose rights? ; <https://journals.sagepub.com/doi/pdf/10.1177/1478210318780553>

¹¹³Euromonitor International: Fresh Food, 2018

consumption during certain festivals (e.g. *Navratri*)¹¹⁴. Moreover, poultry consumption drastically falls in case of disease outbreaks, given concerns over food safety. Indian consumers enjoy in particular dark poultry meat, legs, thighs as well as drumsticks.

With regards to the consumption of beef, it must be taken into account that most Indian states restrict or prohibit slaughter of cattle given religious sensitivities¹¹⁵, thus the consumption mostly relies on buffalo meat (*carabeef*), which is less affected by law restrictions. Carabeef is the second most consumed animal protein, consumed throughout the country, except Northwest part of India. Beef from cattle, on the other hand, is not really consumed except in some parts of Northeast India, where there are no notable law restrictions, followed by Kerala and West Bengal states, in which some restrictions exist. Furthermore, beef consumption as a whole is more common in urban locations, especially on-trade as well as vastly chosen by the Muslim population of the country^{116,117}. Lastly, it should be pointed out that consumption of beef from cattle in most parts of the country is considered as crime, punishable even by imprisonment. In some cases, the possession of beef is strictly forbidden (e.g. in Maharashtra¹¹⁸).

Following the introduction of the country-wide ban on the trade of cattle for slaughter in May 2017, India witnessed incidents of social unrest, as several States refused to implement new cattle-trade rules. Given economic implications for mostly non-Hindu farmers, public strikes and acts of violence, India's Supreme Court suspended the cattle ban in July 2017¹¹⁹. Nevertheless, the State-ruled bans are said to be strictly followed, sometimes leading to violent public protests¹²⁰. However, as it will be outlined in later sections, it must be said that legislative turbulences and social unrest affect the export trade marginally, impacting notably domestic supplies of animals available for slaughter.

Mutton is the third mostly consumed fresh meat in India. However, due to its higher unit price, consumers tend to choose more affordable poultry and/or beef; indeed consumers of mutton tend to be higher on the social ladder. This type of meat is widely acceptable in the country, not having social taboo and being appreciated due to its taste. In addition, it is believed that goat meat is healthier than other types of fresh

¹¹⁴ India Poultry and Poultry Products Annual ; <https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Poultry%20and%20Poultry%20Products%20Annual%202016%20New%20Delhi%20India%2012-1-2016.pdf>

¹¹⁵ States Where Cow Slaughter is Banned So Far, and States Where it Isn't; <https://www.news18.com/news/india/states-where-cow-slaughter-is-banned-so-far-and-states-where-it-isnt-1413425.html>

¹¹⁶Euromonitor International: Fresh Food, 2018

¹¹⁷ At this point, it should be remembered that all meat products consumed by Muslim Indians have to be certified as Halal products.

¹¹⁸ Meat-eating in India: Whose food, whose politics, and whose rights? ; <https://journals.sagepub.com/doi/pdf/10.1177/1478210318780553>

¹¹⁹India's top court suspends ban on trade in cattle for slaughter; <https://www.reuters.com/article/us-india-politics-meat/indias-top-court-suspends-ban-on-trade-in-cattle-for-slaughter-idUSKBN19W0IH>

¹²⁰India: Two killed in protests over alleged cow slaughter; <https://www.aljazeera.com/news/2018/12/india-killed-protests-alleged-cow-slaughter-181203134632573.html>

meat as is low in calories and total fat as well as brings certain health benefits, e.g. nutritional value, higher potassium and iron content with simultaneous lower sodium intake¹²¹.

Pork constitutes the smallest part of the fresh meat market in India, as it is often associated with unhealthy and unhygienic habits as well as due to some religious sensitivities. In recent years, pork products have started to be more popular, although more in the form of processed products, such as sausages and bacon (see section 5.14)¹²². Nevertheless, fresh pork is widely prepared and treated as delicacy in the North-East of India as well as in Goa, Karnataka and Kerala. The increasing demand of fresh pork is mainly driven by niche status of the product, followed by changes in palates and a novelty-seeking approach among consumers¹²³. Lastly, some consumers find pork as lean meat, high in protein and fibre content¹²⁴.

Drivers and method of consumption

In general, consumption of fresh meat in India is driven by population growth and dietary habits among consumers. However, as outlined above, the demand for certain types of meat tends to differ, as different factors have been influential.

Consumption of poultry prevails, as it is by far the most preferred meat due to palate qualities and affordability. Beef consumption, on the other hand, given its connotations of religious sensitivities varies across the country and is mostly driven by long-standing beliefs and traditions. Indian consumers choose goat mostly due to its healthy image, however the price of the meat also plays a role in driving consumption. Lastly, pork-eaters are attracted by niche status of the product, however this type of meat is largely seen as unhealthy and unhygienic which inevitably impacts consumption. Nonetheless, this image is changing; notably with pork very popular in the north-east of the country as part of local dishes; and pork increasingly consumed in western style restaurants across the country. Online communities such as The Porkaholics and Pork Lovers have subsequently emerged to share recipes and discuss pork consumption without judgment.

Method of consumption varies greatly across the country, as India is characterized by mosaic of distinct culinary habits, influenced by different agroecosystems and product availability. Last but not least, meat-

¹²¹ Basic Information of Goat as a livestock in the Country; <http://dahd.nic.in/sites/default/files/NAP%20on%20Goat.pdf>

¹²² Shedding its past poor image, pork slowly gaining popularity in India; <https://economictimes.indiatimes.com/news/economy/agriculture/shedding-its-past-poor-image-pork-slowly-gaining-popularity-in-india/articleshow/59291205.cms>

¹²³ Porkaholics, Pork Lovers and Porkaddicts: A peek into a growing culinary subculture in India; <https://scroll.in/magazine/889061/porkaholics-pork-lovers-and-porkaddicts-a-peek-into-a-growing-culinary-subculture-in-india>

¹²⁴ Shedding its past poor image, pork slowly gaining popularity in India; <https://economictimes.indiatimes.com/news/economy/agriculture/shedding-its-past-poor-image-pork-slowly-gaining-popularity-in-india/articleshow/59291205.cms>

based dishes are very often prepared in line with long-standing traditions and rely on certain mode of meat production and preparation methods, which in the end favours local production.

Purchase criteria

Generally speaking, it should be noted that freshness of products, including meat, plays a crucial role for Indian consumer, which particularly appreciate freshly slaughtered meat. Indeed, vast majority of consumers choose traditional wet markets for meat purchases. Additionally, Indian consumers prefer to buy one type of meat in one place (butcher), mostly due to religious beliefs and the trust that they build with this butcher to ensure they are respected¹²⁵.

Furthermore, as identified above, consumers tend to choose between types of meat more broadly based on various considerations, religious sensitivities– including Halal reasons, affordability and taste, health added value and niche status of products. In relation specifically to affordability, consumers tend to migrate from poultry to other meats as they move up the social ladder

5.6.2.3 Recent market trends

The market for fresh meat in India has been on a moderate growth path, with most segments recording stable growth. The exception is the beef market which has started to struggle following various legislative changes and social unrest, in turn affecting the prices.

The most crucial trend relates to freshness of product, which will remain the decisive factor impacting meat purchases. Poultry, given its affordability and taste qualities, maintains its dominant position on the market, followed by beef and mutton. Indeed, driven by India's economic growth, poultry is forecast to continue to grow strongly as it is generally the first choice of meat that consumers purchase as their income increases to a level that permits them to consume meat.

Pork, on the other hand, has started to gain more popularity, mostly among novelty-seeking consumers. This has been assisted by a lack of controversy about pork / other meats such as beef being in the spotlight; promotion of pork processing by the government; and improvements in quality and taste of domestic production. Pork's increasing popularity extends to the HoReCa sector, where pork belly, chops, loin and tenderloin have been in demand recently.

While still very much a niche market, more exotic meats such as emu, quail, rabbit and even duck and turkey have gained some popularity recently. This has been driven by dishes containing such meats being offered in some restaurants and/or at international festivals. Consequently, some consumers are increasingly motivated to purchase such meats in order to recreate such dishes at home.

There is an increasing shift among retail channels and forms for meat towards branded fresh companies and franchised/chain meat distributors. This is driven by concerns about the quality and hygiene of

¹²⁵Euromonitor International: Fresh Food, 2018

unbranded meat products through traditional channels. Furthermore, these branded outlets frequently offer customised slaughter and butchering services.

5.6.3 Offer

5.6.3.1 Domestic production

Meat production in India mainly comprises poultry, followed by bovines (carabeef), goat and sheep. A large livestock population constitutes a valid potential for effective meat production, however it still struggles with several constraints¹²⁶. The major one relates to lack of appropriate slaughtering, cutting and processing facilities, which usually brings unnecessary losses of meat and by-products. Moreover, the Indian meat market is very often constrained by poor transport and lack of cold storage facilities, which additionally impacts the perishability of meat and effectively favours regional markets. Furthermore, as a lot of meat trade occurs through unregulated meat markets – there is relative absence of surveillance regarding hygiene standards. That said, there are a few large better equipped slaughterhouses, however these are run mostly for export purposes. It should be also mentioned that domestic meat is mostly consumed fresh, meaning it is not used for processing that often.



Indian **poultry production** has been expanding and recorded a growth in 2017 of 7%, in terms of produced tonnes (4.5 million). Given increasing domestic demand and strong consumer preference for chicken, poultry production almost entirely relate to broiler meat¹²⁷. The production is mainly concentrated in the states of Tamil Nadu, Andhra Pradesh, Maharashtra, Uttar Pradesh and Telangana¹²⁸. Poultry production tends to be more integrated than that of other meats, as major poultry companies have vertically integrated operations comprising their own hatcheries, feed mills, slaughter facilities as well as veterinary services. The breed "*Vencobba*" mount to 65-70% of the broiler market.

Considering **beef production** in India, it should be recalled that following restriction and prohibition of cattle slaughter, the sector almost entirely depends on slaughter of unproductive water buffalo cows (carabeef) and bulls (*Bubalus bubalis*) from the dairy sector, which are generally sold by farmers to traders¹²⁹. Given that carabeef is mostly sold fresh in wet markets, traders usually distribute whole

¹²⁶ Meat Production in India-A Review; https://www.researchgate.net/publication/322117795_Meat_Production_in_India-A_Review

¹²⁷ India Poultry and Poultry Products Annual ; https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Poultry%20and%20Poultry%20Products%20Annual%202016_New%20Delhi_India_12-1-2016.pdf

¹²⁸ Poultry Sector Opportunities and Challenges in India; <https://www.rvo.nl/sites/default/files/2017/05/poultry-sector-in-india-2017.pdf>

¹²⁹ India Livestock and Products Annual; https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Livestock%20and%20Products%20Annual_New%20Delhi_India_9-1-2017.pdf

carcasses from slaughter facilities to retail points where local butchers adapt cuts to institutional buyer's needs. Major producers are located in states of Andhra Pradesh, Maharashtra, Punjab, and Uttar Pradesh with the latter State having the largest buffalo population in the country. Lately, in view of issues related to FMD (foot and mouth disease) and disease-free status, India has implemented series of control programmes, which aimed at mitigating animal losses caused by poor farm management and veterinary services. Furthermore, the output in 2018, was projected to rise marginally, despite the recent legislative turbulences, which might relate to the fact that beef is among India's top exporting products and social unrest mostly affected the domestic market. Generally speaking, India has retained its position in the global beef market, being one of the key exporters of beef alongside Brazil, Australia and the US.

Goat husbandry has existed in India for centuries, traditionally serving as a source of livelihood and financial security for many farmers. Nowadays, it is still perceived as highly profitable and sustainable business. Goat production in India ranks top in the world and include 26 registered breeds of animal¹³⁰. In fact, given wide acceptability of goat meat, some States encourage farmers to extend goat-breeding for meat, launching various schemes¹³¹. Indian production has been moderately growing, as demand for goat meat has maintained its levels in recent years, and is particularly visible in states of West Bengal, Uttar Pradesh and Maharashtra¹³².

Pork production, on the other hand, has been increasing at a slow pace, as the demand picked up. However, in recent years, domestic production has been struggling with a declining pig population (it dropped by 7.5% between 2007 and 2012). The decline can be mostly associated with frequent disease outbreaks (see below). North Eastern and Eastern parts of the country comprise over 60% of Indian pig population, i.e. Assam and Uttar Pradesh, followed by Jharkhand, Bihar and West Bengal¹³³. That said, production is mostly concentrated in Uttar Pradesh, followed by Bihar and West Bengal. However, it should be pointed out that, India's average meat yield from pigs is rather low, amounting to 35kg/animal, in comparison to world average standing at approx. 78kg/animal. Indian pork production suffers from deficiency of feed resources as well as an insufficiency of breeder farms, limited availability of vaccines and various diseases outbreaks – ranging from classical swine fever, porcine reproductive and respiratory syndrome (PRRS) and porcine rotavirus.

5.6.3.2 Imports and exports

As presented in Figure 5-30, India is a heavy exporter of fresh meat with almost non-existent imports of products to the country. Exports reached its peak in 2014, amounting to over 1 550 000 tonnes, and noted

¹³⁰ Basic Information of Goat as a livestock in the Country; <http://dahd.nic.in/sites/default/files/NAP%20on%20Goat.pdf>

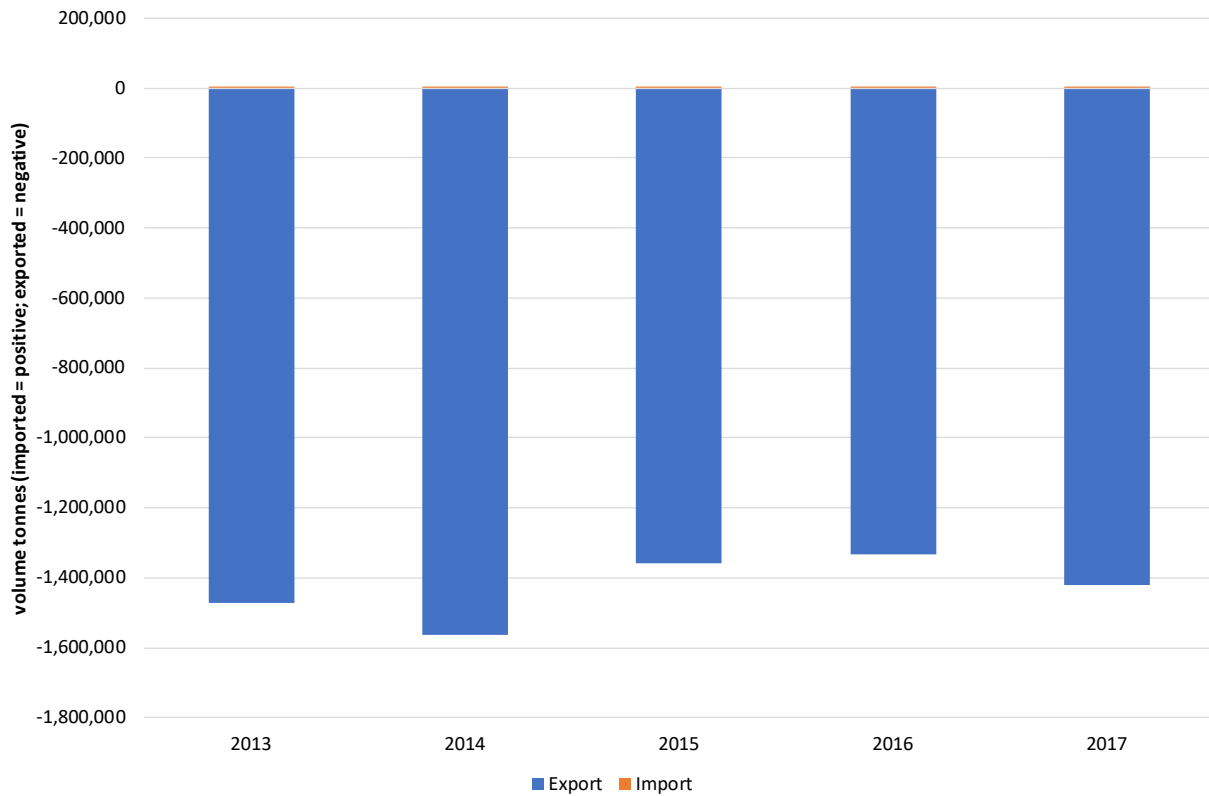
¹³¹ Goa government scheme promotes goat-breeding for meat; <https://www.outlookindia.com/newscroll/goa-government-scheme-promotes-goatbreeding-for-meat/1480771>

¹³² Indian Production of Goat Meat, Top 10 States in Goat Meat Production; http://agriexchange.apeda.gov.in/India%20Production/AgrilIndia_Productions.aspx?productcode=1021

¹³³ India Pork; https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Pork%20-%202016_New%20Delhi_India_7-21-2016.pdf

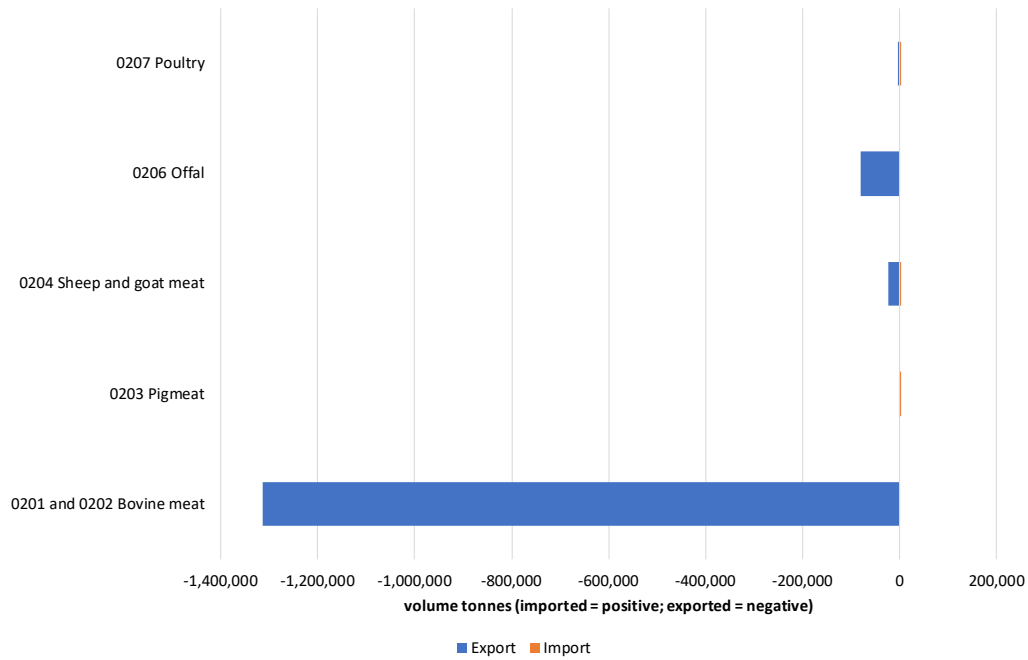
a decline in the following two years to pick up again in 2017 reaching 1 400 000 tonnes. Vast majority of Indian exports comprise bovine meat, followed by small volumes of offal (Figure 5-31). Imports, on the other hand, consists of some volumes of pork and goat meat, imported from Belgium, Spain and other countries, including EU ones (Figure 5-32).

Figure 5-30: Trade balance (imports and exports) of fresh meat in India, 2013-17; tonnes



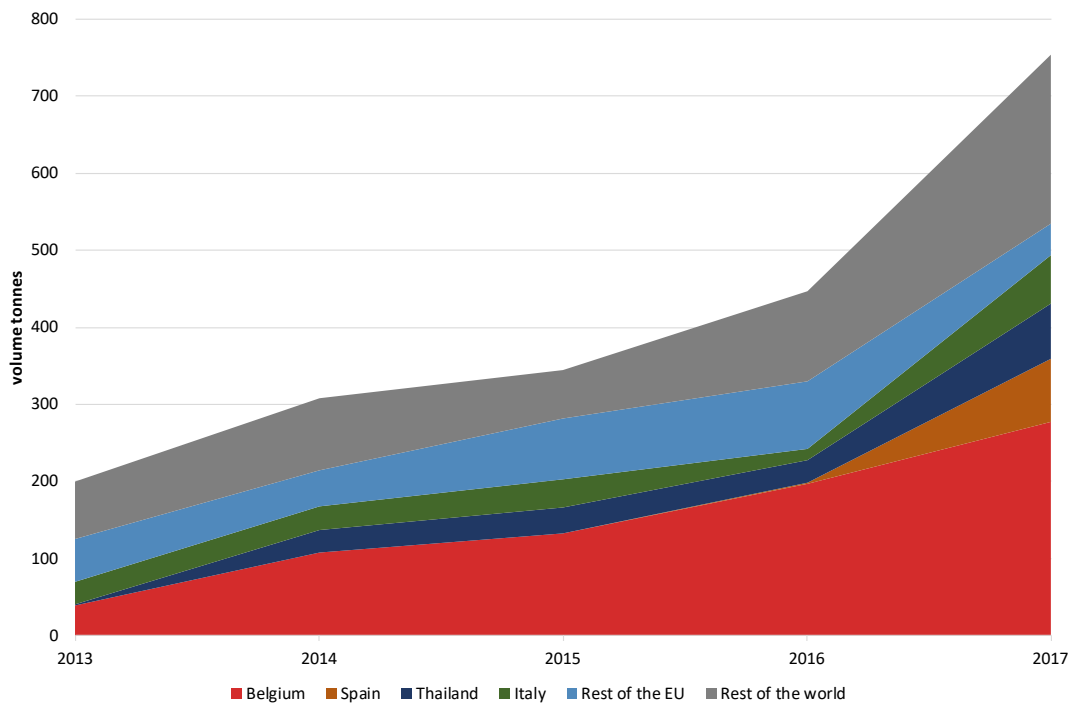
Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 0201, 0202, 0203, 0204, 0206, 0207

Figure 5-31: Trade balance (imports and exports) of fresh meat in India, by type, 2017; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 0201, 0202, 0203, 0204, 0206, 0207

Figure 5-32: Indian imports of fresh meat by country, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 0201, 0202, 0203, 0204, 0206, 0207

5.6.3.3 EU GI products

No EU fresh meat product names are among the GIs registered in India.

5.6.3.4 Main competitors

As outlined in section 5.6.3.1, the Indian market for fresh meat almost entirely relies on domestic production, with almost no existent imports involved (section 5.6.3.2). Given strong consumer loyalty towards domestic (and even local) produce as well as importance of freshness of products, Indian producers should be seen as main competitors. At this point, it must be also remembered that vast majority of consumers purchase meat at traditional wet markets, which almost exclusively rely on short supply-chain, i.e. local breeders, butchers, and/or live animal retailers.

5.6.4 Specific market entry requirements

Market Access and Entry

EU producers wishing to export fresh meat products should be mindful of market entry procedure outlined in section 4.2.1. Furthermore, given the fact that fresh meat is a highly regulated product in India for import purposes, producers should familiarize themselves with the list of restrictions for fresh meat products and applicable procedures¹³⁴. The list notably includes bovine products, i.e. HS code 0201, 0202, 0206, 02010 and 1602. Moreover, EU fresh meat producers are required to submit additional documentation to customs, if requested, prior the release (Table 5-4).

Table 5-4: List of documents to present to Customs to release fresh meat products

Documents to present to Customs, if requested	
Licence to Import Restricted Items	A document confirming that its carrier is authorised to import items classified as “restricted”.
CITES Permit	A document permitting the importation of goods subject to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
Import Permit for Livestock Products	A document permitting the actual importation of livestock products.
Veterinary Health Certificate for Animal Products	A document proving that products of animal origin have been inspected according to appropriate procedures, are not contaminated and do not carry any contagious diseases and conform to the veterinary regulations of the importing country.

In addition, depending on the type of market targeted, EU producers should also take into account Halal certification requirements in India. There are several types of Halal Certifications applicable¹³⁵:

¹³⁴<http://dgft.gov.in/policies/restricted-items>

¹³⁵Types of Halal Certifications; http://www.halalindia.co.in/type_of_HC.html

- Restaurant Scheme,
- Industrial Scheme,
- Food, Beverage and Catering Scheme
- Abattoir Scheme
- Warehouse and Storage Scheme
- Product Endorsement Scheme

After identifying the relevant scheme, exporters are required to follow halal application procedure¹³⁶ by submitting relevant documentation to one of the established Halal Certification bodies in India. The application comprises several documents including the rudimentary customer application form¹³⁷. As a general observation, it should be noted that the halal certification is primarily intended for domestic production (including for export), which is unsurprising given India's huge domestic production and the negligible importance of imports (section 5.6.3). However, imported products can also theoretically be certified.

Last but not least, EU producers should take into consideration the fact that EU products face tariffs barriers prior to entrance the market, as set out in Table 5-5.

Table 5-5: Duties levied on imports of fresh meat to India

Commodity	Hs Code	Duty
Bovine		
Meat of bovine animals, fresh or chilled: Carcasses and half-carcasses	0201.10	30%
Meat of bovine animals, fresh or chilled: Other cuts with bone in	0201.20	30%
Meat of bovine animals, fresh or chilled: Boneless	0201.30	30%
Meat of bovine animals, frozen: Carcasses and half-carcasses	0202.10	30%
Meat of bovine animals, frozen: Other cuts with bone in	0202.20	30%
Meat of bovine animals, frozen: Boneless	0202.30	30%
Pig meat		
Meat of swine, fresh or chilled: Carcasses and half-carcasses	0203.11	30%
Meat of swine, fresh or chilled: Hams, shoulders and cuts thereof, with bone in	0203.12	30%
Meat of swine, fresh or chilled: Other	0203.19	30%
Meat of swine, frozen: Carcasses and half-carcasses	0203.21	30%

¹³⁶<http://www.halalindia.co.in/hap.html>

¹³⁷<http://www.halalindia.co.in/downloads/Application-Form.pdf>

Commodity	Hs Code	Duty
Meat of swine, frozen: Hams, shoulders and cuts thereof, with bone in	0203.22	30%
Meat of swine, frozen: Other	0203.29	30%
Goat meat		
Carcases and half-carcases of lamb, fresh or chilled	0204.10	30%
Other meat of sheep, fresh or chilled: Carcases and half-carcases	0204.21	30%
Other meat of sheep, fresh or chilled: Other cuts with bone in	0204.22	30%
Other meat of sheep, fresh or chilled: Boneless	0204.23	30%
Carcases and half-carcases of lamb, frozen	0204.30	30%
Other meat of sheep, frozen: Carcases and half-carcases	0204.41	30%
Other meat of sheep, frozen: Other cuts with bone in	0204.42	30%
Other meat of sheep, frozen: Boneless	0204.43	30%
Meat of goats	0204.50	30%
Edible offal		
Of bovine animals, fresh or chilled	0206.10	30%
Of bovine animals, frozen: tongues	0206.21	30%
Of bovine animals, frozen: livers	0206.22	30%
Of bovine animals, frozen: other	0206.29	30%
Of swine, fresh or chilled	0206.30	30%
Of swine, frozen: livers	0206.41	30%
Of swine, frozen: other	0206.49	30%
Other, fresh or chilled: livers	0206.80.10	30%
Other, fresh or chilled: other	0206.80.90	30%
Other, frozen: of sheep/goats	0206.90.10	30%
Other, frozen: other	0206.90.90	30%
Poultry		
Of fowls of the species Gallus domesticus: Not cut in pieces, fresh or chilled	0207.11	30%
Of fowls of the species Gallus domesticus: Not cut in pieces, frozen	0207.12	30%
Of fowls of the species Gallus domesticus: Cuts and offal, fresh or chilled	0207.13	100%
Of fowls of the species Gallus domesticus: Cuts and offal, frozen	0207.14	100%
Of turkeys: Not cut in pieces, fresh or chilled	0207.24	30%
Of turkeys: Not cut in pieces, frozen	0207.25	30%
Of turkeys: Cuts and offal, fresh or chilled	0207.26	30%
Of turkeys: Cuts and offal, frozen	0207.27	30%
Of ducks: Not cut in pieces, fresh or chilled	0207.41	30%
Of ducks: Not cut in pieces, frozen	0207.42	30%
Of ducks: Cuts and offal, fresh or chilled	0207.43	30%

Commodity	Hs Code	Duty
Of ducks: Cuts and offal, frozen	0207.44	30%
Of ducks: Other, frozen	0207.45	30%
Of geese: Not cut in pieces, fresh or chilled	0207.51	30%
Of geese: Not cut in pieces, frozen	0207.52	30%
Of geese: Cuts and offal, fresh or chilled	0207.53	30%
Of geese: Cuts and offal, frozen	0207.54	30%
Of geese: Other, frozen	0207.55	30%
Of guinea fowls	0207.60	30%

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

http://madb.europa.eu/madb/datasetPreviewFormATpubli.htm?datacat_id=AT&from=publi&hscode=0202&countryid=IN

Customs procedures

A list of standard documents required for import fresh meat into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some commodities it may be requested to present additional documents, as outlined above as well as in Table 4-2 in section 4.2.1

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

http://madb.europa.eu/madb/datasetPreviewFormIFpubli.htm?datacat_id=IF&from=publi&hscode=0201&countryid=IN

SPS measures

Although India itself struggles with a lack of recognition of regionalisation from some trade partners importing its meat products, the country does not recognise the regionalisation system per se for EU countries. This fact, therefore, inevitably leads to imposing country-wide bans for EU countries in case of a disease outbreak in the country. Work with India on the recognition of regionalisation is ongoing. Furthermore, when shipping products of animal origin, consignment must undergo quarantine inspection at the port of entry, following submission of necessary documentation:

- Veterinary Health Certificate for Live Animals
- Veterinary Health Certificate for Animal Products
- Licence to Import Restricted Items
- Import Permit for Livestock Products
- Import Approval for Bovine Reproduction Material

Considering importation of bovine genetic material, the European Commission has been holding intensive dialogue with Indian authorities to align Indian rules to international standards. In the area of SPS for meat

products, some measures have previously been taken by India without prior notification to exporting party.

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/datasetPreviewFormIFpubli.htm?datacat_id=IF&from=publi&hscod e=0201&countryid=IN

Labelling

Fresh meat products must comply with the labelling rules outlined in section 4.2.3.

5.6.5 Distribution

As presented in Figure 5-33, majority of fresh meat is distributed through retail channels, mainly traditional butchers and abattoirs, which account for about 90% of retail value. The supply chain for these outlets is normally vertically organised. At this point it should be also remembered that Indian consumers tend to be loyal, buying one type of meat in one store/from one specific butcher. Almost 15% of fresh meat, in terms of volume in 2017, was distributed through food service.

Figure 5-33: Distribution channel overview of fresh meat in India (2017); total volume



Source: Euromonitor International: Fresh Food, 2018

5.6.6 Challenges for EU products

EU producers could find it difficult to enter the Indian fresh market given stringent general market entry procedures for fresh meat products. Additionally, as the country is rather self-sufficient, the imports have

been almost non-existent with very minor importance. Furthermore, it should be remembered that beef market in India comes with delicate issues of religious sensitivities, in effect most Indian states restrict or prohibit trade and slaughter of cattle; and effectively there are no imports of beef meat into India (this seems unlikely to change given the sensitivities and huge domestic production of carabeef). Last but not least, producers planning to export their products to India should be mindful of Muslim population in India and necessary halal requirements concerning all meat products.

Market Takeaway: Fresh meat

Consumption: Consumption has been on rise across all segments and is projected to maintain the upward trend, except beef, which is expected to struggle due to recent legislative turbulences.

Competition: Indian market for fresh meat almost entirely relies on domestic production, with minor volumes of imported products

Distribution: Majority of products are distributed through traditional retailers (e.g. butchers), with Indians paying great attention to freshness of products

Challenges: Stringent general market entry procedures along with high self-sufficiency and minor imports are among the most important challenges. Moreover, the beef market in India is effectively closed to imports. Requirement for halal certification, if the corresponding market is targeted.

Opportunities: Growing demand for fresh meat products; increasing popularity of pork.

5.7 Chocolate and confectionery

5.7.1 SWOT analysis

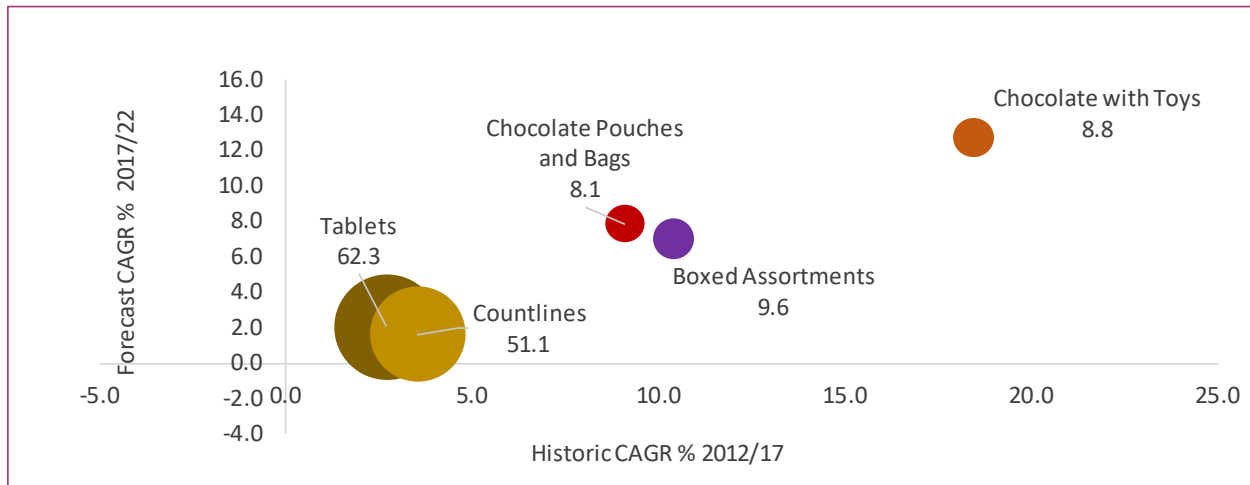


5.7.2 Consumption

5.7.2.1 Evolution of consumption

Total consumption of **chocolate confectionery** stood at almost 140 000 tonnes in 2017. The categories of tablets (62 300 tonnes) and countlines (51 100 tonnes) account for the majority of consumption – over 80% combined. However, these two categories have also been the slowest growing (2.7% per year and 3.5% per year respectively), with growth forecast to further fall over the period to 2022 (2.0% per year and 1.6% per year respectively). The other categories of bagged assortments, chocolate pouches and bags, and chocolates with toys, while smaller in market size at around 9 000 tonnes each, have shown much faster annual growth rates (around the 10% per year level) in recent years. This rapid growth is forecast to continue going forward; most notably the chocolates with toys segment is forecast to grow at some 12.7% per year in coming years, having grown at 18.5% per year until now (Figure 5-34).

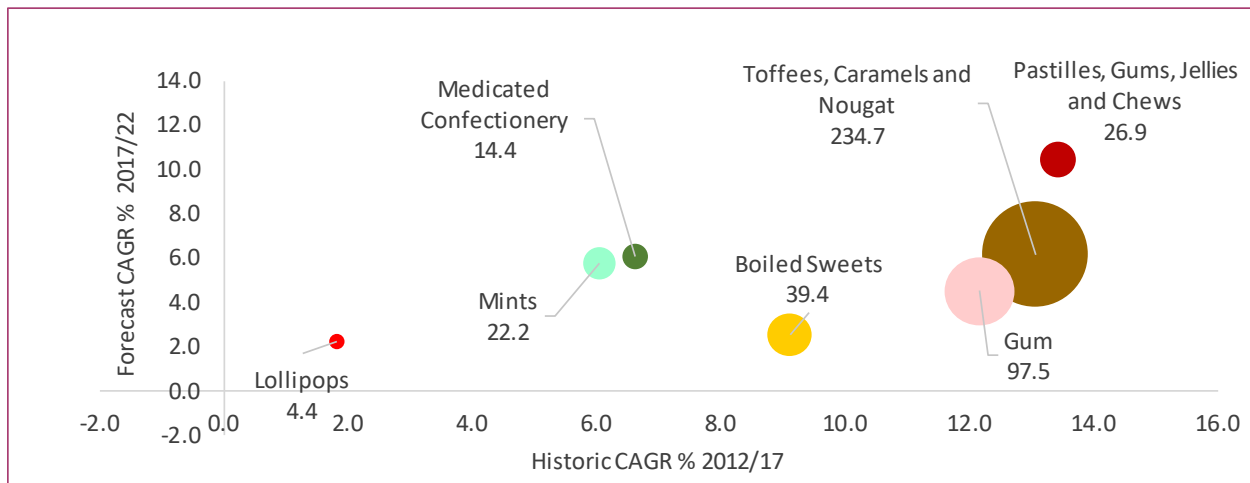
Figure 5-34: Evolution and forecast of chocolate confectionery market in India, total volume 000 tonnes 2012-2022



Source: Euromonitor International: Packaged Foods, 2018

At almost 440 000 tonnes, the **sugar confectionery** market was almost three times the size of the chocolate confectionery one in 2017. Most categories have been growing quickly. Most notably, toffees, caramels and nougat, the biggest category with a volume of 234 700 tonnes, grew at 13.1% per year over the period 2012-17, and is scheduled to grow at a slower but still high rate of 6.2% per year until 2022. Other notable categories include gum (97 500 tonnes) and boiled sweets (39 400 tonnes); both of which have grown at slightly slower, but still high rates (Figure 5-35).

Figure 5-35: Evolution and forecast of sugar confectionery market in India, total volume 2012-2022



Source: Euromonitor International Ltd: Packaged Foods, 2018

5.7.2.2 Consumer profile and purchase criteria

Consumers

Typical **chocolate** consumers in India span the age range of children up to middle age; though consumers towards the younger end of the spectrum are the main drivers of market growth. Most notably, the

provision of affordable smaller-sized packets in recent years has made the product more accessible to a wider range of potential consumers in the young segment. For climatic and infrastructure reasons affecting availability, as well as reasons of consumer demand, consumers of chocolate are more focused in urban areas.

Consumers of **sugar confectionery** span all age groups; this is one of the factors which makes it more popular than chocolate. Furthermore, sugar confectionery does not face the same level of challenges with climate and infrastructure that chocolate does, hence increasing its geographical availability. Certain products are more popular with certain consumer groups, notably:

- Boiled sweets are popular across all age ranges.
- Toffees, caramels and nougat (the largest category) and lollipops are popular with children.
- Mints are popular with smokers¹³⁸.

Drivers and method of consumption

For **chocolate**, special occasions and gifting are particularly important drivers of consumption. That said, some consumers use chocolate as an occasional method of self-indulgence; most notably as a sweet snack between lunch and dinner. Health is seen as a notably driver of chocolate consumption compared to other sweet snacks, with chocolate seen as a comparatively healthier indulgence. This is particularly true of dark chocolate, which may also be consumed as part of an after-meal dessert.

As noted above, consumers of **sugar confectionery** are broad in nature. Certain products are more popular with certain consumer groups, and hence have different drivers. That said, a general love of sugar confectionery is an overarching driver; and consumers are particularly interested both in successful traditional products/flavours (e.g. the popular Mango Bite product) as well as in new and innovative products/flavours¹³⁹.

Purchase criteria

With regards to **chocolate**, taste followed by brand is the key purchase criteria. That said, price does play a role, particular among younger consumers who are more value-seeking. Nonetheless, there is a general willingness to pay extra for premium chocolates for special occasions or gifting purposes. Traditionally, milk chocolates are preferred over dark and white chocolate by some margin, though there is an increasing interest in dark chocolate driven by health consciousness (see section 5.7.2.3).

For **sugar confectionery**, as noted above, certain types of consumers are more attracted to certain categories of products. Innovation and new flavours are an important criterion for many consumers. That

¹³⁸Euromonitor International Ltd: Packaged goods (2018). Chawla and Sondhi (2016). Attitude and Consumption Patterns of the Indian Chocolate Consumer: An Exploratory Study. <http://www.fnbnews.com/Top-News/indian-chocolate-industry-expected-to-touch-rs-122-billionmark-by-19-40444>; <https://www.ukessays.com/essays/marketing/cadbury-of-india.php>

¹³⁹Euromonitor International Ltd: Packaged goods (2018).

said, price is also a notable overarching driver in the sugar confectionery segment overall, as witnessed by the propagation of imitation products on the Indian market at cheaper prices than the original innovative products. Such products typically bear packaging similar to that of known brands, but at lower price points. This is particularly true in smaller cities and rural areas¹⁴⁰.

5.7.2.3 Recent market trends

Premium **chocolates** are increasing in popularity, and they are increasingly being used as flavour-enhancing cooking ingredients as well as for more traditional consumption (e.g. snacks and gifts). There is also a growing trend of flavour and ingredient innovation among manufacturers. While, more traditional flavours of chocolates are fruit-based, new flavours and ingredients such as coffee, cinnamon, nuts of various types and raisins are being introduced by manufacturers; especially the larger ones (e.g. Nestle, Mondelez) in particular. In some cases, flavours are being combined. These efforts in innovation are often being completed in order to try and attract new customers.

Driven by concerns about the potential impact of artificial ingredients used in chocolate production, organic chocolate has grown in popularity recently, albeit from a low base. This rapid growth is expected to continue going forward.

Finally, at the lower end of the market, some manufacturers have offered products in smaller packages at affordable prices in recent years to make chocolate available to a wider range of consumers. Though this trend can be considered quite mature, it is also likely to continue in coming years.

In the area of **sugar confectionery**, there has been a lot of interest in low sugar products recently. Consequently, many domestic producers have launched healthier versions of their traditional products – whether these are with lower sugar or enriched with nutrients such as vitamin C, zinc and iron. Overall, health and welfare orientated products are expected to drive overall increases in demand in the sugar confectionery sector over the coming years¹⁴¹.

5.7.3 Offer

5.7.3.1 Domestic production

Though large volumes of cocoa are imported, the **chocolate confectionery** market is dominated by the local production by subsidiaries of multinationals. More specifically, Mondelez holds a market share of over 50%; and other major multinational with local operations – Nestle, Ferrero, Hershey and Mars hold roughly a further ¼ of the market combined. Local production is also important for the remaining 20% or so of the market.

¹⁴⁰Euroonitor International Ltd: Packaged goods (2018). Chawla and Sondhi (2016). Attitude and Consumption Patterns of the Indian Chocolate Consumer: An Exploratory Study. <http://www.fnbnews.com/Top-News/indian-chocolate-industry-expected-to-touch-rs-122-billionmark-by-19-40444>

¹⁴¹Euroonitor International Ltd: Packaged goods (2018). <http://www.fnbnews.com/Top-News/indian-chocolate-industry-expected-to-touch-rs-122-billionmark-by-19-40444>;

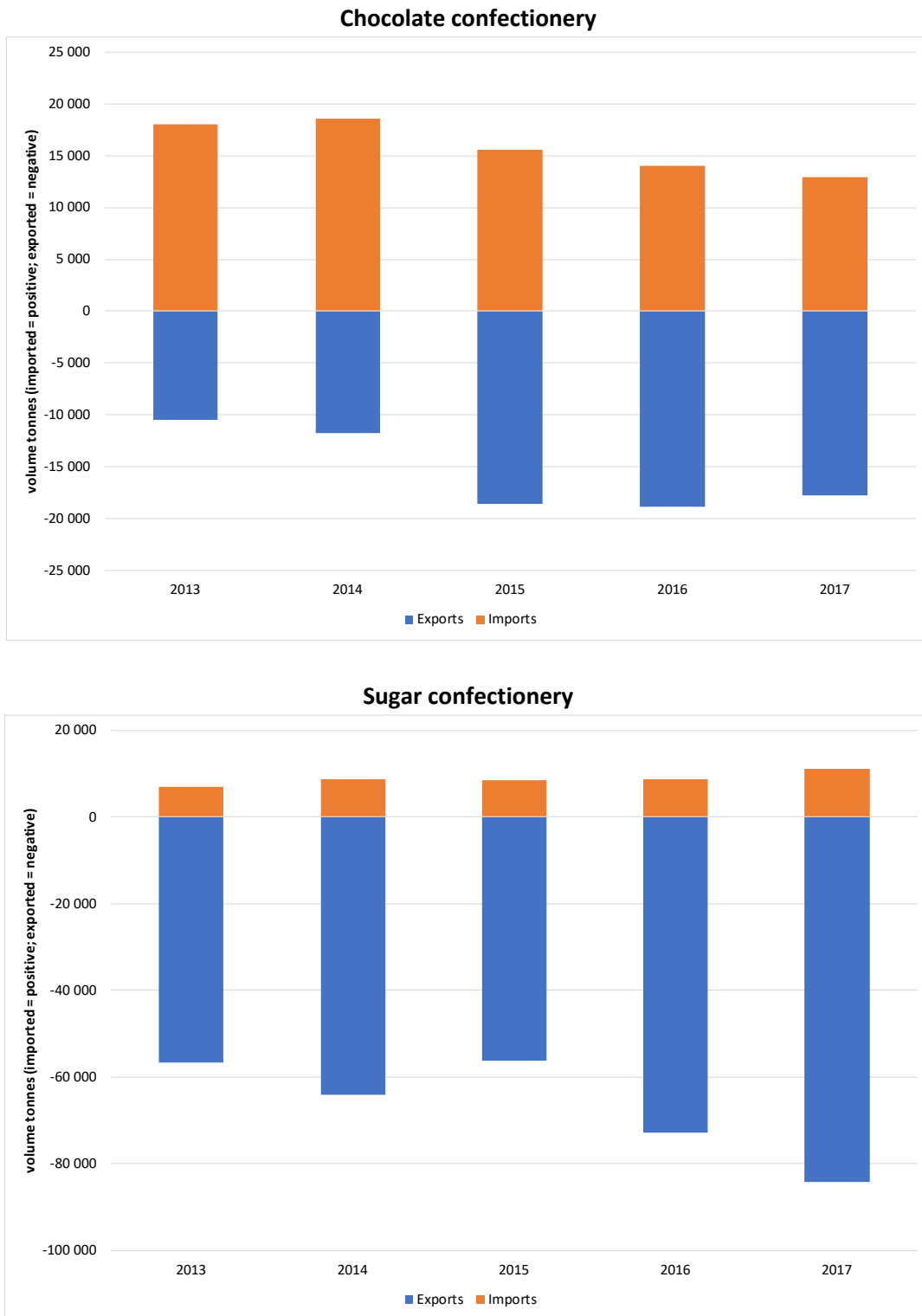
Sugar confectionery production is much more fragmented. Local companies such as Parle Products Pvt Ltd, ITC Ltd and DS Group are the largest producers but they only hold around 1/3 of the market between themselves. There are various other local companies producing domestically, plus multinationals producing locally such as Mondelez.

5.7.3.2 Imports and exports

India is now a marginal net exporter of **chocolate confectionery**, having changed from previously being a net importer in 2014. Imports in 2017 were just under 13 000 tonnes compared to exports of 17 728 tonnes (Figure 5-36). Source of imports are quite diverse; Turkey, Singapore and the Netherlands are the largest in order, but combined they only account for half of imports by volume. Italy is next with approximately 10% of imports. Among other EU countries, only Belgium stands out as being a source of any notable volume (923 tonnes in 2017 -Figure 5-37). Finally, in terms unit value, those of the main EU exporters were above the world average of 4 653 EUR/tonne in 2017. Most notably at 7 701 and 7 691 EUR per tonne, those of Italy and Belgium respectively stand out as being particularly high (Figure 5-38).

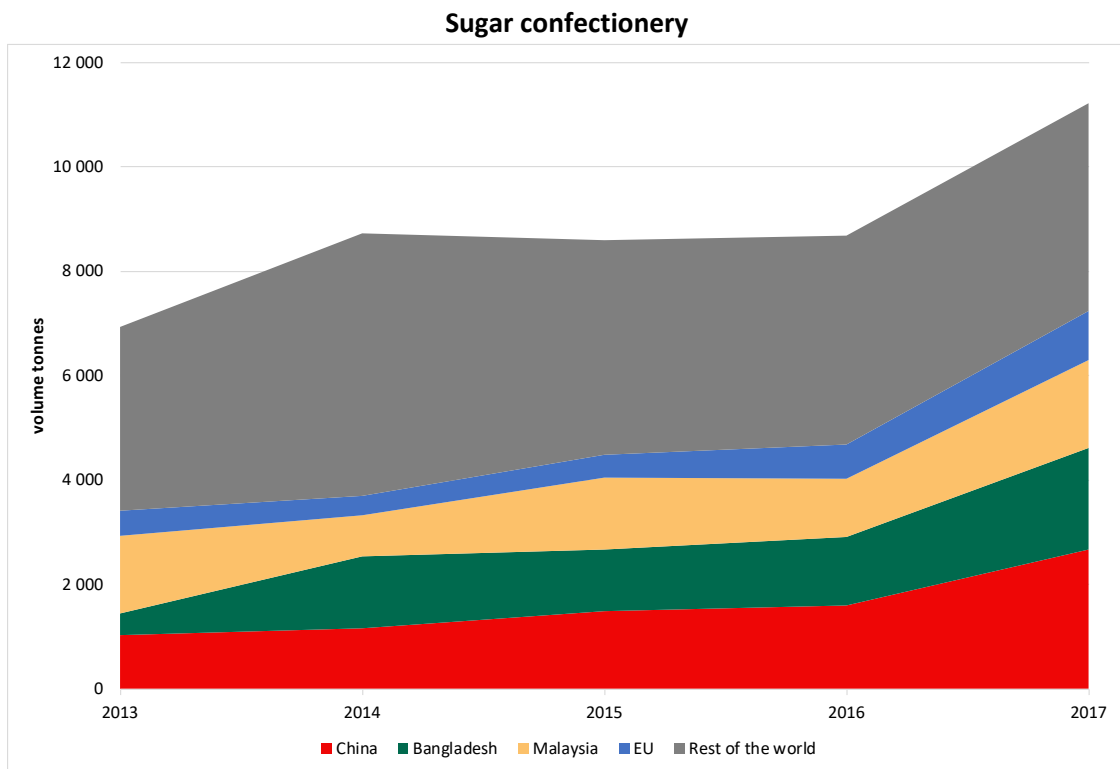
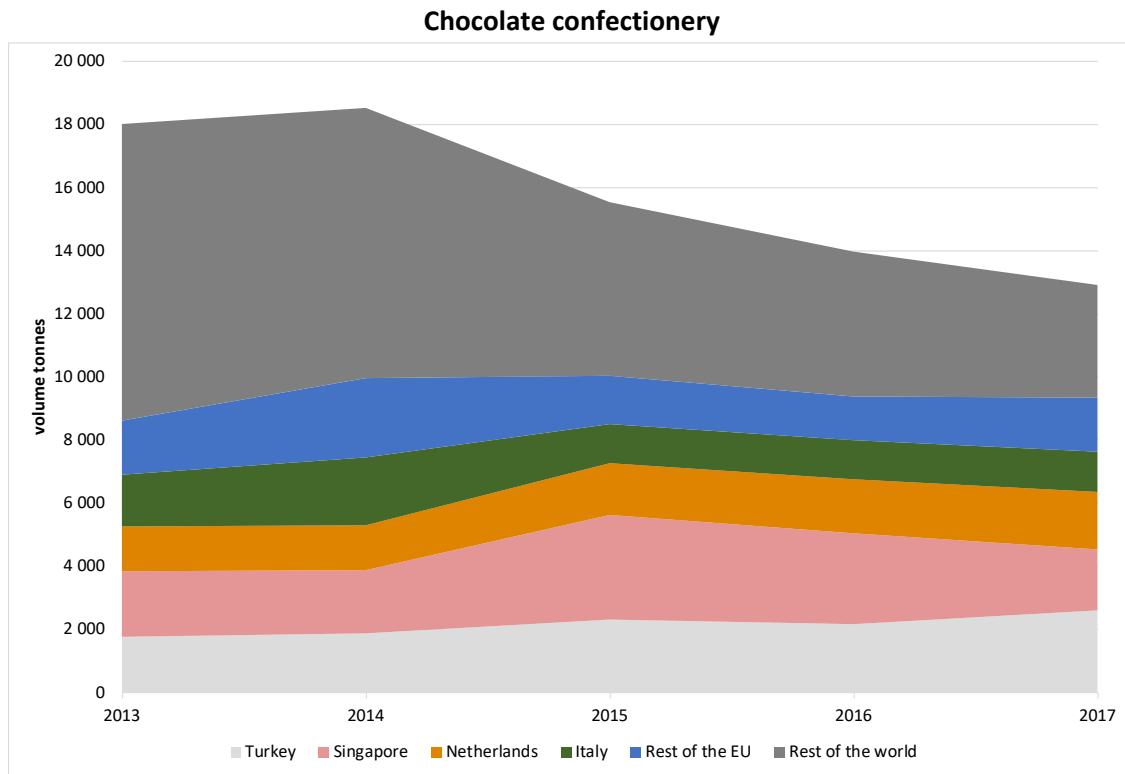
India is a heavy exporter of **sugar confectionery**, exporting 7.5 times the volume it imported in 2017 (84 274 tonnes of exports vs 11 229 tonnes of imports). Both imports and exports have increased at fairly similar rates over recent years, though exports have inevitably increased in greater absolute terms (Figure 5-36). China, Bangladesh and Malaysia account for over 50% of imports. Only 934 tonnes of imports came from the EU in 2017; Germany accounting for 345 tonnes followed by Belgium (180 tonnes) and the UK (169 tonnes -Figure 5-37). At 5 160 EUR/tonne, the unit value of exports from Germany was over three times the world average (1 485 EUR/tonne) in 2017 (Figure 5-38).

Figure 5-36: Trade balance (imports and exports) of confectionery in India, 2013-17; tonnes



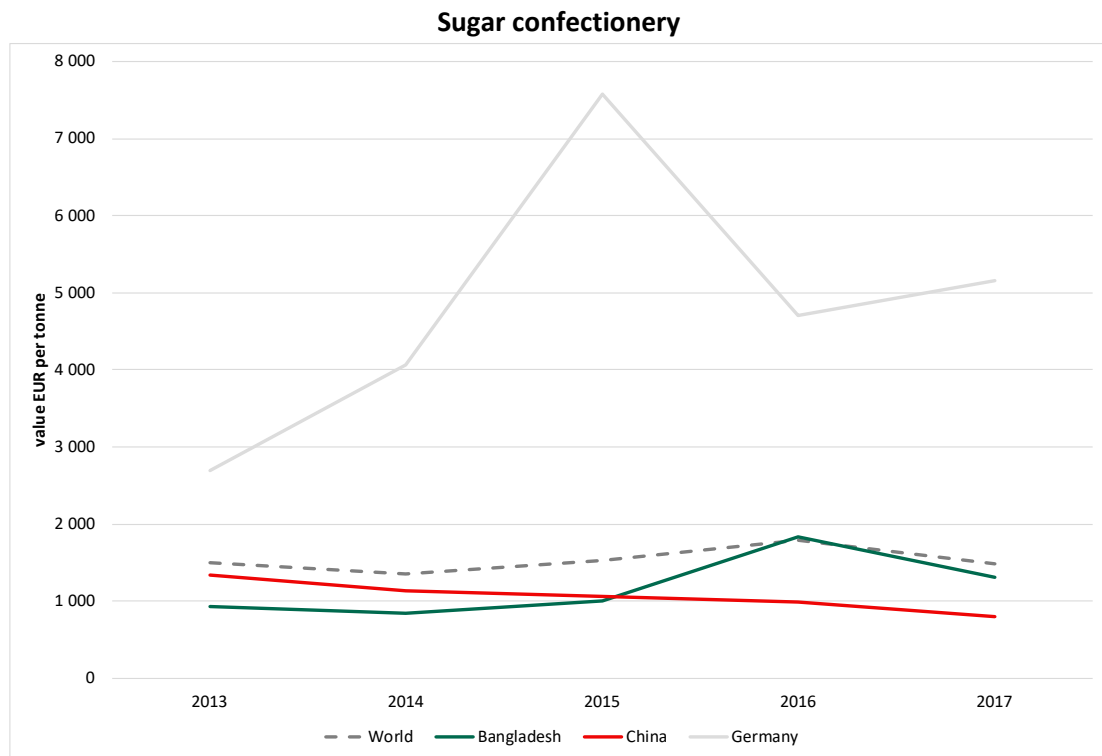
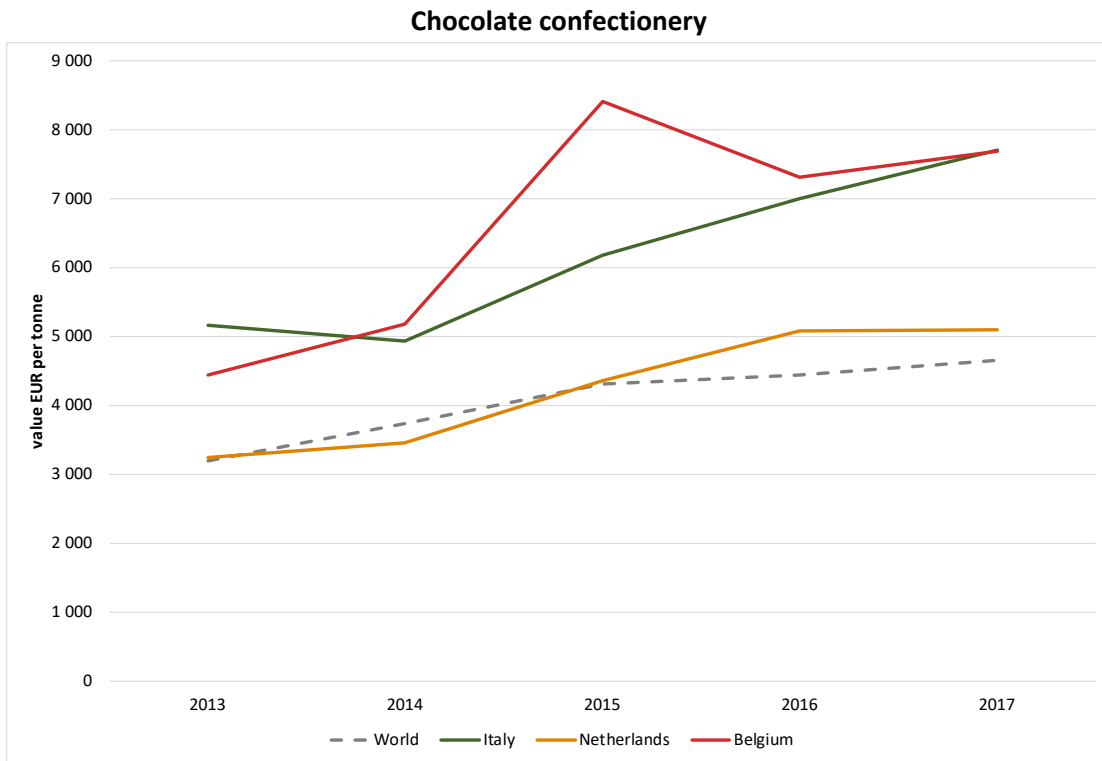
Source: Trade Map, International Trade Centre - <https://www.trademap.org/>Data for CN code 1806 and 1704

Figure 5-37: Indian imports of confectionery by country, 2013-17; tonnes



Source: Trade Map, International Trade Centre- <https://www.trademap.org/>Data for CN code 1806 and 1704

Figure 5-38: Per unit value of Indian imports of confectionery for selected countries, 2013-17 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1806 and 1704

5.7.3.3 EU GI products

No confectionery product names are registered as GIs in India.

5.7.3.4 Main competitors

The main competition in both chocolate and sugar confectionery sectors comes from domestic producers in India – whether it is local production by multinationals (chocolate) or fragmented local production (sugar). There is some competition from imports in both sectors; however, these seem to be targeting a different part of the market with the unit value of major EU exporters to India in both considerably above the world average for both sugar and chocolate confectionery.

5.7.4 Specific market entry requirements

Market Access and Entry

European exporters of confectionery face the following MFN import tariffs when penetrating the Indian market:

- Chocolate and other food preparations containing cocoa (CN code 1806): 30%
- Sugar confectionery not containing cocoa (CN code 1704): 30%

Detailed information on import duties and Rules of Origin can be consulted on the European

Commission website:

Chocolate:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=1806>

Sugar confectionery:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=1704>

Customs procedures

A list of standard documents required for the import of chocolate and sugar confectionery into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some products it may be requested to present additional documents, as outlined in Table 4-2 in the same section.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

Chocolate:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=1806>

Sugar confectionery:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=1704>

SPS measures

Sanitary and Phytosanitary measures concerning the import of chocolate and sugar confectionery into India are in line with international standards.

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

Standards and labelling

Confectionery products need to comply with the labelling rules set out in section 4.2.3. Against this background, specific care needs to be taken with the inclusion of ingredients of animal origin in confectionery products. Any confectionery products containing such ingredients – whether egg/egg powder, gelatine, or additives of livestock origin for example – must be marked with a red dot to indicate that they are not vegetarian (as noted in section 4.2.3). Furthermore, care should be taken with the origin of any livestock ingredients used in confectionery:

- **Bovine origin** – it must be remembered that the slaughter and consumption of cows is not permitted in India. While a product containing a very minor ingredient of cow origin (e.g. gelatine) may not be outright banned from export to India, the reputation of the product is likely to be destroyed if it's origin is subsequently discovered (e.g. through its presence on a label).
- **Swine origin** – the notable Muslim population in India must be remembered – and this group is not permitted to consume products of swine origin.

In this context, it should be noted that many domestic producers intentionally avoid the use of ingredients of animal origin in confectionery, both to avoid any issues with the points above, and to ensure their product can address the largest possible market (it must be remembered that roughly 30% of Indians are vegetarians – section 3.3.2.3).

Finally, it should be noted that standards for some confectionery products including chocolate are periodically introduced or adapted by FSSAI. As standards have previously caused some challenges for certain chocolate products, current standards should be checked prior to export to ensure products comply with requirements and additives. As noted in section 4.2.2, the following webpage can be consulted for current standards (though it may not be fully up to date for all products);

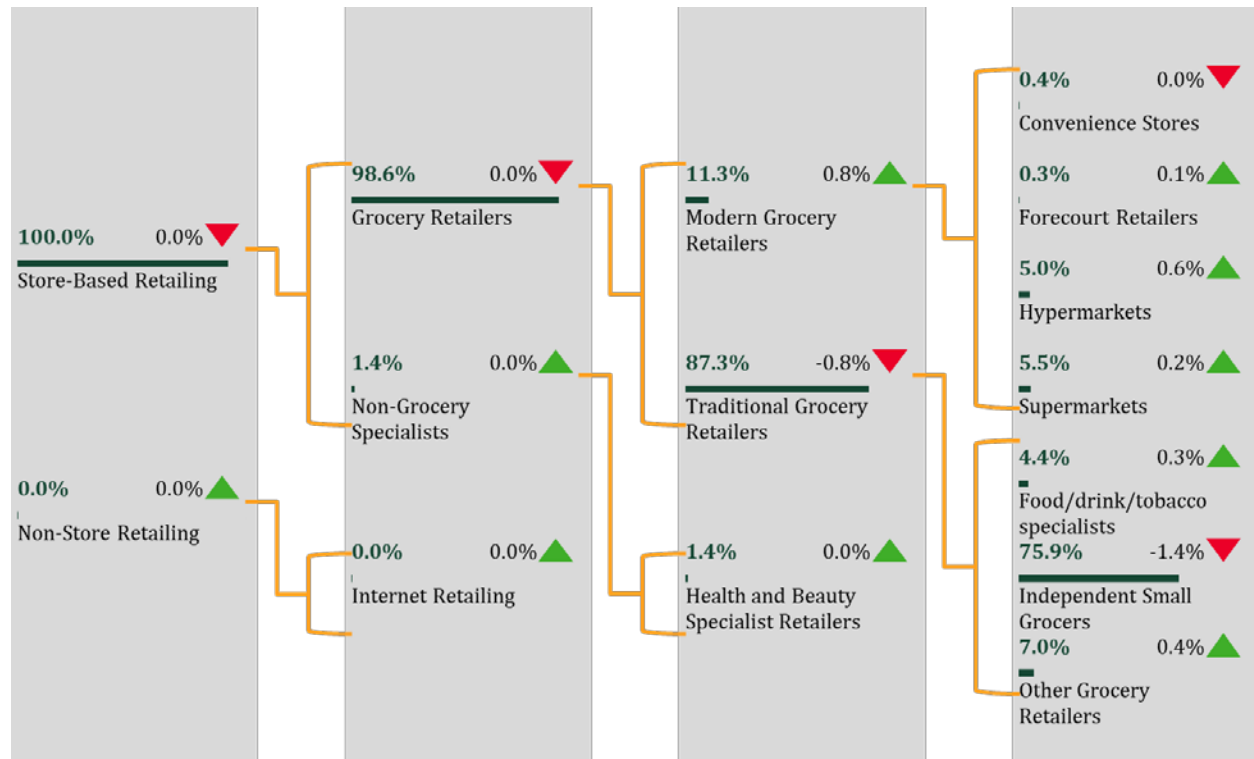
<https://fssai.gov.in/quickaccess/getSubCategoryList?productid=0&productname>

5.7.5 Distribution

Independent small grocers play the most important role for the distribution of sugar and chocolate confectionery combined (Figure 5-39). Looking at the two categories separately, over 80% of **sugar confectionery** by value is distributed through independent small grocers. A further 8% is distributed through other traditional grocery retailers, while only 6% is distributed through modern grocery retailers including hypermarkets and supermarkets. A small percentage is distributed through health and beauty retailers; internet does not yet play a notable role in distribution. In the case **chocolate confectionery**, independent small grocers dominate to a lesser extent (just under 70% of sales by value). The remaining 30+% is equally split between other traditional grocery retailers, and modern grocery retailers (primarily supermarkets and hypermarkets). Once again, the internet retailing does not yet play a notable role in distribution¹⁴².

¹⁴²Euromonitor International: Packaged Foods, 2018

Figure 5-39: Distribution channel overview of confectionery in India (2017); retail value



Source: Euromonitor International: Packaged Food, 2018

5.7.6 Challenges for EU products

For both chocolate and sugar confectionery, a notable challenge is the strong domestic competition; though the nature of this competition varies between the two categories. In the case of chocolate confectionery, the local operations of a few multinationals dominate the market. In the case of sugar confectionery, the market is more fragmented with a large number of predominantly local companies; but the competitiveness of the sector is reflected by India's position as a substantial net exporter of sugar confectionery. The sugar confectionery market is primarily price driven, and the 30% tariffs that EU imports face impact price competition. Finally, the inclusion of ingredients of animal origin other than milk provide result in mandatory non-vegetarian labelling, limiting the size of the market; and care must be taken with the species from which ingredients such as gelatine are sourced.

Market Takeaway: Chocolate and confectionary

Consumption: *sugar confectionery greater than chocolate; consumption of both growing rapidly, sugar confectionery in particular. Sugar confectionery purchase decisions largely price driven; those of chocolate less so.*

Competition: *strong domestic production of both chocolate and sugar confectionery and some further competition with lower value imports.*

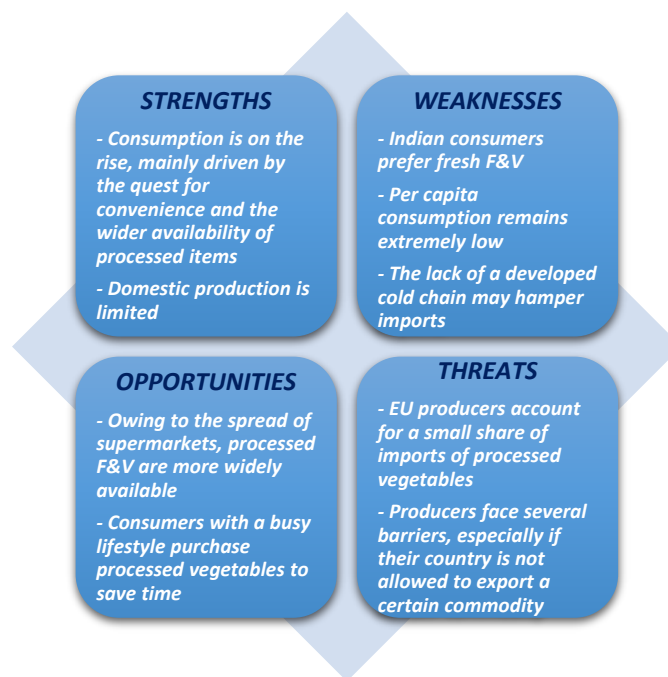
Distribution: *Primarily through small independent grocers.*

Challenges: *competitive market, care needed with use of ingredients of animal origin.*

Opportunities: *premium chocolates, including those with new flavours. Growing niches for dark and organic chocolate.*

5.8 Processed fruit and vegetables

5.8.1 SWOT analysis



5.8.2 Consumption

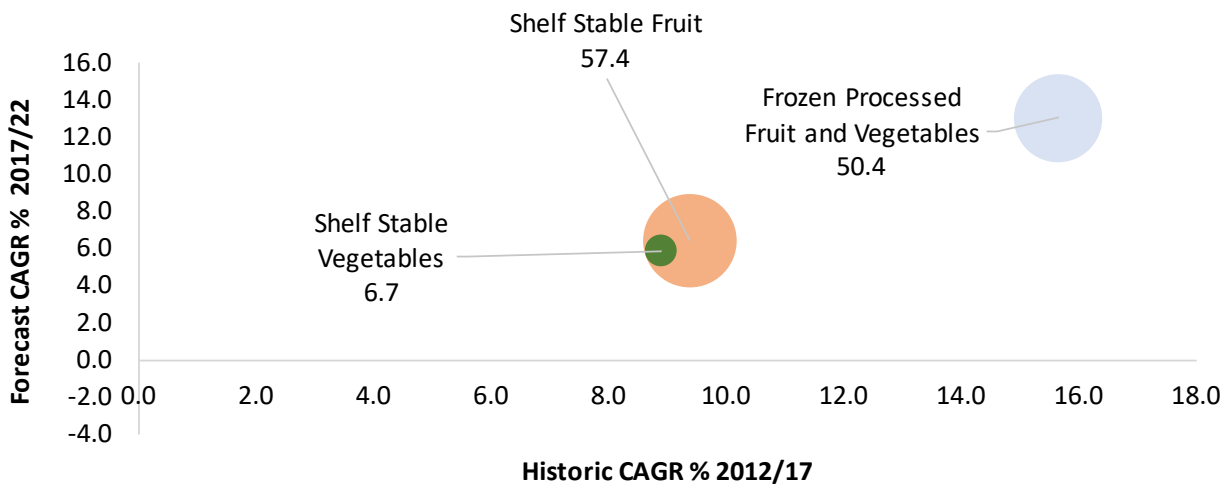
5.8.2.1 Evolution of consumption

Owing to consumers' strong preference for fresh commodities, sales of processed fruit and vegetables are limited in India. According to 2017 figures, consumers purchased about 114 466 tonnes of processed fruit and vegetables, half of which were shelf stable fruits. The other half consisted of frozen fruits and vegetables, accounting for 44% of total sales, and the less popular shelf stable vegetables, accounting for the remaining 6%.

Not only total consumption, but also per capita consumption of processed fruit and vegetables is limited, amounting to less than 1 kg in 2017. Per capita consumption of frozen fruits and vegetables (39 grams in 2017) is expected to almost double over the next five years, up to 68 g in 2022. Similarly, per capita consumption of shelf stable fruits (44 g in 2017) is expected to reach 57 g in 2022. On the contrary, per capita intake of shelf stable vegetables is set to remain well below 10 grams, due to the large availability of fresh vegetables all year round.

While all segments performed very well in 2012-2017, the frozen segment recorded the fastest annual growth rate in 2012-2017, i.e. 15.7%, followed by shelf stable fruit (9.4%), and shelf stable vegetables (8.9% - Figure 5-40).

Figure 5-40: Evolution and forecast of processed fruit and vegetable market (000 tonnes) in India, total volume 2012-2022



Source: Euromonitor International: Packaged Food, 2018

5.8.2.2 Consumer profile and purchase criteria

Consumers

Consumption of processed fruit and vegetables is on the rise amongst urban Indians with busy lifestyles, notably workers and frequent travellers, as they reduce the preparation time. Driven by the higher employment rate, also women have started purchasing those products more often.

This shift has been possible owing to the spread of supermarkets, especially in cities, where consumers have a wide choice of processed fruit and vegetables. Furthermore, with the growing popularity of fast food, cafés and similar outlets, consumers are becoming more exposed to international snacks, such as chips.

Drivers and method of consumption

Some Indians have started to use shelf stable beans and vegetables to make traditional dishes like curries. Shelf stable vegetables minimise preparation time and provide consumers with products that are not commonly available in India (such as broccoli). In addition, such products are used to prepare international dishes, which is a growing trend in India. Many consumers also carry shelf stable fruit and vegetables with them while travelling. Shelf stable fruit and vegetables are to a lesser extent used to prepare cakes and soups.

Frozen potato products remain a popular snack option for consumers, especially for quick preparation for the occasion of parties, due to availability in a variety of formats such as fries, wedges and rolls.

Peas are the most popular processed vegetable, as fresh peas are available only during winter season, and particularly in certain areas of India, but they are generally eaten throughout the whole year. Also mixed

green vegetables and corn are gaining ground in India. With regard to fruit, pineapple slices, peaches, cherries are gaining ground, especially amongst travellers, as they are quick meal options¹⁴³¹⁴⁴.

Purchase criteria

Although fresh fruit and vegetables are widely available all year long in India, consumers with busy lifestyle are increasingly demanding more convenient products. Amongst these, there are young workers, with less time to cook, and frequent travellers who bring snacks with them; hence these consumers segment are more likely to purchase convenient processed fruit and vegetables items. Convenience and the lack of availability of corresponding fresh produce are therefore key drivers for this segment.

5.8.2.3 Recent market trends

While awareness of shelf stable fruit and vegetables is still low among Indian consumers, the current consumption rate looks promising regarding future growth opportunities.

Although slowing down, sales are expected to continue to grow at positive rates. Frozen fruit and vegetables are set to continue to grow faster, at 13.0% per year, while shelf stable fruit and vegetables are expected to grow more slowly, at respectively 6.5 and 5.9%. Nonetheless, the domestic market for processed fruit and vegetables is still growing and there are many opportunities due to the large consumer base, and the increasing number of workers with a busy lifestyle that seek convenient food¹⁴⁵.

5.8.3 Offer

5.8.3.1 Domestic production

Although India is the second largest producer of fruit and vegetables in the world, only 2% of fruit and vegetable production is processed. This is attributable to the large demand for fresh products and the subsequent low volumes of processable commodities. On top of that, the lack of adequate storage facilities is responsible for the heavy wastages of fruits and vegetables in the Indian market.

Nonetheless, the Indian processed fruit and vegetable market includes a large number of players competing for small shares in the overall F&V market.

Amongst the most popular products locally manufactured there are fruit pulps, juices, Indian-style pickles, dehydrated vegetables, curried vegetables, dried fruits, and processed mushrooms.¹⁴⁶

¹⁴³ Demand for Frozen Vegetables Increasing in India, report, <https://www.frozenfoodeurope.com/demand-for-frozen-vegetables-increasing-in-india-report/>

¹⁴⁴ Indian frozen peas market: A case study on FPIL, https://www.researchgate.net/publication/264835694_Indian_frozen_peas_market_A_case_study_on_FPIL

¹⁴⁵ Euromonitor International: Packaged Food, 2018

¹⁴⁶ USDA GAIN Report: India Food Processing Ingredients, https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Food%20Processing%20Ingredients_New%20Delhi_India_12-29-2016.pdf

5.8.3.2 Imports and exports

Most imports into India relate to fresh fruits and processed vegetables. Therefore, imports statistics of processed fruit – which are relatively limited given that consumers have a preference for fresh fruit – were captured in the data presented in section 5.1.3.2 on trade in fruit as a whole (Snapshot on Fresh Fruit and Vegetables).

On the contrary, processed vegetables, which are gaining ground in India, account for nearly all imports of vegetables into India. In 2017, Australia and Canada led exporters of processed vegetables to India in terms of value, accounting for respectively 36% and 25% of total Indian imports in 2017; Myanmar (14%), Russia (5%), Ukraine (3%) followed. European countries, on the other hand, exported into India a mere 4% of the total imported vegetables in terms of value, which were mostly shipped from Romania and Lithuania (each accounting for around 30% of total EU exports by value - Figure 5-41 and Figure 5-42)¹⁴⁷.

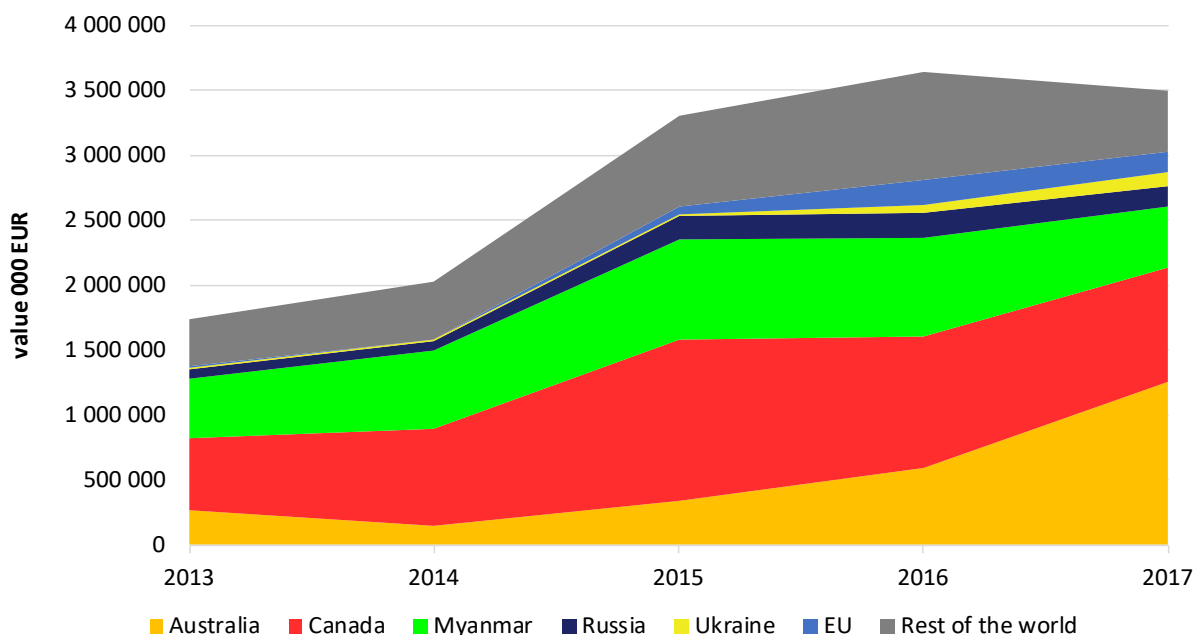
Figure 5-41: Trade balance (imports and exports) of vegetables in India, 2013-17; value 000 EUR



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 07 and 08

¹⁴⁷Trade Map, International Trade Centre, <https://www.trademap.org/>

Figure 5-42: Indian imports of vegetables by country, 2013-17; value 000 EUR



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 07 and 08

5.8.3.3 EU GI products

No GIs are registered in India related to European processed fruit/vegetables.

5.8.3.4 Main competitors

As outlined in sections 5.8.3.1 and 5.8.3.2, while domestic production of processed fruit and vegetables is rather limited, India imports consistent volumes of processed vegetables from non-EU countries.

In terms of market share, McCain, with its range of potato-based products, like fries, wedges, and croquettes, is the leading players in processed fruit and vegetables in India. Nonetheless, the company faces competition from domestic players like Godrej Agrovet and other local operators. Furthermore, smaller players like Neo Foods, and Weikfield Products Co (India) are growing faster in retail value terms than leading players in processed fruit and vegetables. These players usually offer products at attractive prices and offering discounts on large volume packs¹⁴⁸.

5.8.4 Specific market entry requirements

Market Access and Entry

Enterprises that wish to export processed fruit and vegetables to India should refer to the Schedule VI of the [Plant Quarantine Order 2003 and subsequent amendments](#), where plants products are allowed to

¹⁴⁸Euromonitor International: Packaged Food, 2018

be imported into this market are listed. As outlined in Table 5-6, as of February 2019 all European Member States can export dry dates, stone fruits and grapes to India; Poland is also allowed to export frozen wild strawberries/blueberries and France dry mushrooms.

Table 5-6: Processed F&V for which exports from the EU are permitted

Product	Item number	Countries permitted
<i>Processed Fruit</i>		
Frozen Wild Strawberry	296	Poland
Dry Dates	519	All EU MS
Dry Stone fruits: Plum, Peach, Cherry, Apricot, Almond, Nectarine	624	All EU MS
Frozen Wild Blueberries	669	Poland
Dry Grapes	681	All EU MS
<i>Processed Vegetables</i>		
Dry Mushrooms	458	France

Source: Indian Plant Quarantine Order, 2017 – Schedule VI as of February 2019

If a producer wants to export to India a product for which its country of origin is not authorised, it should request the National Plant Protection Organisation to submit a **Pest Risk Analysis** to Indian authorities (see application form below). The above-mentioned application can be carried out provided the following technical information is provided:

- Product name
- Countries that have already imported it
- Place of production
- Exports volumes
- Cultivation practices
- Pest list
- Packaging
- Trading partners
- Existing procedure for issuing phytosanitary certificates

PO Form 23**Application for Pest Risk Analysis for Import of agricultural commodities into India****1. Details of Applicant**

1.1 Name/ Organisation.....
 1.2 Address..... Postcode.....
 1.3 PhoneFax E-mail

2. PRA General Parameters

2.1 Scientific& Common name of the product.....
 2.2 Country/ countries of origin.....
 2.3 Quantity/ Volume

3. Product Type (circle one or more)

3.1 Processed/ Non-processed
 3.2 Living/ non- living
 3.3 Plant/ Animal
 3.4 Genetically modified/ non-genetically modified
 3.5 Seed/ plant/ soil
 3.6 Culture / non-culture
 3.7 Other.....

4. Product Processing (if applicable)

4.1 If seed: ground/ kibbled/ whole/ preserved
 4.2 If plant: fresh/ dried/ freeze dried/ preserved
 4.3 Processing refinement: cooked/ frozen/ pulped/ steamed
 4.4 Specify treatment details.....

5. Product Origins (please state if question not relevant)

5.1 Source location (by country, origin & locality)
 5.2 Production method, Certification scheme and / or accreditation type?

6. End Use (circle one or more)

6.1 Human consumption / Processing/ Stock feed/ Pet food/ Fish food/ Seeds for sowing/ Nursery stock/ Multiplication/ Post-entry Quarantine/ Therapeutic/ Fertilisers/ *In-vivo* / *Invitro* 6.2 Other

7. End Destination (circle &/or specify)

7.1 Rural/ urban
 7.2 Multiple locations/ single
 7.3 Specify Country, State & / or region (PRA defined area)

8. Entry (circle one or more)

Ship/ Air/ Ground transport/ Rail/Other.....

9. General Comments (any further general comment or notes that need to be made, please make here).....**PRA request form may be submitted to:**

Plant Protection Adviser, DPPQS, Faridabad-121001(Haryana) or
 Joint Secretary (PP), DAC & FW, Krishi Bhavan, New Delhi -
 110001

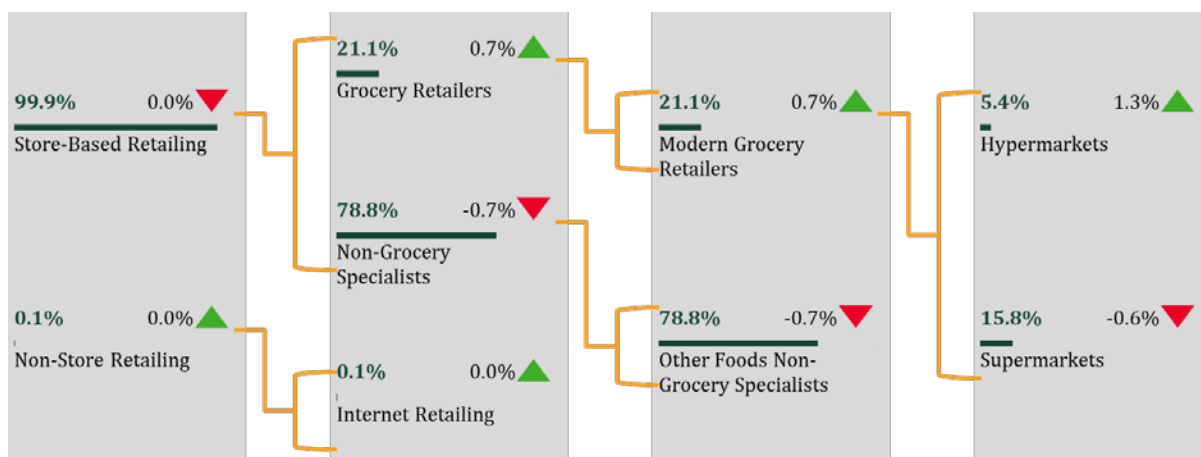
As set out in Table 5-3 in section 5.1.4 of the Fresh Fruit and Vegetables Snapshot, European exporters of processed fruit and vegetables face relatively high tariff barriers when penetrating the Indian market. On most products, a 30% import duty is applied, along with a Social Welfare Surcharge (SWS) of 10% on the amount of customs duty.

5.8.5 Distribution

As outlined in Figure 5-43, the distribution of processed fruit and vegetables in India is done through store-based retailers. Of these, in 2017 the vast majority (78.8%) were non-grocery specialists, and 21.1% modern grocery retailers. Of the latter, 15.8% were supermarkets and 5.4% hypermarkets. While accounting for a lower share, the modern channel has recorded the highest growth in the category. Finally, the internet channel accounts for an insignificant share of total sales, although this may change as e-commerce takes hold in India.

However, distribution might be challenging in some areas, as India still lacks the infrastructure to store and transport processed fruit and vegetables to every region¹⁴⁹¹⁵⁰.

Figure 5-43: Distribution channel overview of processed fruit and vegetables in India (2017); retail value



Source: Euromonitor International: Packaged Food, 2018

5.8.6 Challenges for EU products

Potential exports of processed fruit and vegetables to India face significant challenges. First of all, per capita consumption is rather limited, as consumers have a preference for fresh commodities. Furthermore, relatively consistent volumes of processed vegetables are exported from non-EU countries. On top of that, EU exporters face significant tariff and non-tariff barriers; tariffs are very high (around 30% in most segments), and the procedures to penetrate the market are complex. Finally, while slowly

¹⁴⁹Euromonitor International: Fresh Food, 2018

¹⁵⁰ MFPI India: Opportunities in Fruits & Vegetables Sector in India, <https://foodprocessingindia.co.in/pdf/fruits-&-vegetables.pdf>

improving, the cold chain infrastructure is still underdeveloped in some areas on the country. Subsequently distribution of frozen fruit and vegetables outside larger cities is hampered.

Market Takeaway: Processed fruit and vegetables

Consumption: *is growing at very fast rate, although consumers continue to prefer fresh products. Per capita production is indeed limited, although on the rise.*

Competition: *processed vegetables are exported from several non-EU countries; domestic production is however limited.*

Distribution: *sales of processed F&V mostly take place through non-grocery specialists, although modern retailers are growing in importance.*

Challenges: *tariff and non-tariff barriers may hamper imports of processed F&V.*

Opportunities: *the quest for convenience, by busy workers and frequent travellers, is set to drive growth of processed F&V sales.*

5.9 Live plants

5.9.1 SWOT analysis

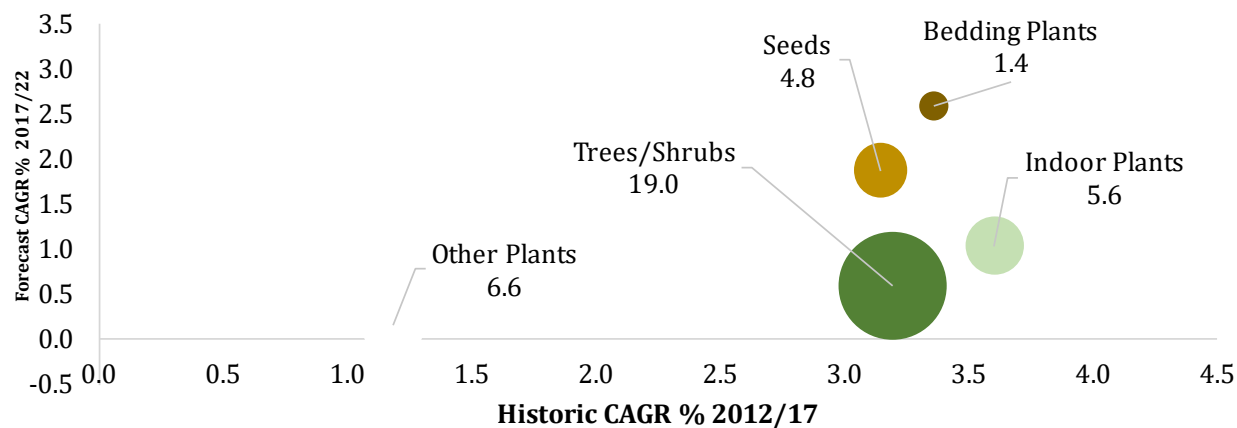


5.9.2 Consumption

5.9.2.1 Evolution of consumption

The market for live plants has been recording moderate growth and it is expected to remain on upward trend, however all segments are projected to grow at a slower pace going forwards (Figure 5-44: Evolution and forecast of live plants market (EUR million) in India, retail value 2012-2022). Trees and shrubs constitute the largest part of the market in the country, amounting to EUR 19 million. This category is predicted to note growth of 0.6% per year over the forecast period. The second largest segment – other plants - has been rising the slowest, and it is expected to remain moderate growth of 0.2% per year in the next years. Indoor plants, the third biggest category, on the other hand, recorded the highest growth between 2012 and 2017 with foreseen growth of 1% per year. Seeds are expected to record growth of 1.9% per year over the forecast period and bedding plants are projected to maintain the most balanced CAGR, dropping from 3.4% to 2.6% per year in the incoming years. Last but not least, having in mind Indian population and market figures, it must be said that the overall market size remains relatively small when it comes to live plants.

Figure 5-44: Evolution and forecast of live plants market (EUR million) in India, retail value 2012-2022



Source: Euromonitor International: Home and Garden, 2018

5.9.2.2 Consumer profile and purchase criteria

Consumers



Given diverse climate and weather conditions, consumers in India have abundance of choice when it comes to live plants. In general, consumers of live plants are predominantly based in urban locations. Some consumers choose plants strictly upon aesthetic and visual effects, whereas others give special religious importance to some plants, e.g. *Holy Basil/ Tulsi*, which is considered as the holiest of all plants¹⁵¹. Other commonly used plants on the Indian market include Rose, Hibiscus, Areca palm, Money plant, Taberna Montana, Jasmine or Aglaonema. Furthermore, as outlined in section 5.9.2.1, consumers appreciate trees and shrubs the most, as they have particular significance in the history of India, being associated with majesty, wisdom and immortality. The most common ones include Banyan Tree, Peepal Tree, Neem Tree or Arjuna Tree¹⁵².

Drivers and method of consumption

Consumption of live plants in India is mostly driven by aesthetics matters and spiritual importance. It should be mentioned though, that the market for live plants and, broader, gardening is a relatively niche segment¹⁵³. In general consumers choose live plants that are straight forward to maintain and not over-priced to decorate their households.

¹⁵¹ 10 Most common plants in Indian homes; <https://gardendiary.info/2016/02/02/10-most-common-plants-in-indian-homes/>

¹⁵² Trees in India; <http://www.ecoindia.com/flora/trees/>

¹⁵³ Euromonitor International: Home and Garden, 2018

Purchase criteria

As identified above, Indians usually base their approach on aesthetics issues, paying attention to the appearance of the plant and, in some cases, on religious beliefs. Moreover, easy maintenance of the plant also plays a role.

5.9.2.3 Recent market trends

The market for live plants in India has been on gradual rise, with all segments recording moderate growth. Lately, the main trend has related to aesthetics and visual appearance of live plants, as more consumers have started to pay greater attention to the visuals of their households. Additionally, as for some Indians certain live plants come with special meaning, plants such as *Tulsi* can be seen very often in households.



5.9.3 Offer

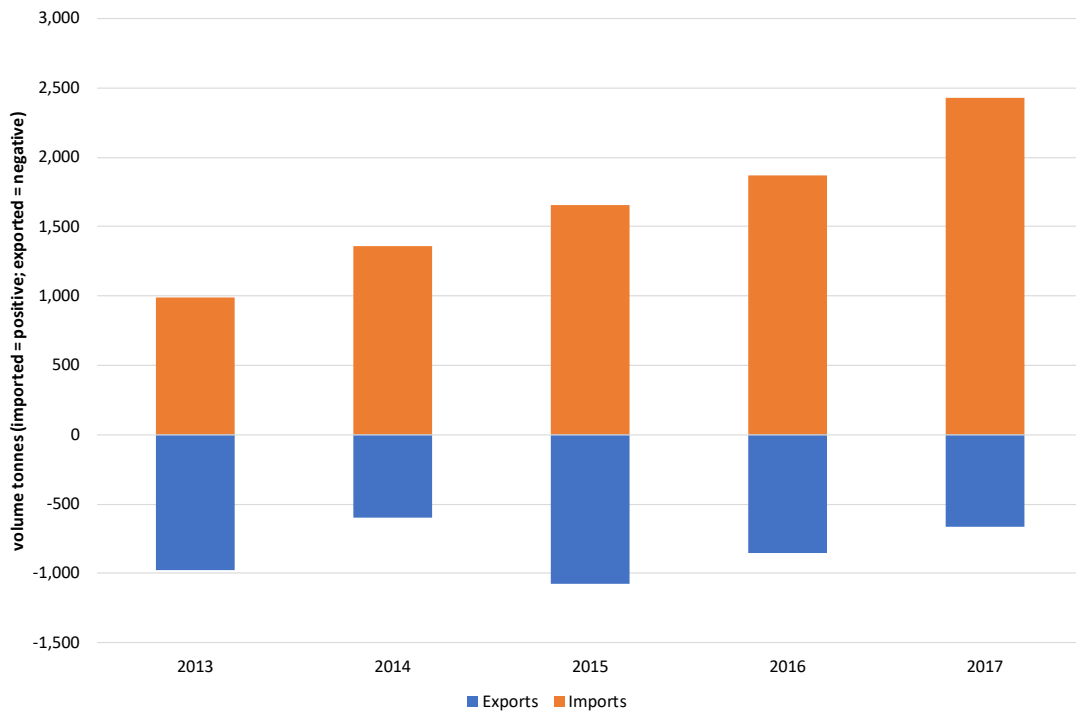
5.9.3.1 Domestic production

The Indian live plants market is highly fragmented with majority of small independent producers and regional players. In general, there is no major branding when it comes to buying live plants. Despite the high diversity and availability of typical Indian live plant products, India still imports some products from abroad (section 5.9.3.2). Most of imported plants apply to unknown varieties of plants, including European plants.

5.9.3.2 Imports and exports

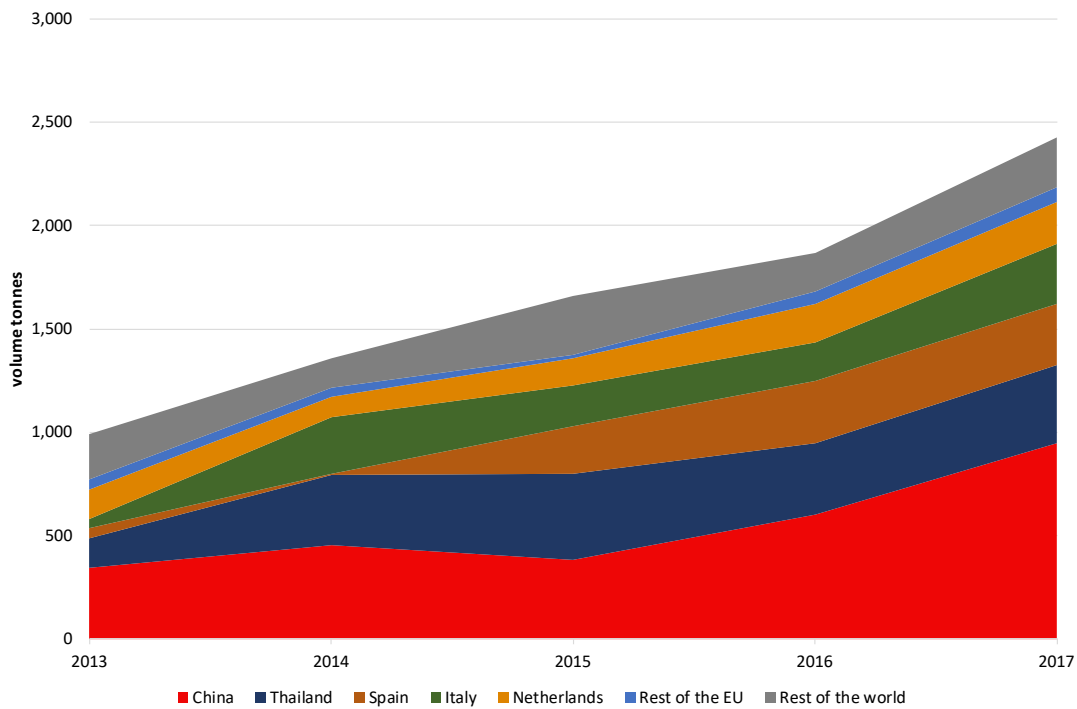
As presented in Figure 5-45, imports of live plants to India were successively increasing and reached almost 2 500 tonnes in 2017. Exported volumes, on the other hand, noted a period of fluctuations in years 2013-2017, reaching slightly above 650 tonnes in 2017. India imports live plants from various countries, including China and Thailand, followed by EU countries, mainly Spain, Italy and the Netherlands (Figure 5-46).

Figure 5-45: Trade balance (imports and exports) of live plants in India, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 0602

Figure 5-46: Indian imports of live plants by country, 2012-16; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 0602

5.9.3.3 EU GI products

No GIs are registered in India related to EU live plant products.

5.9.3.4 Main competitors

As identified in above sections, the market for live plants in India is characterized by high fragmentation, featuring many regional and independent players. Moreover, some plants are being also imported from abroad, particularly from China and Thailand.

5.9.4 Specific market entry requirements

Market Access and Entry

EU producers face certain tariffs and non-tariffs barriers when exporting live plant products to India. First of all, it should be recalled that the export of live plants comes with 5% tariff. Secondly, EU producers should be mindful of rules laid down in the Plant Quarantine Order 2003¹⁵⁴ and the following Schedules:

- Prohibited live plants and plant products (Schedule-IV)
- Restricted and permissible only by authorised institutions with additional declarations and special conditions (Schedule-V)
- Permitted with additional declarations and special conditions (Schedule-VI)
- Permissible on the basis of a phytosanitary certificate issued by the exporting country (Schedule-VII)

More importantly, it should be mentioned that the Indian market entry procedure, as set out in the Plant Quarantine Order 2003, requires separate procedure for each product as well as according to the country of origin.

Market entry rules require importer to gain an import permit – Quarantine and Clearance Certificate for Plants and Plant Products¹⁵⁵. In some cases, such as the importation of seeds or plant materials for sowing, planting and propagation, the quarantine procedure is only possible through the Regional Plant Quarantine Stations of Amritsar, Chennai, Kolkata Mumbai or New Delhi¹⁵⁶.

The Quarantine and Clearance Certificate for Plants and Plant Products constitutes the core document during the market entry procedure and is to be submitted upon arrival of the consignment. However, in case of perishable products, the application is to be submitted in advance, depending on the goods:

- seeds: 30-35 days
- perishable plant material: 12-48 hours
- tissue cultures and mushroom spawn cultures: 4-6 hours

¹⁵⁴<http://plantquarantineindia.nic.in/PQISPub/pdf/PQorder2015.pdf>

¹⁵⁵http://madb.europa.eu/madb/viewPageIFPubli.htm?doc=gc_pp&hscod=0602&countryid=IN

¹⁵⁶<http://plantquarantineindia.nic.in/PQISPub/html/Imppermit-issue.htm#>

PQ Form 15**Application For Quarantine Inspection And Clearance Of Imported Plants/Plant Products and Others (Cargo)**

To _____ _____ _____	For PQ Office's use:	
	Receipt No.	Registration No.
	Date of Receipt	Date of Registration.
In accordance with the provisions of Clause 3 (18) of the Plant Quarantine Regulations of Import into India) Order, 2003 issued under Destructive Insects and Pests Act, 1914 (2 of 1914), I/We, file herewith an application for Plant Quarantine inspection/treatment and clearance of the imported plants/ plant products and others as described below:		
Description of Consignment:		
1. Name & address of importer	2. Name & address of Exporter	<input type="checkbox"/> Import Permit No: _____ dt _____ <input type="checkbox"/> Phytosanitary Certificate No: _____ dt _____ <input type="checkbox"/> Fumigation Certificate, if any
3. Consignment (Common/botanical name)	4. Quantity (Wt./vol.)	
5. No. of pieces/ packages/ containers	6. Distinguishing marks	<input type="checkbox"/> Certificate of origin, if any <input type="checkbox"/> Bill of Entry No: _____ dt _____
6. Nature of packing material	8. Country of origin & port of shipment	<input type="checkbox"/> Shipping/Airway bill <input type="checkbox"/> Invoice/packing list N.B.: Tick out the documents enclosed.
Means of conveyance & date of arrival	10. Point of entry	For PQ Office Use: The above documents submitted to this office have been scrutinised and found in order/not in order
11. Date and place of inspection	12. Shipping/Airway Bill No. & Date	
13. Value of the Commodity	14. Purpose of import Sowing/ planting/ consumption	Date: Signature of PQ staff
Declaration		
1) I/we hereby declare that to the best of the knowledge and belief, the particular given above are true and correct. (2) I/We abide by the provisions of the Plant Quarantine (Regulation of Import into India) Order, 2002 and the instructions issued by the officer authorized by Plant Protection Adviser Date: _____ Place: _____		
(Signature of Importer/Authorised Agent)		

N.B: Application should be submitted by the importer/his authorised agent in duplicate duly filled and completed.; Duplicate copy to be returned to the importer/his authorised agent after endorsing the quarantine order and receipt of payment; Payments should be made by bank draft or pay order drawn in favour of the concerned Pay & Accounts Officer.

- 1 -

In case of live plants, additional documents to be submitted along the Quarantine and Clearance Certificate for Plants and Plant Products depends on the type of product and may include:

- Permit to Import Plants and Plant Materials for Sowing, if applicable
- Permit to Import Soil and Other Growing Media, if applicable

- Phytosanitary Certificate
- Phytosanitary Re-Export Certificate, if applicable
- Certificate of Fumigation, if required

Furthermore, the importer may be asked to submit other documentation relating to pest risk analysis and/or to variety of the plant or seed. These may include:

- Registration of New Varieties
- Licence to Deal in Seeds
- Licence to Import Restricted Items
- CITES Permit
- Pest Risk Analysis
- Certification of Post-Entry Quarantine Facility
- Phytosanitary Certificate

Apart from applying tariffs (i.e. 5%), EU exporters should be also mindful of applicable processing fees, which depend on the kind and quantity of goods:

- inspection fees:
 - for up to 2 kg: 50 INR
 - for 2 to 100 kg: 50 INR plus 5 INR per additional kg
 - for 100-1,000 kg: 550 INR plus 2 INR per additional kg
 - for more than 1,000 kg: 2,500 INR plus 50 or 75 INR per additional tonne
- quarantine charges on volume basis:
 - for up to 5 cubic metres/volume: 600 INR
 - for more than 5 cubic metres/volume: 600 INR plus 300 INR per additional 5 cubic meters or parts thereof
- quarantine charges on container basis:
 - 20' container (33 cubic metres): 2,400 INR
 - 40' container (66 cubic metres): 4,500 INR
- supervision charges:
 - 500 INR per day per consignment

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=0602>

Customs procedures

A list of standard documents required for the import of live plant products into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some commodities it may be requested to present additional documents, as outlined in Table 4-2 in section 4.2.1

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=0602>

SPS measures

Under the Indian Plant Quarantine Order 2003, most plants and plant products must be treated with methyl bromide (MB) prior or upon arrival in India¹⁵⁷, a substance which is forbidden in the European Union. Please see section 5.1.4 for more details on this.

In 2017, India requested European Union Member States to provide evidence that the alternatives to mitigate the pests are at least as efficient as MB. Further information is available on the European Union website (link in the box below).

Restrictions on imports of plants relating to fumigation treatments - Alternatives to MB:

http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

Labelling

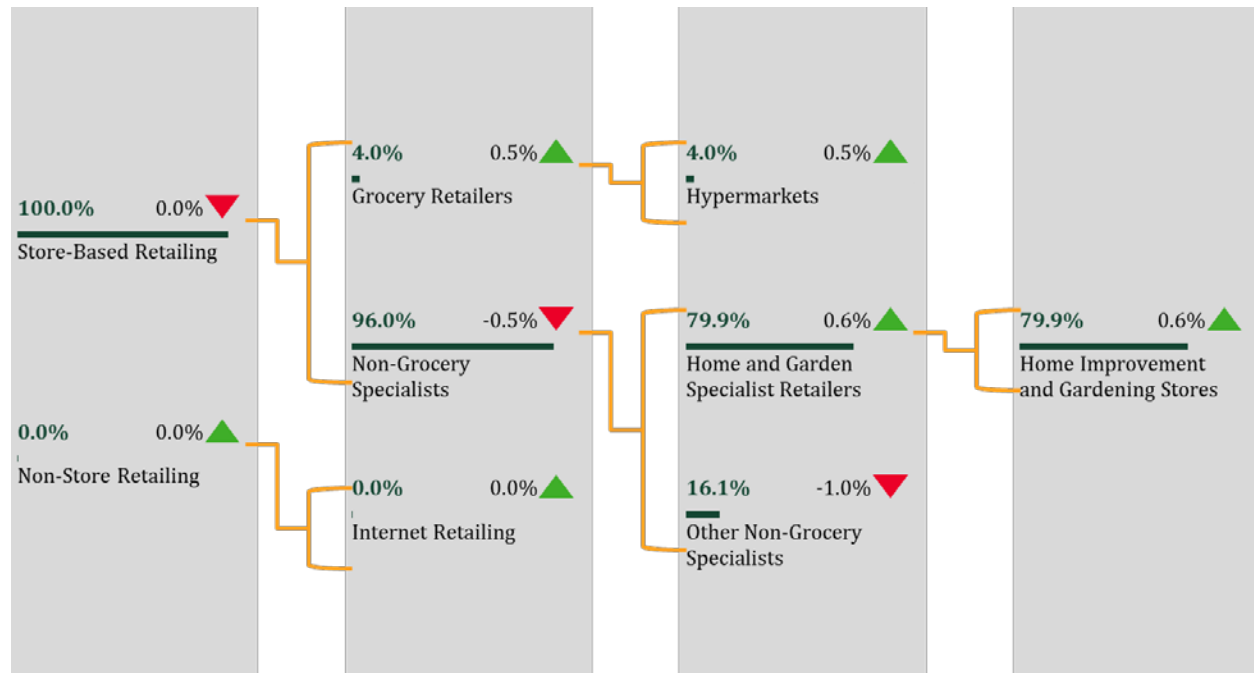
Live plant products must comply with the labelling rules outlined in section 4.2.3.

5.9.5 Distribution

As presented in Figure 5-47, the vast majority of live plants are distributed through non-grocery specialists (96% in terms of retail value in 2017). Home and garden specialist retailers constitute the largest part (almost 80%), followed by other non-grocery specialists (16%).

¹⁵⁷ In case of prior fumigation, producer must certify the completed procedure by submitting Certificate of Fumigation: http://madb.europa.eu/madb/viewPageIFPubli.htm?doc=cf_fum&hscod=0602&countryid=IN

Figure 5-47: Distribution channel overview of live plants in India (2017); retail value



Source: Euromonitor International: Home and Garden, 2018

5.9.6 Challenges for EU products

The main challenge for EU producers planning to export live plants to India relates to stringent market entry procedures, which requires comprehensive and detailed set of documentation. Moreover, it should be remembered that Indian market for live plants remains relatively small.

Market Takeaway: Live plants

Consumption: Though small, the live plants market has been recording moderate growth and it is expected to keep growing in next years.

Competition: Main competitors constitute small and independent players as well as foreign producers, mainly from China and Thailand.

Distribution: The majority of products distributed through home and garden specialists, however there is also a strong presence of small regional players.

Challenges: Stringent market entry rules constitute the most important challenge as well as the fact that the market remains relatively small

Opportunities: Gradually growing demand for live plants and familiarity with European products due to a few, already established, import channels between India and the EU.

5.10 Baked goods

5.10.1 SWOT analysis

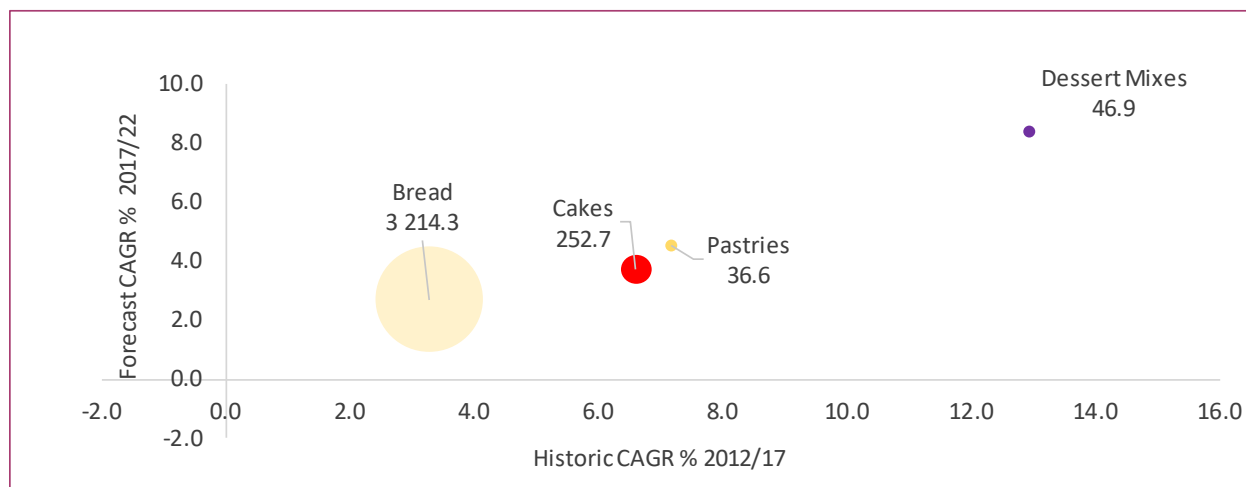


5.10.2 Consumption

5.10.2.1 Evolution of consumption

With a volume of over 3.2m tonnes, bread accounts for the vast majority of the baked goods market in India. The majority of this – almost 65% - is unpackaged bread. At 3.3% per year, the bread category grew slightly ahead of the population during the period 2012-17; and is forecast to grow a bit more slowly at 2.7% per year going forwards. The second category of cakes had a market size of 252 700 tonnes in 2017, having grown at 6.6% per year over the preceding years. This growth rate is set to fall to 3.7% per year going forward. The growth rates of the much smaller pastries category are fairly similar to those of cakes. With an annual growth rate of 12.9% over the period 2012-2017 which is set to fall slightly to 8.4% per year going forward, the category of dessert mixes is by far the fastest growing and set to remain so (Figure 5-48).

Figure 5-48: Evolution and forecast of baked goods market in India, total volume 2012-2022



Source: Euromonitor International: Packaged Foods, 2018

5.10.2.2 Consumer profile and purchase criteria

Consumer of baked goods must be considered against the background that the main product consumed by some distance is bread; and unpackaged products are more popular than packaged ones.

Consumers

Bread is an integral part of Indian cuisine, with over 30 main types of bread across the country. Furthermore, breads and the precise ingredients used vary from region to region. Particularly famous types of bread include: *naan*, a leavened bread that is arguable India's most popular bread; *bhatura*, a popular leavened breakfast bread, made from refined flour and then fried in oil; *puri*, an unleavened bread frequent on special occasions; *chapati*, an unleavened staple flatbread made of wheat flour, is the most common and staple to north India; and *parantha*, a bread that is frequently stuffed with different vegetables. As bread is a staple, its consumers cover the whole population.

With regards to other baked goods, it is important to note that both the nature and importance of such goods vary across the country; and hence the consumers as well. For example, local bakeries offering bakes and pastries as snacks are plentiful in Bengaluru; however, in Kolkata they are rare. In all cases, there are certain niches of consumers (e.g. those with higher income looking for high quality pastries/cakes; and those buying cakes for special occasions). Consumers of dessert mixes are, on balance, more likely to be urban and motivated by convenience¹⁵⁸.

¹⁵⁸Euromonitor International Ltd: Packaged food (2018); <https://guide.michelin.com/us/chicago/features/get-to-know-these-7-types-of-indian-bread/news>; <https://recipes.timesofindia.com/articles/features/22-types-of-indian-breads-that-prove-we-live-in-the-heaven-of-foodies/photostory/65355457.cms?picid=65355529>; <https://www.indiaretailing.com/2016/12/30/food/food-service/5-cakeries-that-are-the-icing-on-the-retail-segment-cake/5/>

Drivers and method of consumption

The overarching key driver for bread is its status as a staple. The method of consumption varies, with some type such as *naan* and *chapati* normally consumed as part of a meal, while other types such as *bhatura* and *puri* are either eaten specifically for breakfast or reserved for special occasions. Gifting and special occasions are important drivers of cakes, while traditional pastries are often consumed for dessert and/or as a snack; depending on the region. This is largely reflected by the packaging of these products; around 90% of pastries are sold unpackaged, while for cakes the percentage is around 55%. Convenience is a notable driver for dessert mixes.

Purchase criteria

For bread, as noted above, bread is an integral part of Indian cuisine, with different breads traditionally used for different occasions or dishes and often associated with certain regions. In view of this, the main purchase criteria for bread tends to be type of bread, influenced by a combination of the region in which the consumer lives and the consumer's intended use for the bread. Convenience is increasingly a notable purchase criterion which is increasing the popularity of packaged products (see section 5.10.2.3).

For other baked goods, purchase criteria are largely motivated by the driver for consumption, which is in turn closely linked to the region. For example, convenience is an important driver for pastries in urban areas. For example, this explains the popularity of consumption of unpackaged pastries/cakes in Bengaluru, where fresh bakeries are numerous; and preference for branded baked goods for snacks in Delhi.

5.10.2.3 Recent market trends

The recently introduced goods and service tax (GST – see section 4.4.3) has had some impacts on patterns of demand in for baked goods. More specifically:

- Leavened bread is exempt from the GST; and this has helped minimise price increases in this category and hence maintain demand.
- Flat bread falls into the 5% bracket of the GST; and as this is lower than the tax previously imposed by states price increases have also been limited and demand maintained.
- The tax for dessert mixes is broadly unchanged – these fall into the 5% bracket of the GST.
- Cakes and pastries have been placed into the 18% bracket, making them more expensive than previously and hence there could be impacts on demand going forward.

Other factors such as increasing ingredient and manufacture prices have pushed up the unit prices of baked goods as a whole in recent times, though the impact of this on demand has thus far been limited.

In the bread sector, packaged flatbreads have gained rapidly in popularity since their introduction in 2015; and the emergence of this sector is expected to continue, with price and flexibility of this format key drivers. Some local manufacturers of packaged flatbread have developed subscription models for loyal customers. Packaged bread in general is increasing in popularity due to convenience considerations; though the shelf life of such products is generally 1 week.

In the areas of dessert mixes, cakes and pastries, consumers have shown an increased willingness to experiment in recent years, with products of foreign origin (e.g. croissants) increasing in popularity. Most notably, products for home preparation/baking have shown popularity, boosted by the simplification of preparation formulas and their adaptation to the utensils available in a typical Indian kitchen. The provision of trial/experimental packs have also helped introduce consumers to new products. Finally, some producers have started to offer products which enable the preparation of more than one type of dessert (e.g. powder for the preparation of flavoured drinks if added to milk, or the preparation of the traditional dessert kheer if combined with condensed milk). This trend is expected to continue¹⁵⁹.

5.10.3 Offer

5.10.3.1 Domestic production

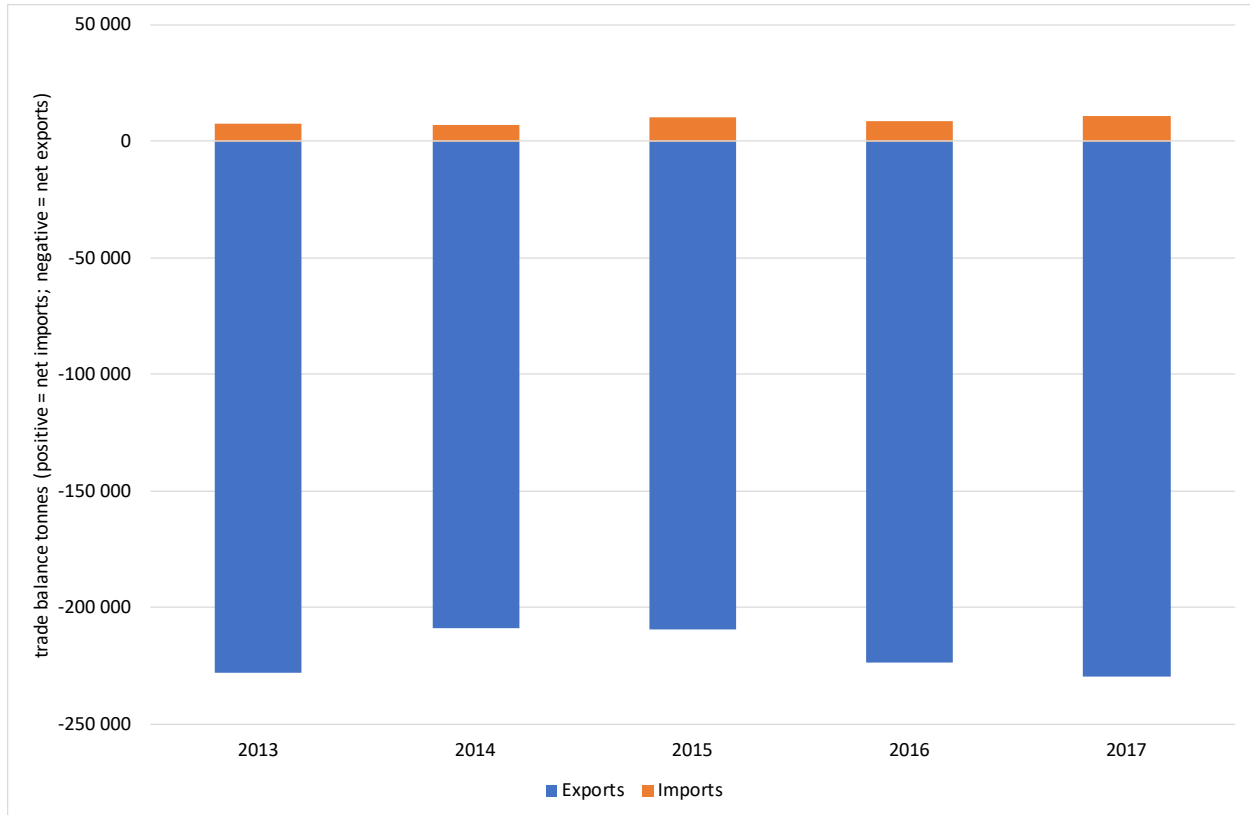
There is a high level of production of baked goods in India. This production is highly fragmented and overall is led by artisanal player which can be further divided into two types: (1) long established larger artisanal bakers present in multiple states and (2) generally more recent smaller/standalone bakers. The first group tend to have a centralised manufacturing unit which supplies multiple stores with different types of baked goods; a notably company in this group is Monginis. The second group tend to have a more limited range of baked goods (e.g. focus on regional specialities) and may manufacture other local snacks as well. There is strong competition within this segment. There are also some larger food companies active in the bakery sector among others. However, with the exception of India's largest producer of bakery goods in India, Britannia (13% of the market), none of these holds more a market share of more than a couple of percent.

5.10.3.2 Imports and exports

India is a net exporter of baked goods; almost 230 000 tonnes were exported in 2017 compared to imports of just 11 023 tonnes. That said, imports have increased from 7 701 tonnes in 2012, with exports remaining broadly stable over the same period (Figure 5-49).

¹⁵⁹Euromonitor International Ltd: Packaged food (2018).

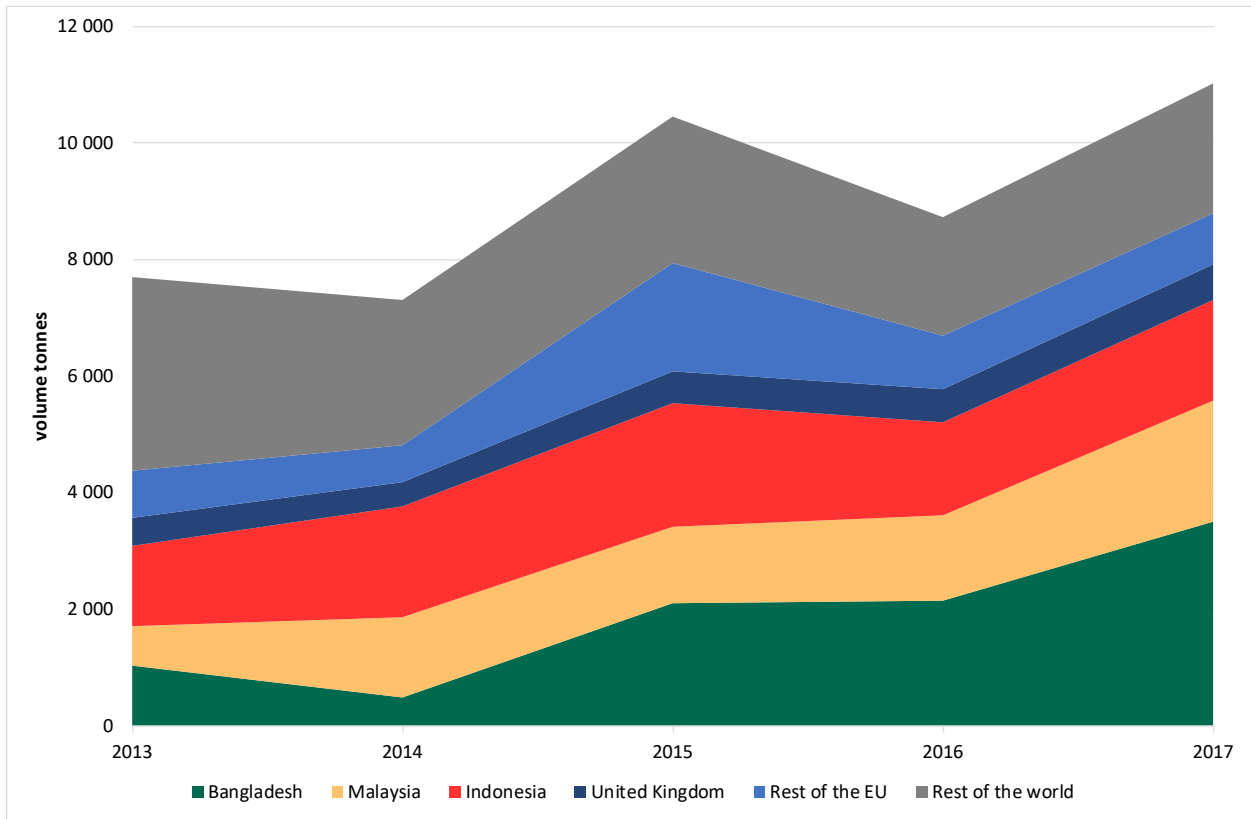
Figure 5-49: Trade balance (imports and exports) of baked goods in India, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1905

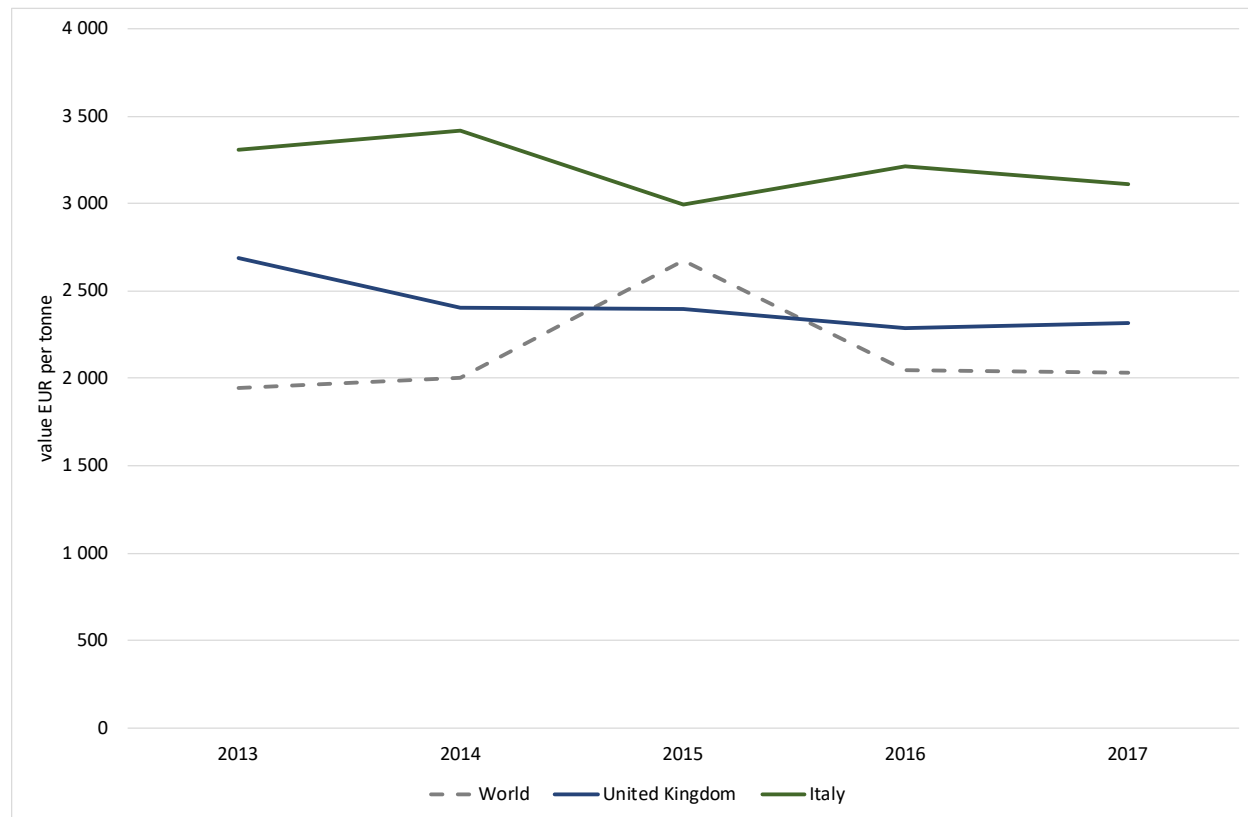
In terms of origin, roughly one third of imports came from Bangladesh in 2017, with Malaysia and Indonesia accounting for a further third combined. With 624 tonnes (just over 5% of all imports), the UK was the fourth biggest importer in 2017. The rest of the EU exported 873 tonnes, just under half of which came from the Netherlands and roughly a quarter from Italy (Figure 5-50). At 2 315 and 3 114 EUR/tonne, the unit values of exports from the UK and Italy respectively were above the world average of 2 030 EUR/tonne in 2017 (Figure 5-51).

Figure 5-50: Indian imports of baked goods by country, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1905

Figure 5-51: Per unit value of Indian imports of baked goods for selected countries, 2013-17 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1905

5.10.3.3 EU GI products

No EU baked goods' names are registered as GIs in India.

5.10.3.4 Main competitors

Firstly, it must be remembered that the market for baked goods relies mainly on unpackaged products, limiting competition from non-domestic production; and India has a notable export surplus in baked goods. The main competition therefore comes from domestic production; most notably artisanal ones. There is a notable sub-group of these producers who are long established in the market and provide outlets in a number of different states with products from a central production site; arguably these are in more direct competition with EU producers than small independent bakers. Further competition from domestic production comes from larger Indian food companies which are present in the baked goods sector as one of their multiple sectors of operation.

5.10.4 Specific market entry requirements

Market Access and Entry

European exporters of baked goods face a 30% MFN import tariff when penetrating the Indian market.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=1905>

Customs procedures

A list of standard documents required for the import of baked goods into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some products it may be requested to present additional documents, as outlined in Table 4-2 in the same section.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=1905>

SPS measures

Sanitary and Phytosanitary measures concerning the import of baked goods into India are in line with international standards.

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

Standards and labelling

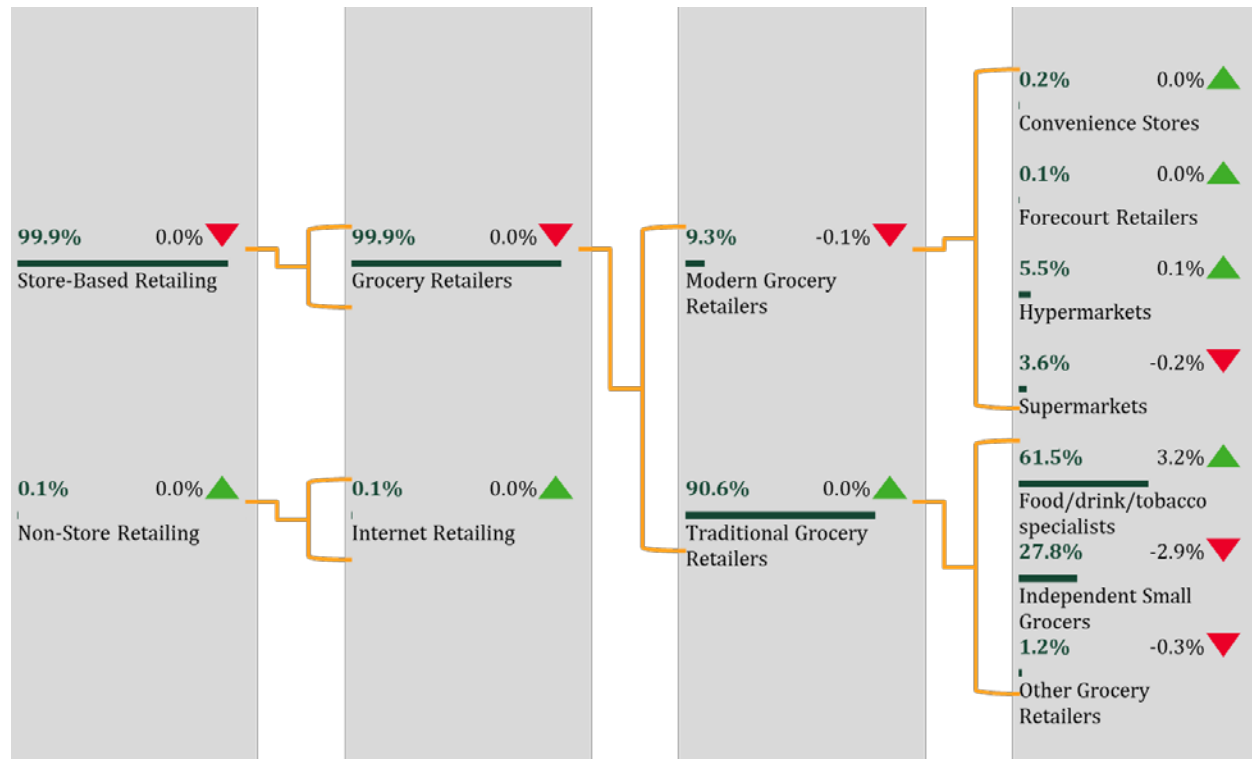
Packaged baked goods need to comply with the labelling rules set out in section 4.2.3. Against this background, specific care needs to be taken with the inclusion of ingredients of animal origin in baked goods. Any products containing such ingredients – whether egg/egg powder, gelatine, or additives of livestock origin for example – must be marked with a red dot to indicate that they are not vegetarian (as noted in section 4.2.3). In this context, it should be noted that many domestic producers intentionally avoid the use of ingredients of eggs in baked goods to ensure their product can address the largest possible market (it must be remembered that roughly 30% of Indians are vegetarians according to the Indian definition, which excludes eggs – section 3.3.2.3).

Furthermore, care should be taken with the any livestock ingredients of bovine or swine origin used in baked goods (see section 5.7.4).

5.10.5 Distribution

By far the most important channel for the distribution of baked goods is traditional food and drink specialists (including small bakeries); these account for the distribution of over 60% of baked goods by value. Independent small grocers, including *kiranas* account for just under 30%. Modern grocery accounts for the distribution of under 10% of baked goods in India (Figure 5-52).

Figure 5-52: Distribution channel overview of baked goods in India (2017); retail value



Source: Euromonitor International: Packaged Foods, 2018

5.10.6 Challenges for EU products

The market for baked goods can be primarily considered a collection of smaller regional markets than a single national market. This is most notably reflected by: differences in preferences and consumption patterns between regions; the importance of artisanal producers for domestic production; and the high level of distribution through food and drink specialists (including small bakeries). Furthermore, the majority of the baked goods market is accounted for by bread, of which there is a wealth of traditional local varieties. The short shelf life of many baked goods – bread in particular – causes significant challenges for distant imports. Finally, the high level of vegetarianism in the country (the Indian definition of which excludes the consumption of eggs) limits the market for products with eggs.

Market Takeaway: Baked goods

Consumption: high; primarily accounted for by unpackaged bread.

Competition: very high and fragmented domestic production, led by artisanal producers.

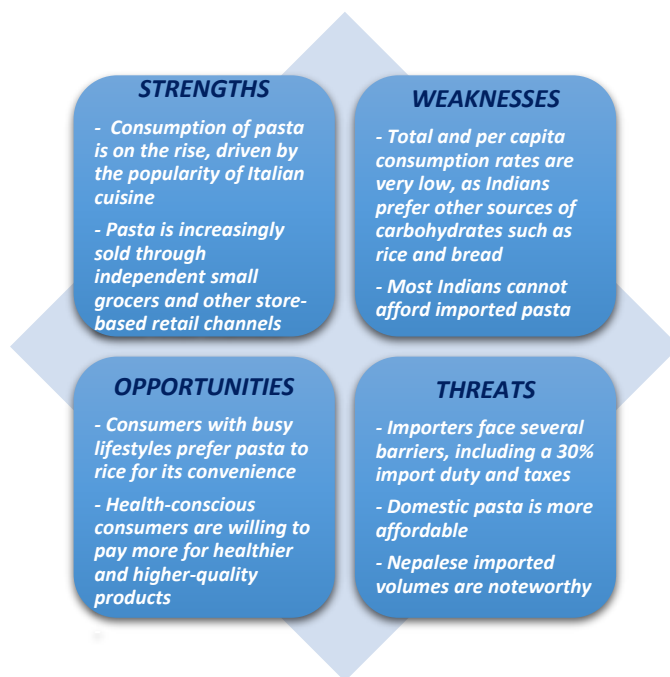
Distribution: traditional grocery retailers, most notably foods and drink specialists including bakeries.

Challenges: multiple regional markets with preferences primarily defined by tradition.

Opportunities: home-baked pastries and dessert mixes (particularly those allowing the preparation of more than one dessert type).

5.11 Pasta

5.11.1 SWOT analysis



5.11.2 Consumption

5.11.2.1 Evolution of consumption

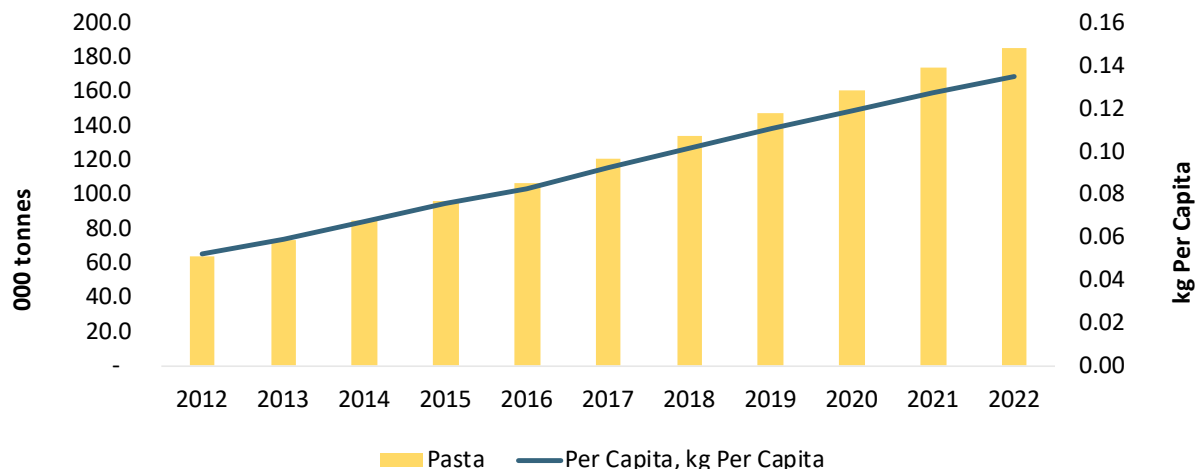
Driven by growing popularity of these foods, total consumption of pasta, rice and noodles as a whole is dramatically rising in India. Notably, pasta consumption in India grew at an annual rate of 13.5% in 2012-2017. Although growing at slower rates, pasta is projected to continue to see sustained development in the coming years, passing from 120 646 tonnes in 2017 to about 185 551 tonnes in 2022 (Figure 5-53). Per capita consumption of pasta, which grew from about 50 g per capita in 2012, to over 92 g in 2017, is expected to increase as well, reaching 135 g in 2022. Despite on the rise, sales and consumption of pasta are set to remain limited in the short terms, as this is a relatively new product for the Indian market.

Similarly, noodles, whose consumption has increased (490 893 tonnes were purchased in 2017), are expected to grow at the fastest annual rate recorded in the category. Although noodles recorded the worse performance in the category in 2012-2017, due to a ban on popular Maggi noodles, this trend is set to overturn in the future, with noodles sales reaching about 947 051 tonnes in 2022.

Finally, rice not only remained the most purchased food in the category, but it also recorded the fastest growth rate in 2012-17. Indeed, the GST has removed any direct and indirect tax on unbranded rice, hence boosting sales of this product which can be now offered at lower prices. Consumption of rice, which currently stands at around 3.7 million tonnes (2017 figure) is subsequently set to go up to nearly 5.5

million tonnes in 2022 (Figure 5-54). Similarly, per capita consumption is expected to grow from 2.5 kg to 4 kg in 2022.

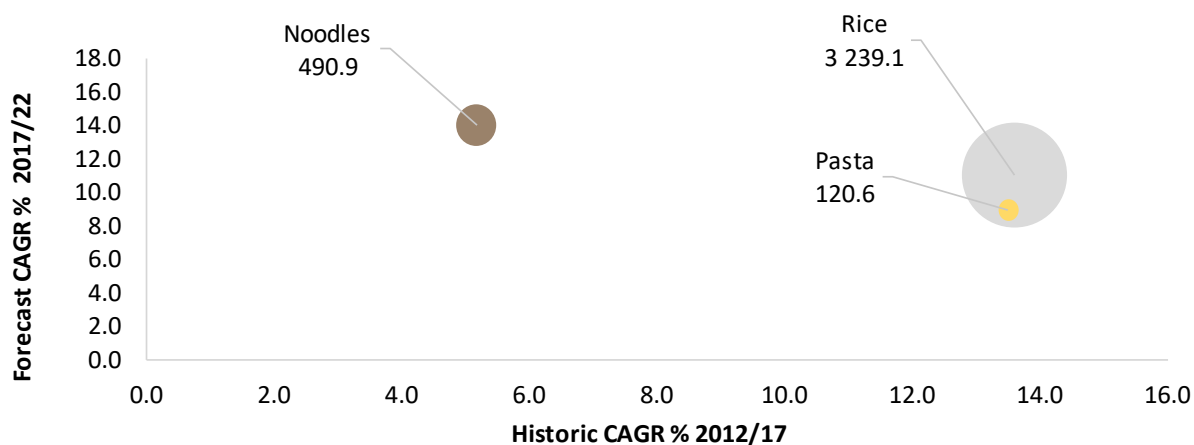
Figure 5-53: Evolution and forecast of market for pasta (000 tonnes) and per capita (kg) pasta consumption in India, 2012-2022



Source: Euromonitor International: Packaged Foods, 2018

Note: figures for 2018 to 2022 based on forecasts

Figure 5-54: Market size, and evolution and forecast of rice, pasta and noodles markets (000 tonnes) in India, 2012-2022; total volume



Source: Euromonitor International: Packaged Foods, 2018

5.11.2.2 Consumer profile and purchase criteria

The popularity of Italian cuisine and the emergence of organised retail have boosted sales of imported pasta in India. Pasta is more and more appreciated for its convenience and taste.

Consumers



Pasta is a relatively new product in the Indian market, which is gaining popularity owing to its convenience and nutritious features. Indeed, consumers appreciate pasta as it can be quickly cooked (compared for example to rice) and paired with several kinds of spices, vegetables and meat. Not only pasta is slowly taking hold amongst millennials and adolescents, who are more exposed to Western food trends, but it is getting acceptance amongst older generations too.

Amongst urban and wealthier consumers, health-conscious ones are increasingly purchasing pasta in different varieties which they perceive as healthier, e.g. high-fibre, organic or gluten-free pasta¹⁶⁰¹⁶¹.

Drivers and method of consumption

Pasta has gained ground in India owing to the popularity of Italian and Mediterranean cuisines, hence becoming a common meal option especially amongst urban consumers with busy lifestyles.

Not only Indians eat pasta when dining out, as commonly served at several restaurants in both small and large cities, but they have also started cooking it at home. Vermicelli is the most popular pasta type in India. However, consumption of spinach, chilly and beet flavoured dried pasta is expected to grow. Furthermore, high-fibre, organic and gluten-free pasta are gaining momentum amongst certain groups of consumers, although they account for a very small niche.



In terms of preferences, Indians like soft rather than “al dente” pasta, hence brands are readjusting the boiling time on the package to ensure the instructions are as per the local needs. Indians usually top pasta with sauce, spices, vegetables and occasionally meat¹⁶².

Purchase criteria

Lower-income consumers are more price-sensitive; hence they prefer more affordable domestically produced pasta. On the contrary, middle- and upper-income consumers, who are usually more exposed to Western trends, and who place more importance on quality, are more likely to purchase premium imported pasta. Amongst them, health-conscious Indians are willing to pay more if it means consuming a healthier product.

¹⁶⁰The Newest Comfort Food of Indians – Pasta! <https://www.pointbleudesign.com/the-newest-comfort-food-of-indians-pasta/>

¹⁶¹Euromonitor International: Packaged Food, 2018

¹⁶²Euromonitor International: Packaged Food, 2018

5.11.2.3 Recent market trends

Driven by growth in rice and pasta, the whole category of rice, pasta and noodles has been showing a fast-growing trend in recent years, which is set to continue in the future. Notably, noodles consumption is projected to recover and grow at the fastest rate in the category (by 14%). On the contrary, pasta sales are expected to slow down, growing an annual rate of 9% in 2018-2022. Similarly, annual growth of rice sales is set to grow slower, but still at a fast-annual rate of 11%¹⁶³.

5.11.3 Offer

5.11.3.1 Domestic production

Despite the limited volume of 100 000 tonnes of pasta per year, Indian production is very dynamic and it is expected to continue to expand¹⁶⁴. Indian manufacturers offer as much variety as Italian brands, but their products are sold to the final consumer at more affordable prices. The most prominent pasta producer is Bambino Agro Industries, which leads sales in the category. This is especially true in the south of India, where Bambino pasta was first introduced¹⁶⁵.

5.11.3.2 Imports and exports

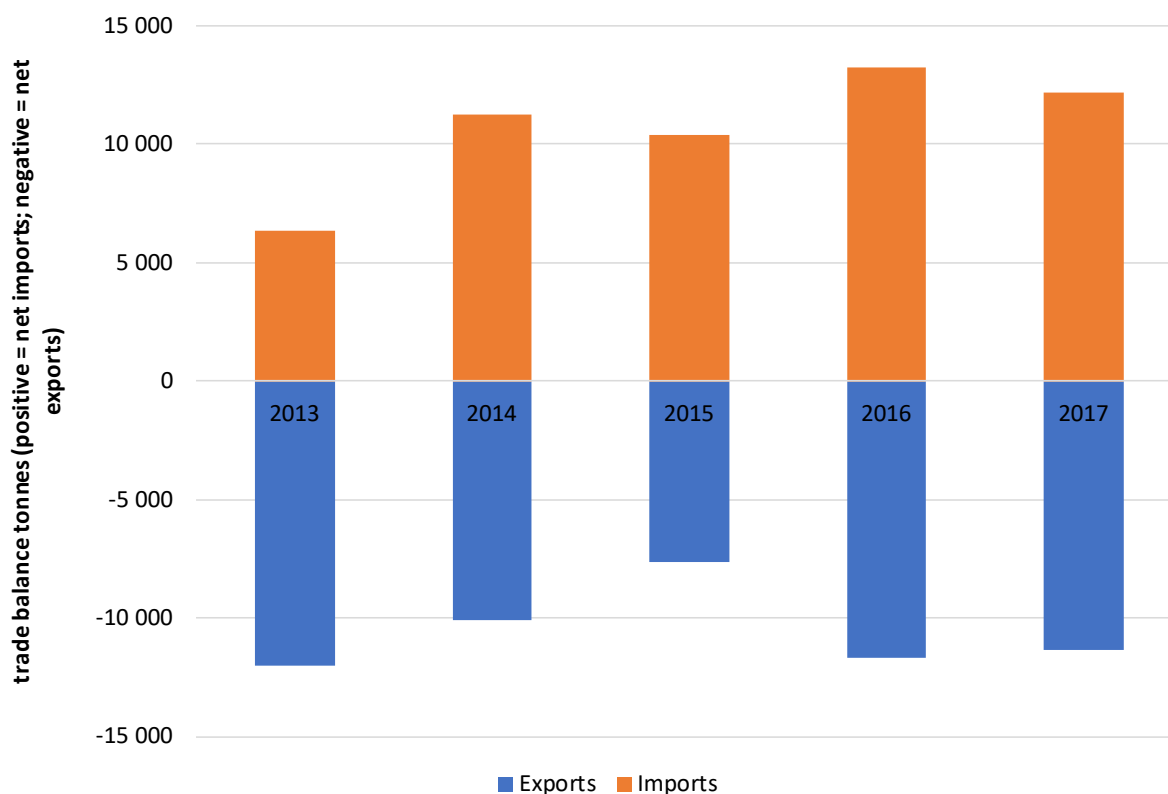
As outlined in Figure 5-55, Indian exports and imports of pasta, noodles and couscous are rather balanced. Exports, which have largely fluctuated between 2013 and 2017, have shown a growing trend in recent years, currently standing at around 11 355 tonnes. Similarly, imports which peaked in 2016, reaching 13 262 tonnes, currently amount to 12 210 tonnes.

¹⁶³Euromonitor International: Packaged Food, 2018

¹⁶⁴ UNAFPA, <http://www.pasta-unafpa.org/ingstatistics5.htm>

¹⁶⁵Euromonitor International: Packaged Food, 2018

Figure 5-55: Trade balance (imports and exports) of pasta, noodles and couscous in India, 2013-17; tonnes

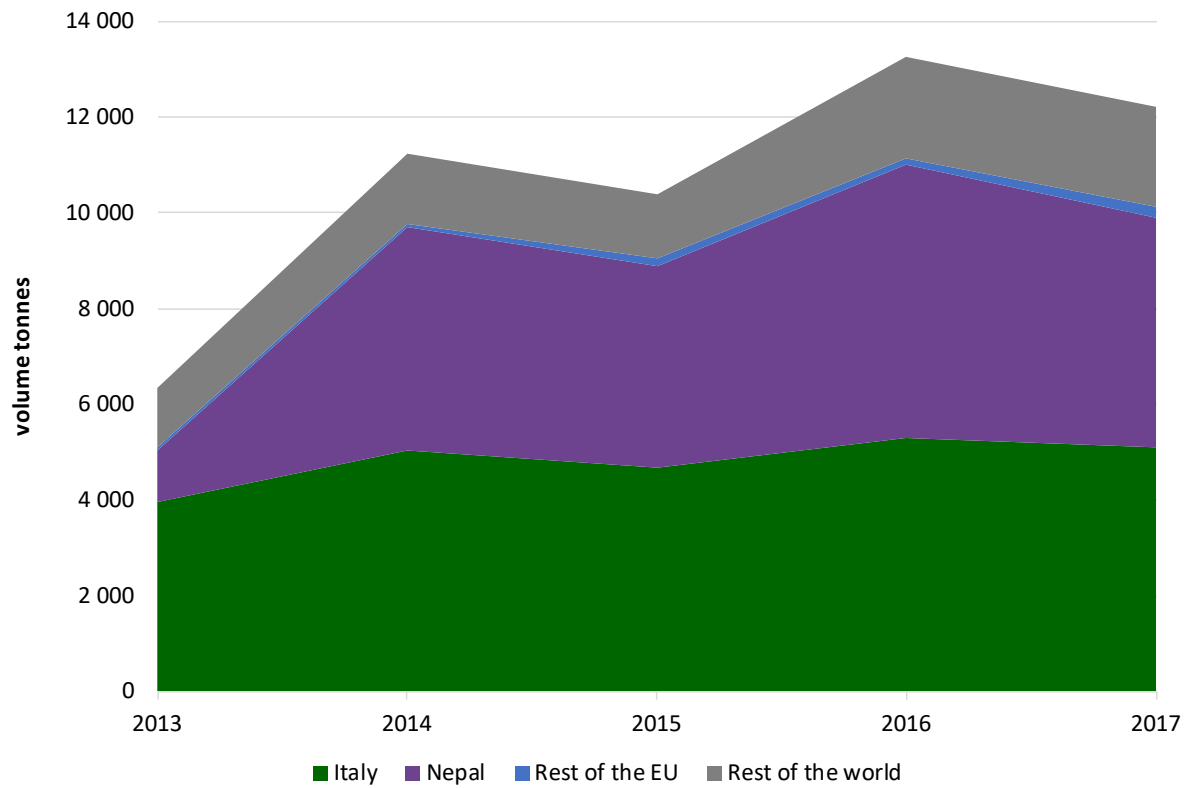


Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1902

As outlined in Figure 5-56, Italy and Nepal, which accounted for respectively 42% and 39% of the total imports in 2017, lead the exports of pasta, noodles and couscous to India. Italian exports of pasta saw a sustained growth until 2017, peaking to 5 306 tonnes in 2016, but then declined, down to 5 108 tonnes in 2017. Similarly, Nepalese exports dropped to 4 749 tonnes in 2017 from 5 712 tonnes in 2016. The rest of the EU accounted for the remaining 2% of total Indian imports of pasta, noodles and couscous, with most of these shipped from Spain.

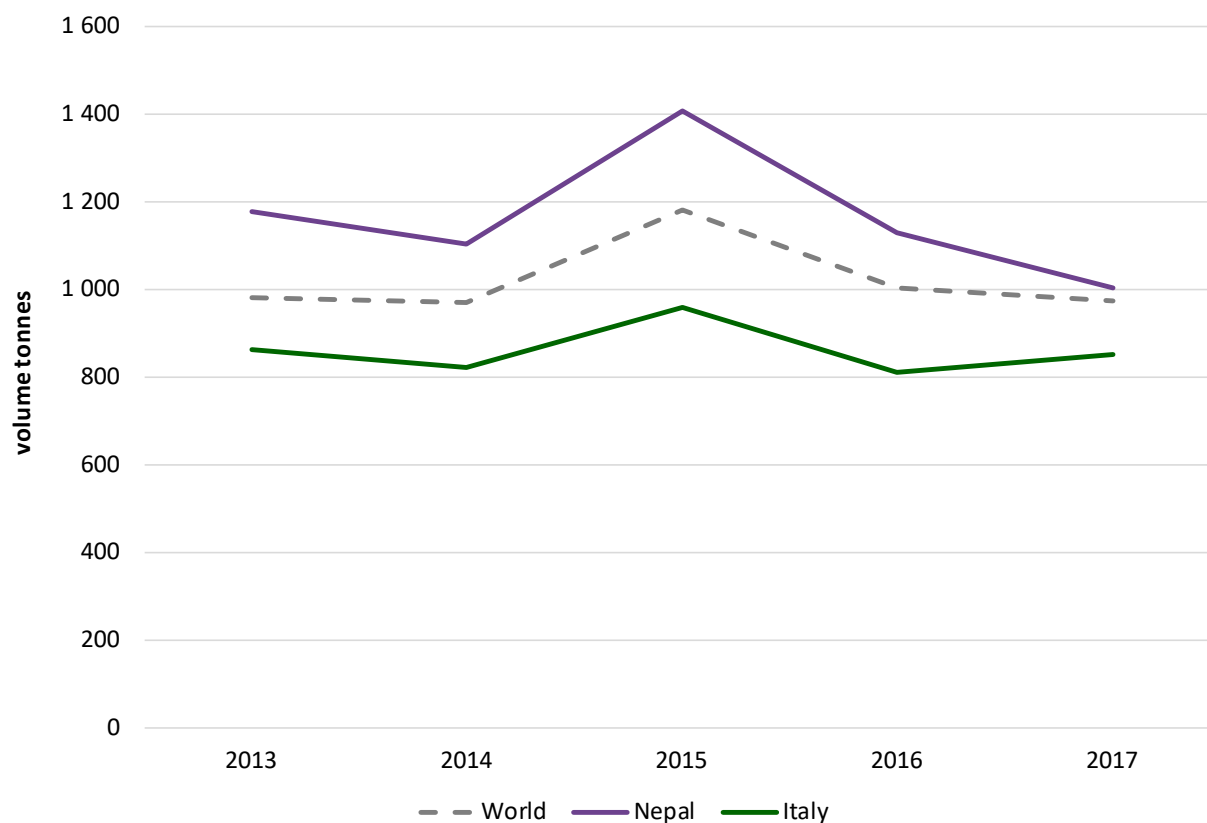
In terms of unit value, Nepal recorded the highest imported value in 2017 i.e. EUR 4.8 million (*vis-à-vis* Italian EUR 4.4 million), owing to the high imported unit value. Indeed, while Nepalese exports were valued at 1 004 EUR/tonne, Italian ones were valued 852 EUR/tonne, below the world average of 974 EUR/tonne. Nonetheless, it is noteworthy that the unit value of Italian imports has shown an upward trend in the last years (Figure 5-57).

Figure 5-56: Indian imports of pasta, noodles and couscous by country, 2013-2017; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1902

Figure 5-57: Per unit value of Indian imports of pasta for selected countries, 2013-17 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1902

5.11.3.3 Main competitors

As outlined in sections 5.11.3.1 and 5.11.3.2, not only domestic production of pasta is considerable, but EU enterprises also face the competition of Nepalese producers of noodles and pasta when exporting to India. In terms of market share, Bambino Agro Industries remains the leader in pasta. Recently, the company has also introduced a new dried pasta pack format to suit the needs of consumers and new flavours¹⁶⁶.

5.11.4 Specific market entry requirements

European exporters of pasta face a 30% import tariff when entering the Indian market. Furthermore, a Good Service Tax of 12% of the import duty, and 10% Social Welfare Surcharge (SWS) are also applied on pasta imported from the EU.

¹⁶⁶Euromonitor International: Packaged Food, 2018

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=1902><http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=1509>

Customs procedures

A list of standard documents required to import pasta into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some products it may be requested to present additional documents, as outlined in Table 4-2 in the same section.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=1902>

SPS measures

Sanitary and Phytosanitary measures concerning the import of pasta into India are in line with international standards.

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

Labelling

Pasta must comply with the labelling rules outlined in section 4.2.3.

5.11.5 Distribution

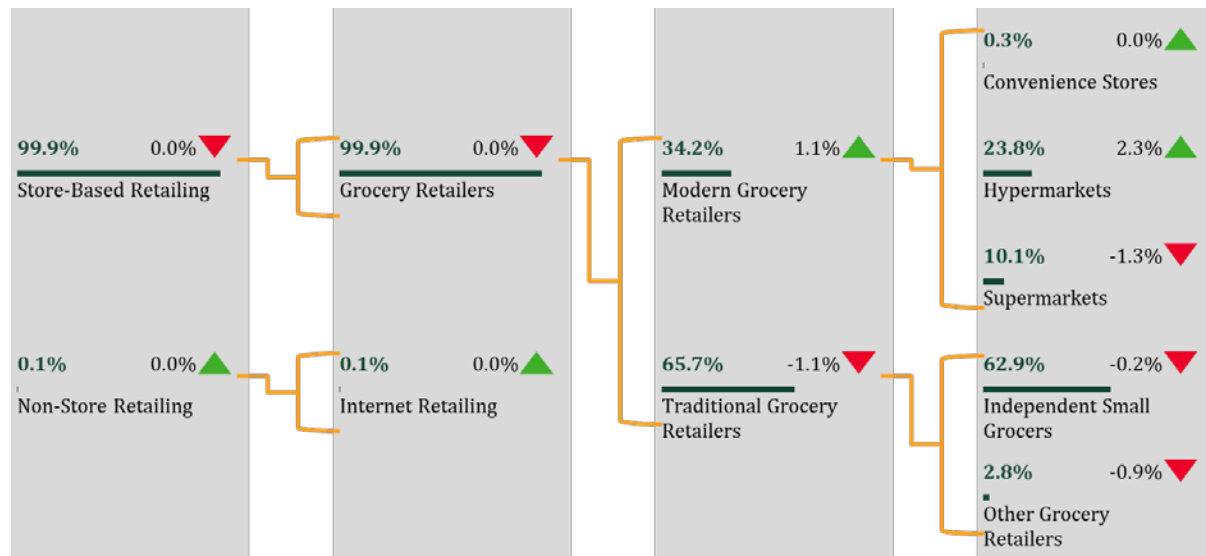
As set out in Figure 5-58, the off-trade distribution channel of pasta in India is exclusively done through grocery retailers. Of these, the majority were traditional grocery retailers in 2017, notably independent small grocers, which accounted for 65.7% of total sales value. Modern grocery retailers, on the contrary, accounted for 34.2% of the total sales value, with hypermarket taking the lead (23.8%), followed by supermarkets (10.1%). Amongst modern grocery retailers, hypermarkets also recorded the fastest growth rate (by 2.3%). It is noteworthy that international pasta brands, which were available mostly in supermarkets and hypermarkets in the past, are increasingly being sold through independent small grocers and other store-based retail channels¹⁶⁷.

With regards to the on-trade channel, restaurants and street stalls are becoming of greater importance for pasta, in both small and larger cities¹⁶⁸.

¹⁶⁷Euromonitor International: Packaged Foods, 2018

¹⁶⁸Can Pasta be the new national dish of India?<http://host.fieramilano.it/en/can-pasta-be-new-national-dish-india>

Figure 5-58: Distribution channels overview of pasta in India (2017); retail value



Source: Euromonitor International: Packaged Foods, 2018

5.11.6 Challenges for EU products

Although pasta is increasingly taking ground in India, European enterprises face some challenges when importing into this market. Notably, domestic production is considerable and dynamic, and Indian pasta is offered at low prices. Furthermore, Nepal exports to India are also noteworthy, as they are high in both volume and value. On top of that, EU exporters also face a 30% import duty and further taxes when penetrating the Indian market.

Market Takeaway: Pasta

Consumption: growing at fast rates, as pasta is convenient and can be combined with several other products.

Competition: domestic production is limited but dynamic, and Indian pasta is affordable by most consumers; Nepalese imports are considerable both in volume and value.

Distribution: sales mostly take place through traditional grocery retailers and hypermarkets. Grocery retailers are becoming increasingly important for imported brands too.

Challenges: EU companies face a 30% import duty and further taxes.

Opportunities: health-conscious consumers are willing to pay more for healthier and higher-quality pasta brands.

5.12 Processed cereals

5.12.1 SWOT analysis



5.12.2 Consumption

5.12.2.1 Evolution of consumption

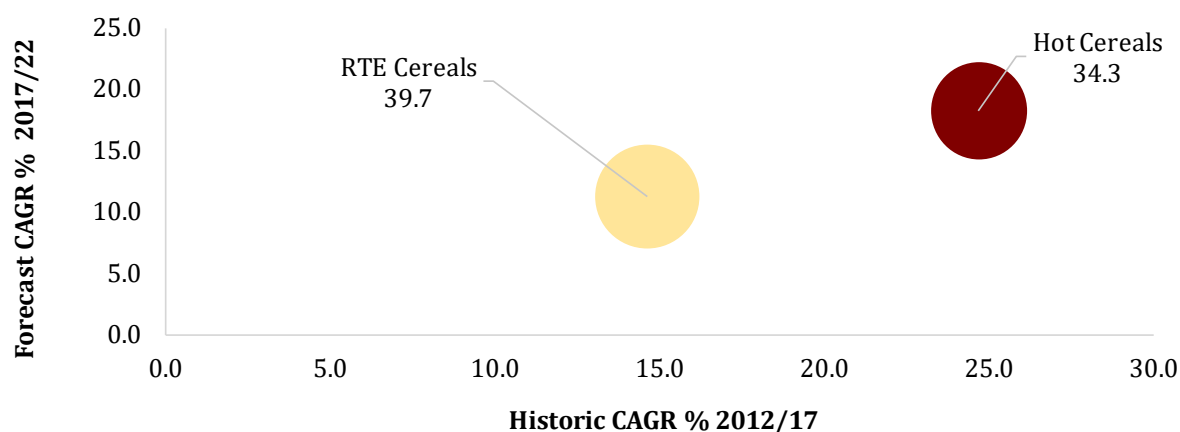
India's consumption of packaged breakfast cereals is limited, as this is a relatively new product in the Indian market and not present in the culinary habits of most Indians.

Nonetheless, as outlined in Figure 5-59, sales have been surging in the last years and are projected to grow at a similar pace in 2018-2022, as consumers are increasingly concerned about a healthy diet, and owing to a reduction on taxes on this product. Indeed, under the GST regime, taxes went down to 18% from roughly 26% previously, with prices of several products in the category subsequently going down. Total consumption of breakfast cereals has indeed over doubled in the last five years, from 31 443 tonnes in 2012 to 74 034 tonnes in 2017. This figure is set to dramatically grow over the next years, achieving 147 063 tonnes in 2022. Notably, RTE Cereals accounted for over half the total volume of sales in India, with Hot Cereals representing the remaining 46%.

As breakfast cereals consumer base is limited, per capita consumption of RTE and Hot cereals remains exiguous, standing at 30 and 26 grams respectively, a volume which is foreseen to slightly increase, reaching 49 and 58 g in 2022¹⁶⁹.

¹⁶⁹Euromonitor International: Packaged Food, 2018

Figure 5-59: Evolution and forecast of processed cereals market in India, total volume 2012-2022



Source: Euromonitor International: Packaged Foods, 2018

5.12.2.2 Consumer profile and purchase criteria

Consumers

Cereals more broadly have always held their share of the Indian breakfast platter in some form e.g. flattened rice flakes (*chivda/poha*) with milk popular in western and central India, or whole wheat grits (*dalia*) in northern India. Furthermore, regional staples such as *paranthas* in the north, and *idli* or *dosa* in the south remain very popular. However, Indians have a preference for hot, cooked breakfast (*naashta*), while ready-to-eat cereals with milk tend to be less popular. Nonetheless, busy lifestyles and higher need for convenience make breakfast cereals an attractive segment for workers in urban areas, who are the key consumers of these products.

On the other hand, hot cereals, muesli and granola are considered healthier, hence preferred by more healthy-conscious consumers, looking for weight loss, balanced intake of minerals and nutrients, along with a quick alternative to a traditional breakfast¹⁷⁰¹⁷¹.

Drivers and method of consumption

Breakfast cereals are no longer only consumed for breakfast, with consumers increasingly eating granola and muesli during the day and as snacks. Furthermore, muesli and granola are also being used as ingredients to prepare snack bars at home. Hot cereals like oats, on the contrary, are increasingly used to make traditional Indian dishes like *poha* and *idli*, in place of porridge.

¹⁷⁰Euromonitor International: Packaged Foods, 2018

¹⁷¹The Breakfast Cereals Market in India; <http://www.technopak.com/Files/breakfast-cereals-market-in-india.pdf>

Purchase criteria

Increasing urbanisation, health consciousness, and incidences of heart attacks, diabetes, and blood pressure are pushing consumers to adopt better lifestyles and eat more convenient but healthy food. These two factors – convenience and perceived healthiness – therefore stand out as the most prominent purchasing criteria for breakfast cereals, though other factors such as price and brand may also play a role. Breakfast cereal exporters are therefore likely to benefit from this trend as health benefits are one of the factors due to which consumers purchase cereals.

5.12.2.3 Recent market trends

Although on the rise, the breakfast cereals consumer segment remains limited. Sales growth in India has been substantial, reaching an annual rate of 24.7% (Hot Cereals) and 14.6% (RTE Cereals) in 2012-17. Although consumption of breakfast cereals is expected to slow down over the next five years, it is expected to continue to grow at a double-digit annual rate, i.e. by 18.2% (Hot Cereals) and 11.3% (RTE Cereals), driven by an increasing number of health-conscious consumers.

5.12.3 Offer

5.12.3.1 Domestic production

In India, there are more than 50 regional players in the processed cereals category, apart from major players like Kellogg's, PepsiCo's Quaker Oats, Bagrry's, etc. Recently, also Nestlé has started to produce processed cereals in the country. Nonetheless, Kellogg's remains the leader in the category, accounting for over half market share in terms of value.

Due to the lower tax regime, i.e. down from 26% to 18% under the GST, domestic production of processed cereals has also been increasing, and is expected to further grow over the next years^{172,173}.

5.12.3.2 Imports and exports

As outlined in Figure 5-60, exports of processed cereals largely exceed imported volumes. India indeed exported 35 961 tonnes of processed cereals in 2017, *vis-à-vis* a limited imported volume of 594 tonnes.

Processed cereals are mostly shipped from the United States and the United Kingdom, respectively accounting for 20% and 19% of the total volumes of processed cereals imported into India. The rest of the European Union accounted for a further 13% of total imports by volume, which were mostly shipped from Spain, Italy, Germany and Poland (Figure 5-61).

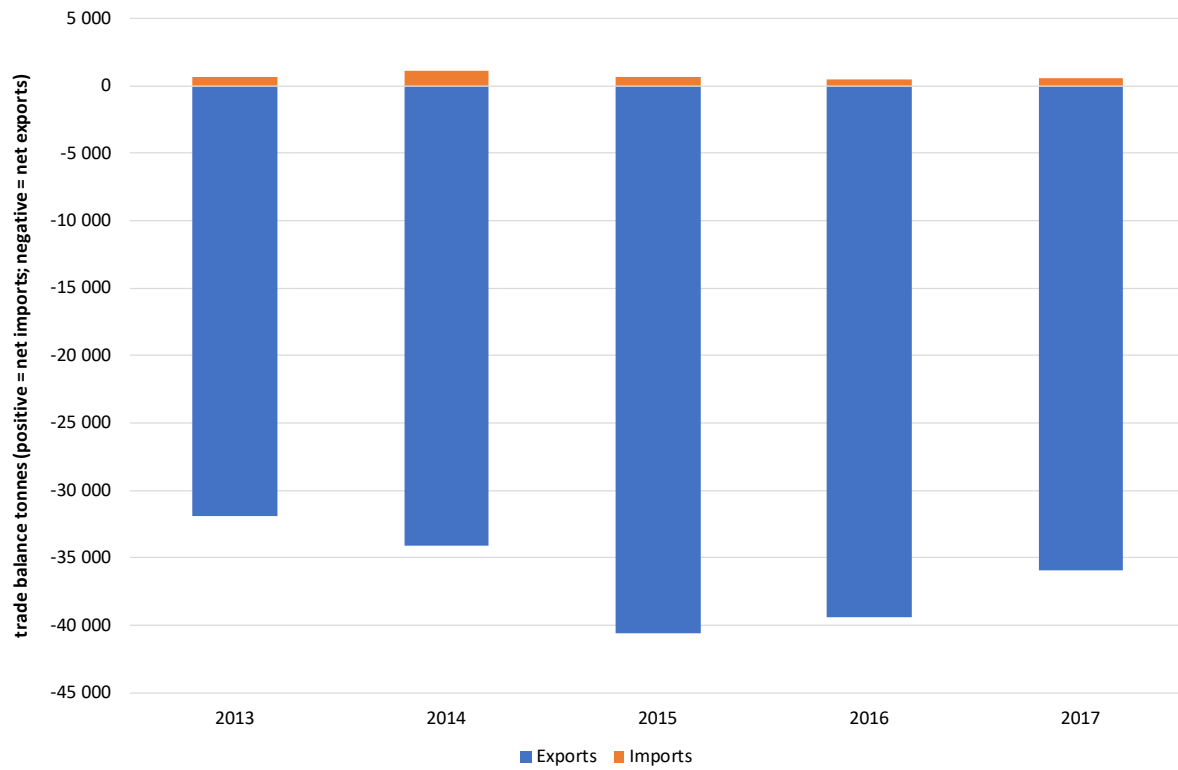
US and UK recorded also the highest imported value, standing at EUR 272 640 and 202 710 respectively. In per unit terms, the average value of Indian imports has widely fluctuated, recording a downward trend between 2015 and 2017. The US value per unit has indeed fell to 2 253 EUR/tonne from 3 536 EUR/tonne

¹⁷²Euromonitor International: Packaged Foods, 2018

¹⁷³The Breakfast Cereals Market in India;<http://www.technopak.com/Files/breakfast-cereals-market-in-india.pdf>

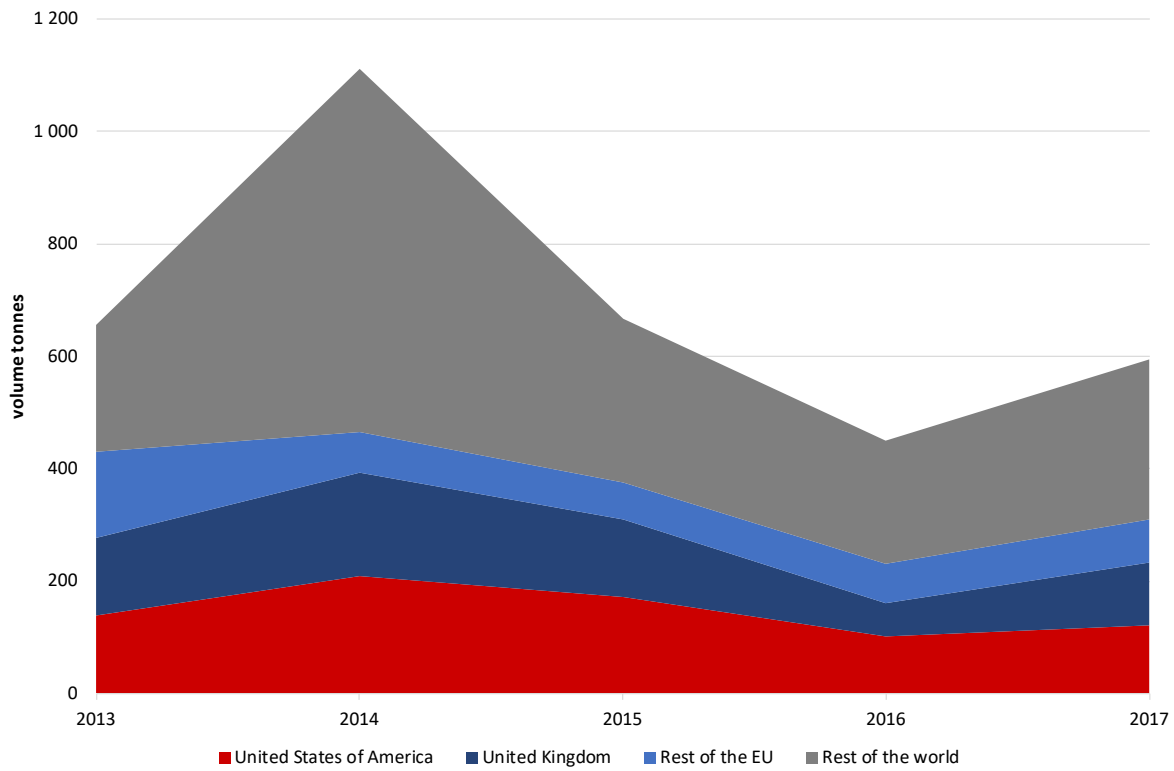
in 2015. Similarly, UK value per unit, which has started declining more recently, went down to 1 826 EUR/tonne from 2 898 EUR/tonne in 2016 (Figure 5-62).

Figure 5-60: Trade balance (imports and exports) of processed cereals in India, 2013-17; tonnes



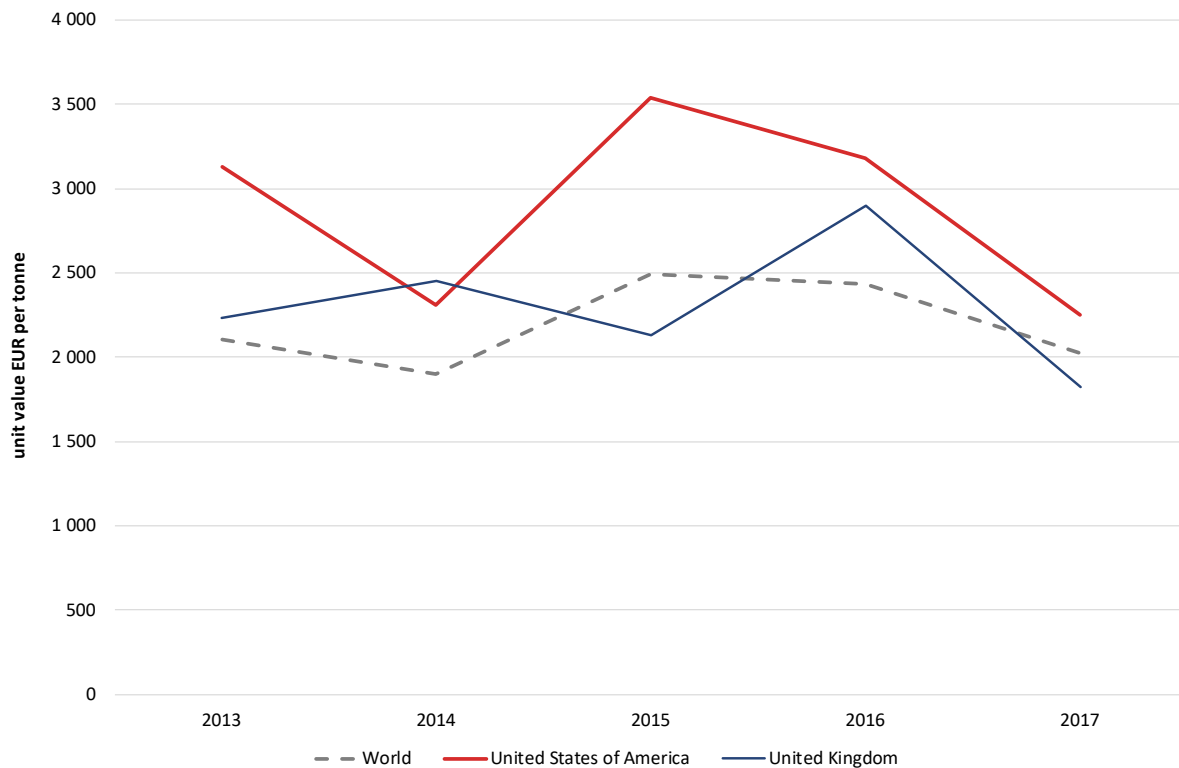
Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1904

Figure 5-61: Indian imports of processed cereals by country, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1904

Figure 5-62: Per unit value of Indian imports of processed cereals for selected countries, 2013-17 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 1904

5.12.3.3 EU GI products

No GIs are registered for these types of goods in India.

5.12.3.4 Main competitors

As outlined above, the key competition comes from domestic production (even if it involves multinational companies). In terms of market share, Kellogg India, is the absolute leader in breakfast cereals category. The player has continued to launch new products during 2018 to suit the needs of consumers, notably the need for healthier products. Indeed, the brand provides protein and fibre, is fortified with vitamin B, and is naturally cholesterol-free. The US is the biggest exporter to India, but volumes remain minor compared to domestic production.

5.12.4 Specific market entry requirements

Market Access and Entry

European exporters of processed cereals face a 30% import tariff when penetrating the Indian market. Furthermore, a Good Service Tax of 18% of the import duty and 10% Social Welfare Surcharge (SWS) are also applied on processed cereals imported from the EU.

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=1904>

Customs procedures

A list of standard documents required for import processed cereals into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some products it may be requested to present additional documents, as outlined in Table 4-2 in the same section.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=1904>

SPS measures

Sanitary and Phytosanitary measures concerning the import of processed cereals into India are in line with international standards.

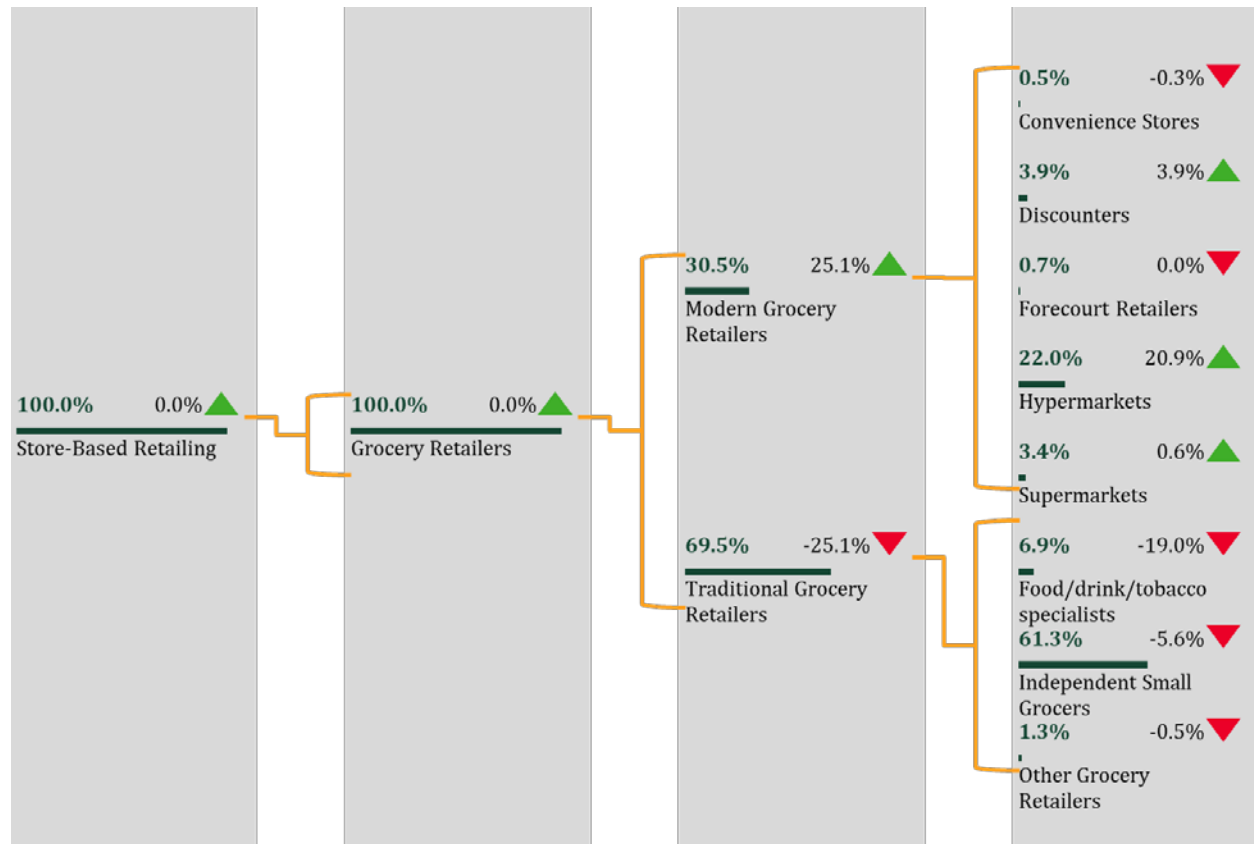
Labelling

Processed cereals must comply with the labelling rules outlined in section 4.2.3.

5.12.5 Distribution

As outlined in Figure 5-63, distribution of processed cereals in India entirely relies on store-based retailing, specifically grocery retailers. Of these, in 2017 the majority were traditional grocery retailers (69.5%), especially independent small grocers (61.3%), with modern grocery retailers accounting for the remaining 30%. Amongst the latter, hypermarkets (22%) were the most popular distribution channel for processed cereals. Indeed, hypermarkets have been gaining ground, recording a double-digit growth, at the detriment of traditional grocery retailers, which recorded a very negative growing rate.

Figure 5-63: Distribution channel overview of processed cereals in India (2017); retail value



Source: Euromonitor International: Packaged Foods, 2018

5.12.6 Challenges for EU products

Consumption of breakfast cereals, although on the rise, is restricted to a niche of health-conscious or busy consumers. Furthermore, breakfast cereals importers face 30% tariff barriers when penetrating the Indian market, which result in high costs to the end consumer. European enterprises also face the challenge of competition, as domestic production (with several multinational companies established in the market) is developed and satisfies all consumers' needs.

Market Takeaway: Processed cereals

Consumption: limited, although growing at a fast pace. Consumer base is indeed small.

Competition: domestic production led by strong international players with dynamic products that satisfy consumers' demand for healthier products.

Distribution: sales are mainly done through independent small grocers, although hypermarkets are gaining ground at the expenses of traditional grocery retailers.

Challenges: EU enterprises face several barriers, including a 30% import duty and tough competition.

Opportunities: consumers with busy lifestyles and health-conscious consumers drive growing sales in respectively RTE and Hot Cereals.

5.13 Beer

Note: for additional relevant information on alcohol in India it is worth referring to section 3.3.2.4 and the market snapshot for spirits (section 5.2).

5.13.1 SWOT analysis



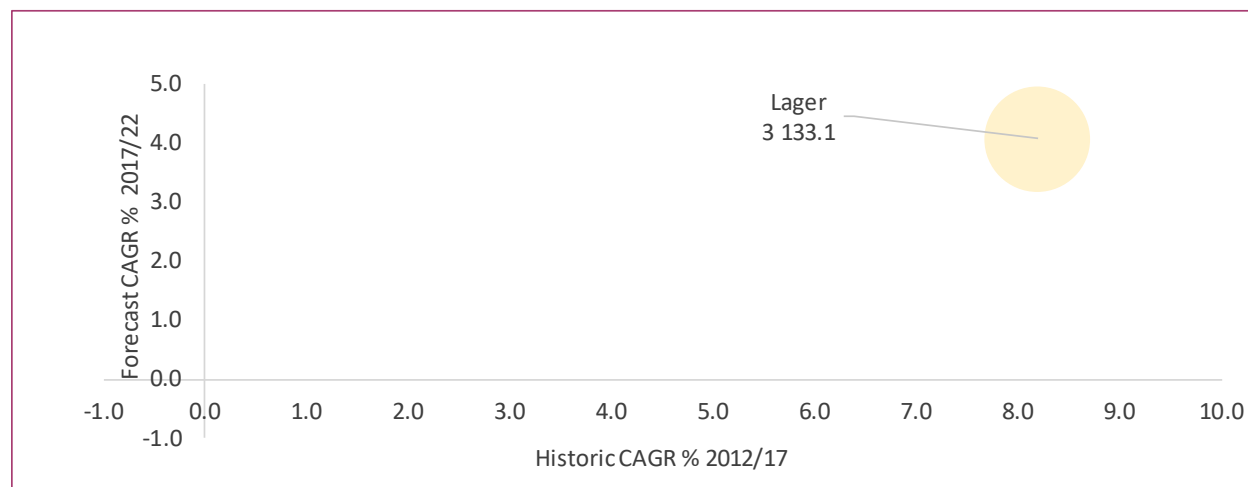
5.13.2 Consumption

5.13.2.1 Evolution of consumption

The beer market in India is in effect dominated by lager, with all other categories – dark beer, stout and non-alcoholic beer in a nascent phase, and hence no data on their very small market sizes are available. By way of example, India's largest beer producer UB, which accounts for over half of beer sales in India, only announced its intention to produce a first non-alcoholic beer in the second half of 2018.

Against this background, the volume of beer sold in India in 2017 was over 3.1bn litres, having grown at over 8% per year during the period 2012-17. Going forward, this growth rate is expected to slow to 4.1% per year going forward (Figure 5-64).

Figure 5-64: Evolution and forecast of beer market (000 litres) in India, total volume, 2012-2022



Source: Euromonitor International: Alcoholic Drinks, 2018

5.13.2.2 Consumer profile and purchase criteria

Consumers

Beer is a distant second to spirits in popularity in India (in value terms; the markets are fairly similar in volume terms). Indeed, the individual segment of whisky is worth several times the beer market. That said, beer is increasing in popularity in India. Nonetheless, its availability is still restricted to a small, more affluent segment of the overall population for reasons of price. While difficult to identify concretely, this segment is potentially around 200 million of India's 1.34 billion population¹⁷⁴.

Beer is overwhelmingly considered a male drink in India, and this is reflected among its consumers. Notable groups of males include the working man; and the wealthy young male, who favours premium beers. Both groups are predominantly urban. That said, there is an emerging niche of young female consumers in urban areas.

Drivers and method of consumption

As with other alcoholic beverages, beers are primarily consumed when socialising (consumption of alcohol in the home is not traditionally so popular, though this is changing). Off-trade social events and some on-trade channels are therefore important.

In general terms, the Indian beer market can be divided into two tiers: mid-range (130-200 INR / 1.60-2.50 EUR per litre) and premium (over 200 INR / 2.50 EUR per litre). These two tiers have different drivers

¹⁷⁴ Euromonitor International Ltd: Alcoholic Drinks (2018); <https://www.niras.com/media/1488/scandinavian-brewers-review-india.pdf>; <http://www.brewer-world.com/2018/12/11/consumer-trends-shaping-indian-beer-market/>; https://www.flandersinvestmentandtrade.com/export/sites/trade/files/market_studies/724140307183847/724140307183847_1.pdf

and subsequently purchase criteria. That said, as disposable income rises and products become more available across the country, the popularity of the premium segment is increasing. A further driver of the premiumisation trend is the wish of the younger generation to avoid drinking the same brand as their father or other older consumers of beer (particularly those with less attractive jobs); and these longer-term consumers of beer typically have consumed more mid-range beers. Overall, beer with a smooth, rather light taste is preferred, as witnessed by India's most popular beer brand, Kingfisher. Various versions including premium, strong, ultra and draught are available; all are generally considered to have a light taste, and combined they hold a market share of over 40%¹⁷⁵.

Purchase criteria

For the premium segment, image is particularly important for consumers. Branding can therefore play an important role in the purchasing decision (and subsequently, brand associations and sponsorship deals that the brand has). This is particularly true of the most expensive beers; consumer of these products will want others to be able to see the brand of the beer they are drinking, and so will generally drink from the bottle. At the same time, young consumers of premium beer tend not to be particularly brand loyal and hence are willing to experiment with new brands.

Branding is less important for consumers of the mid-tier segment, who are more likely to be influenced by price, taste and habit. Indeed, consumers in this segment are on average more likely to be brand loyal.

In the specific case of the young female niche, more sensory qualities – taste, shape, colour, packaging and the glass the beer is served in – will play a more important role in their purchasing decision¹⁷⁶.

5.13.2.3 Recent market trends

As consumers become increasingly health conscious, they are also looking for healthier variants of alcoholic beverages. Against this background, some (predominantly) smaller operators have released low-calorie versions of their beers, and some (larger) operators have signalled their intention to do the same.

Another trend of late is the introduction of a wider range of new products; consumers have shown a desire to try new flavours of beer. On one hand, some operators have obliged by introducing beers from other countries (whether through import or licensed local production). Conscious of the importance that Indian consumers tend to place on certain domestic qualities, these operators have tended to customise these foreign products to some extent for the Indian market. On the other hand, the number of micro-breweries in larger cities has increased greatly in order to also satisfy this demand; and some micro-breweries have even opened chains of bars to distribute their products. Both trends are expected to continue going

¹⁷⁵Euromonitor International Ltd: Alcoholic Drinks (2018);

¹⁷⁶ https://www.niras.com/media/1488/scandinavian-brewers-review_india.pdf; <http://www.brewer-world.com/2018/12/11/consumer-trends-shaping-indian-beer-market/>

forwards. In addition, as noted in section 5.13.2.2, this broadening of tastes is leading to the emergence of previously insignificant categories such as non-alcoholic beer¹⁷⁷.

5.13.3 Offer

5.13.3.1 Domestic production

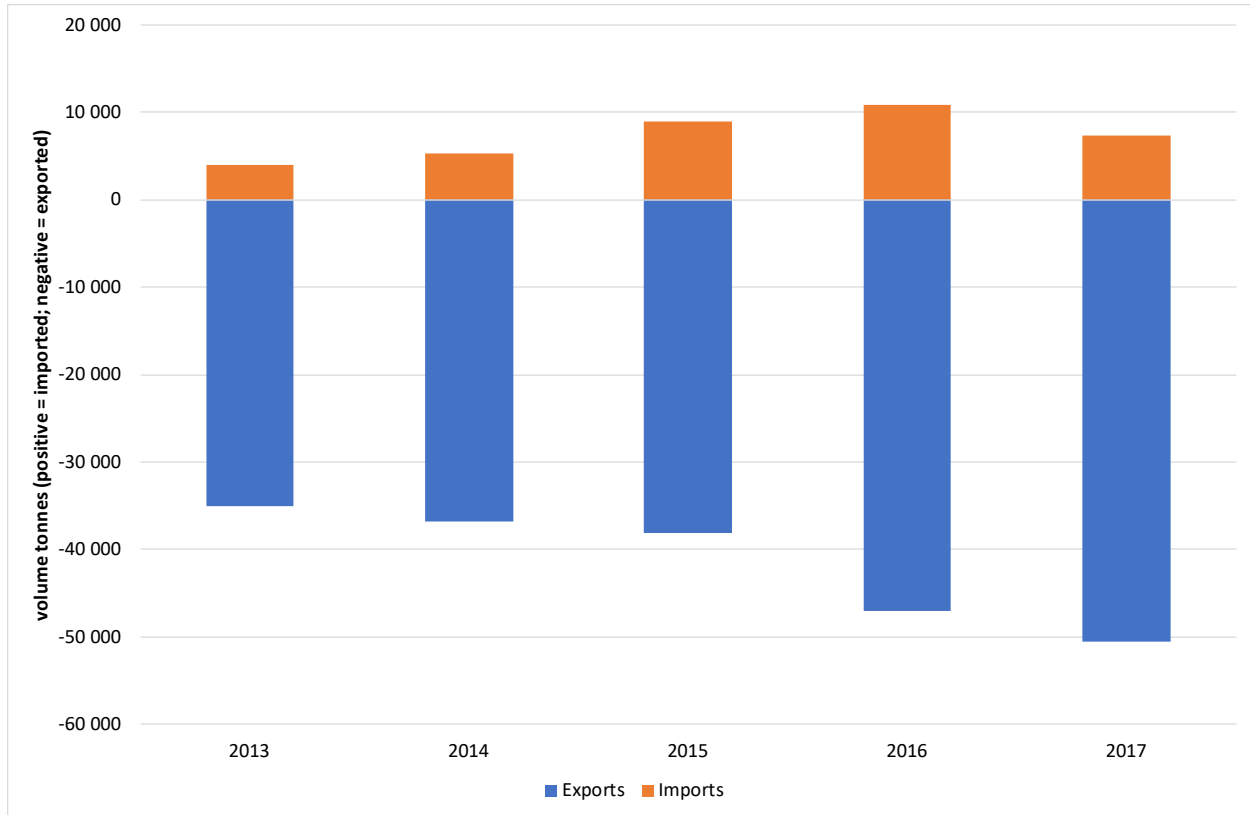
India is a major producer of beer; indeed it runs a large trade surplus in beer. The largest producer, who also dominates the Indian market with a market share of over 50% is the Indian company UB group. Three large multinationals – Carlsberg, SAB Miller and Anheuser Busch InBev have local subsidiaries producing in the country, and between them they hold almost 40% of the market. There are also a number of smaller Indian producers of note, such as Cobra and B9. Finally, as noted in section 5.13.3.1, a large number of craft breweries have emerged in recent years.

5.13.3.2 Imports and exports

As noted above, India is a heavy net exporter of beer, with exports increasing each of the last five years to reach 50 000 tonnes in 2017. Imports have fluctuated in recent years, peaking at just over 10 000 tonnes in 2016 before slipping back to 7 328 tonnes in 2017 (Figure 5-65).

¹⁷⁷Euromonitor International Ltd: Alcoholic Drinks (2018);

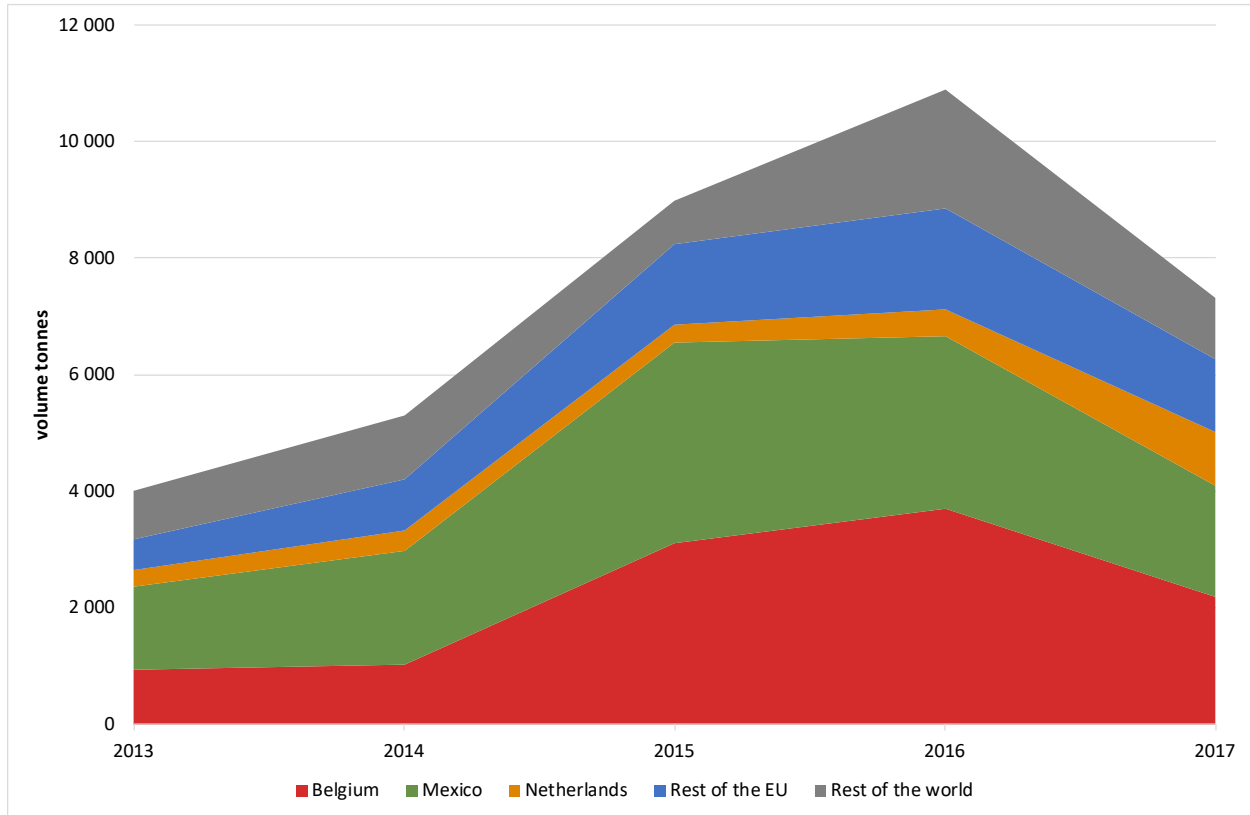
Figure 5-65: Trade balance (imports and exports) of beer in India, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2203

Accounting for almost 30% of imports, Belgium is the number one source of imported beer; though imports from the country fell in 2017 to 2 178 tonnes from 3 705 tonnes the previous year (broadly in line with the broader trend for imports). Mexico follows with around ¼ of imports; and Netherlands in third place with just over 10% (913 tonnes). With regards to imports from other EU countries (17%), the UK and Germany account for the majority (Figure 5-66).

Figure 5-66: Indian imports of beer by country, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2203

The unit value of imports from all major sources has fluctuated in recent years. Most recently, the Netherlands had the highest unit value at 1 121 EUR/ tonne, well above the world average of 854 EUR/tonne. However, the previous year the Netherlands unit value was below those of Belgium and Mexico. The unit values of imports from these countries fell below the world average in 2017 to reach 703 and 764 EUR/tonne respectively (Figure 5-67).

Figure 5-67: Per unit value of Indian imports of beer for selected countries, 2013-17 (EUR per tonne)



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 2203

5.13.3.3 EU GI products

Currently no GIs are registered in India in connection with beers.

5.13.3.4 Main competitors

The main competition comes from domestic companies; notably Indian brewer UB group, which dominates the market and recently branched into importing foreign beers from other companies that do not have significant production operations in India (e.g. Heineken; though it should be noted that Heineken has a large minority share in UB group). Local operations have been trying to profit from the premiumisation trend by offering new products. Furthermore, a large number of local craft breweries have emerged to satisfy the same trend. While there is some competition among importers, on balance it is minor compared to that from domestic companies.

5.13.4 Specific market entry requirements

Market Access and Entry

European exporters of beer face an MFN 100% import tariff when penetrating the Indian market. Furthermore, different states impose different rates of additional excise duties on alcohol including beer, which is excluded from the country-wide GST. The e-waybill system facilitates the shipment of beer to a

final destination in India while crossing states. Sending beer from state to state after a consignment has arrived at a final destination is likely to run into challenges with the different excise rates across states. In this context, it should be remembered that alcohol is prohibited in five states and one union territory to different extents (see section 3.3.2.4).

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod=2204>

Customs procedures

A list of standard documents required for the import of beer into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some products it may be requested to present additional documents, as outlined in Table 4-2 in the same section.

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/datasetPreviewIFpubli.htm?countries=IN&hscod=2204>

SPS measures

Sanitary and Phytosanitary measures concerning the import of beer into India are in line with international standards.

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/sps_barriers_details.htm?isSps=true&barrier_id=10709

Standards and labelling

India has recently introduced specific Alcoholic Beverage Regulations which will be applied from 1st April 2019. These regulations include standards and labelling requirements for beer. The full text of the relevant regulation can be found at: https://www.fssai.gov.in/dam/jcr:cd57d3d9-03fc-4b2c-bf94-8006bc4bb6de/Gazette_Notification_Alcoholic_Beverages_05_04_2018.pdf

Part 4.1 of the regulation defines beer as follows:

...a fermented alcoholic beverage made from barley malt or other malted grains, sometimes with added adjuncts like wheat, maize, corn, rice or other cereal crops, and with hops or hop extracts to impart a bitter taste and flavour. Depending upon the ethyl alcohol content, beer maybe classified as under:

*(i) **Regular or Mild**—Abv more than 0.5 percent up to 5.0 per cent.*

*(ii) **Strong** – Abv more than 5.0 per cent up to 8.0 per cent.*

Beer may also be of the following types based on the yeast used during fermentation:

- **Lager:** Lager beer is prepared by using bottom fermenting yeast and matured at low temperature. It can be found in colours from light to dark. Pilsner is a type of lager beer which is light in colour and has a medium hop flavour.
- **Ale:** Ale beer is prepared by using top fermenting yeast and is usually lighter in colour. It is also prepared from pale malt and has a medium body.

- **Wheat beer:** *Wheat beer is brewed with a large proportion of wheat and may also contain a significant proportion of malted barley. Wheat beer is usually top-fermented. Wheat beer is sometimes hazy or cloudy with a touch of spicy notes.*
- **Stout and porter:** *Stouts and porters are dark beers made using roasted malts or roasted barley and typically brewed with slow fermenting yeast.*

Furthermore, there are specifications for draught beer (part 4.2) and requirements for packaging/treatment (bottled or canned, and pasteurized or filter sterilized) and freedom from coliforms and other pathogenic microorganisms (part 4.3).

As noted in the regulation, this is in addition to the general labelling requirements for alcohol, which among others prohibits nutritional information or health claims; requires a warning label; and requires that imported beverages comply with the general provisions of the e Food Safety and Standards (Import) Regulations of 2017 (see section 4.2.3).

Finally, it should be noted that, as part of the alcoholic beverage regulations, FSSAI has moved to restrict the yeast content of beer; it should be absent from packaged beer and at a level of 40cfu per ml for draught beer. Attention must, therefore, be taken in yeast levels.

5.13.5 Distribution

Overall, off-trade accounts for almost 80% of beer sales in India by volume, with on-trade the remaining 20%. Food and drink specialist distributors dominate the on-trade channel, accounting for 97.7% of distribution. Supermarkets and hypermarkets account for most of the remaining 2.3% (Figure 5-68).

Figure 5-68: Distribution channel overview of beer in India (2017); off-trade volume



Source: Euromonitor International: Alcoholic Drinks, 2018

5.13.6 Challenges for EU products

Overall, India has a trade surplus of beer. The market is dominated by local companies; most notably, UB Group and their Kingfisher brand. Furthermore, some of these local companies are now importing foreign beers due to their connections to multinationals. Local craft beer manufacturers are also entering the market in an attempt to satisfy the premiumisation trend. Finally, imported beers face 100% customs duty, plus local excise tax which varies from state to state (where beer can be sold).

Market Takeaway: Beer

Consumption: low, but rapidly increasing.

Competition: market dominated by local producers, with UB Group in particular holding a market share over 50%.

Distribution: off-trade most important by volume. Specialist food and drink retailers dominate this channel.

Challenges: competitive market with big players already jumping on emerging trends. 100% tariffs on imports.

Opportunities: premiumisation trend driving demand for imported products. Increased interest in a range of products.

5.14 Processed meat

Note: Most Indian states restrict or prohibit trade and slaughter of cattle due to religious sensitivities. Effectively, the country's consumption of beef mostly relies on buffalo meat (carabeef), which is less affected by law restrictions.

Considering Muslim population of India, the sale of halal products, including meat, is permitted upon receiving Halal Certification from one of various Halal Bodies in the country¹⁷⁸.

5.14.1 SWOT analysis



5.14.2 Consumption

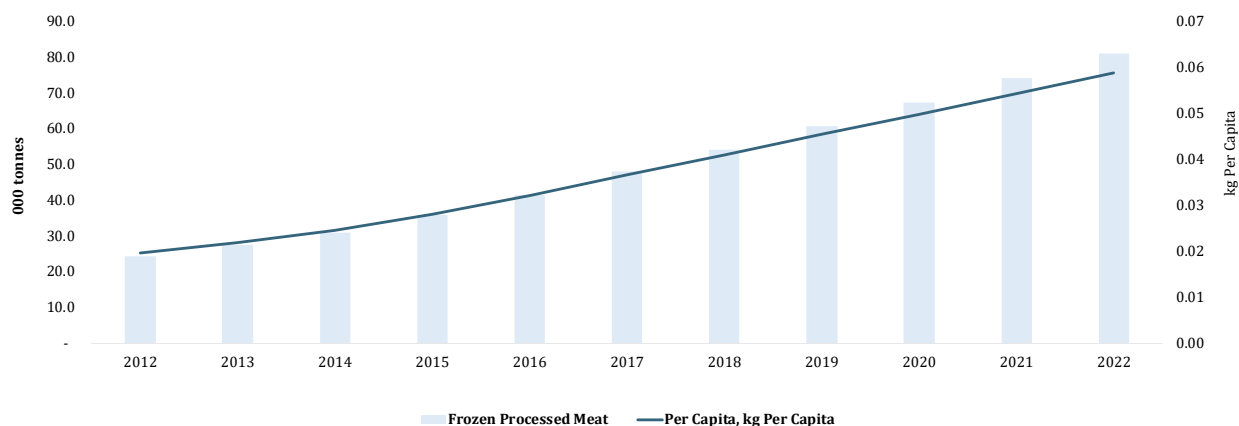
5.14.2.1 Evolution of consumption

The market for processed meat in India almost exclusively relies on frozen processed meat, especially buffalo meat, however in recent years, boneless versions of poultry are growing in popularity¹⁷⁹. Consumption of frozen processed meat has been on continuous growth and is expected to keep an upward trend (Figure 5-69).

¹⁷⁸ For example: <http://www.halalindia.co.in/>; <http://halalcertificate.in/>; <http://www.jamiathalaltrust.org/>

¹⁷⁹ India is second fastest growing processed meat and poultry market: Report; <https://retail.economictimes.indiatimes.com/news/food-entertainment/food-services/india-is-second-fastest-growing-processed-meat-and-poultry-market-report/58346229?redirect=1>

Figure 5-69: Evolution and forecast of processed meat market (000 tonnes) in India, total volume 2012-2022



Source: Euromonitor International: Packaged Food, 2018

5.14.2.2 Consumer profile and purchase criteria

Consumers



Consumers in India tend to choose fresh meat over processed, mainly due to the cheaper price in butcher shops¹⁸⁰. Effectively, the market for processed meat is a fraction the size of that for fresh. In fact, majority of processed meat products are exported to international destinations. Frozen buffalo meat accounts for the greatest share of processed products on the market however, poultry has started to gain popularity.

Processed goat and lamb are relatively small segments, with consumers clearly preferring these meats fresh¹⁸¹. Some consumers choose frozen preparations, as they tend to be more suitable for preparing many traditional dishes. Several Indian companies introduced other products, such as chicken sausage, chicken salami, dried beef, whole chicken or drum sticks¹⁸².

Drivers and method of consumption

Consumption of processed meat in India is strictly connected to convenience added value, as some consumers choose processed products due to their suitability for preparing many traditional dishes. However, as identified above, given pricing, the bulk of Indian consumers stick to fresh meat, as the most reliable meat product. At this point, it should not be forgotten that Indian consumers pay great attention to the freshness of food products, especially meat. Additionally, one must take into account the fact that

¹⁸⁰Euromonitor International: Packaged Food, 2018

¹⁸¹Processed meat; http://apeda.gov.in/apedawebsite/SubHead_Products/Processed_Meat.htm

¹⁸²<http://www.meatproductsfindia.com/products.php>

frozen processed meat requires sufficient level of cold chain development, which many households in India struggle with.

In terms of method of consumption, consumers who purchase processed frozen meat mainly consider it as an alternative to fresh meat in preparing meals. With regards other products, some consumers consume sausages, salami or hams in very similar way as known in Europe – sandwiches ingredient, snack or accompaniment of a meal, though this approach is mostly limited to a niche of consumers in major urban locations.

Purchase criteria

Processed meat choice is mostly determined by convenience added value matters, i.e. its suitability for preparing a dish, as most of the times it is how processed meat products are seen in India. Some consumers, mainly in urban locations, choose meat preparations, such as sausages and ham upon their novelty seeking approach.

5.14.2.3 Recent market trends

As described in above sections, the market for processed meat almost entirely comprises frozen products, particularly buffalo meat. Its consumption has been on gradual rise, nevertheless the majority of products are still being exported abroad. Frozen poultry products have been gaining a lot of interest and show potential going forward, especially boneless versions, however the market for these is still relatively small.



5.14.3 Offer

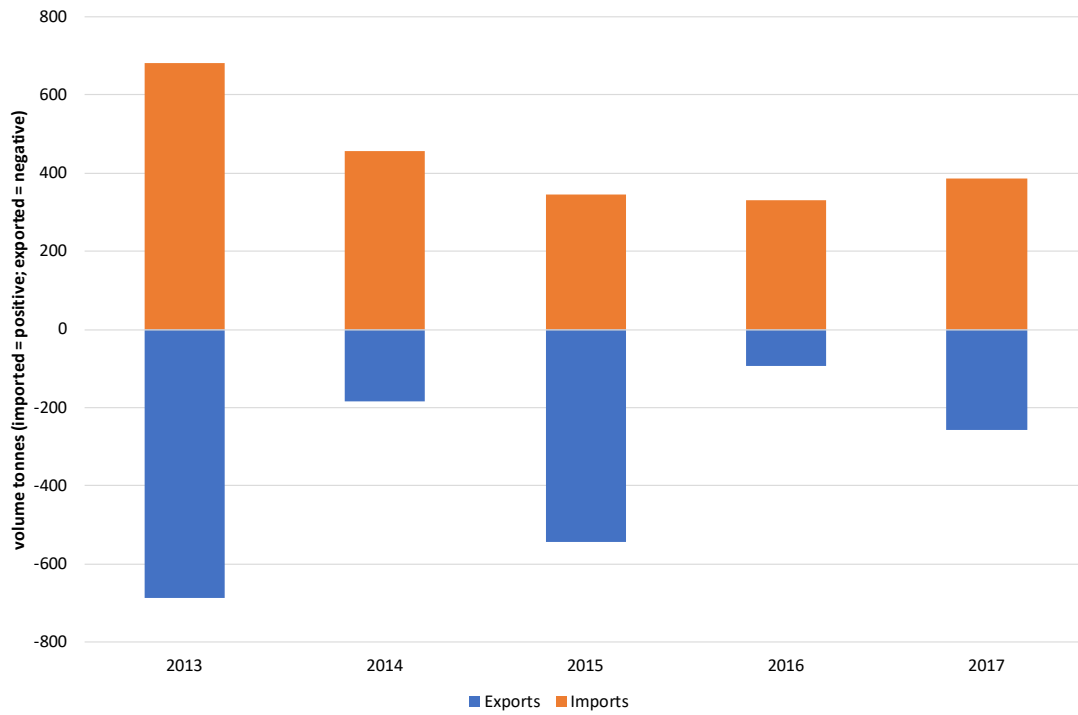
5.14.3.1 Domestic production

Domestic production consists mainly of processed frozen meat products, however majority of them are exported to international destinations (most notably buffalo meat; and it is often exported as frozen without significant processing, hence meaning it is classed as fresh meat). Frozen meat products are still available in retail stores, however due to insufficient cold chain development, religious sensitivities and consumers' favourable approach to fresh products, manufacturers do not see much of a potential in this segment. That said, there are locally based companies launching product lines dedicated especially to consumers based in urban locations, e.g. Meat Products of India, Godrej Tyson Food and others.

5.14.3.2 Imports and exports

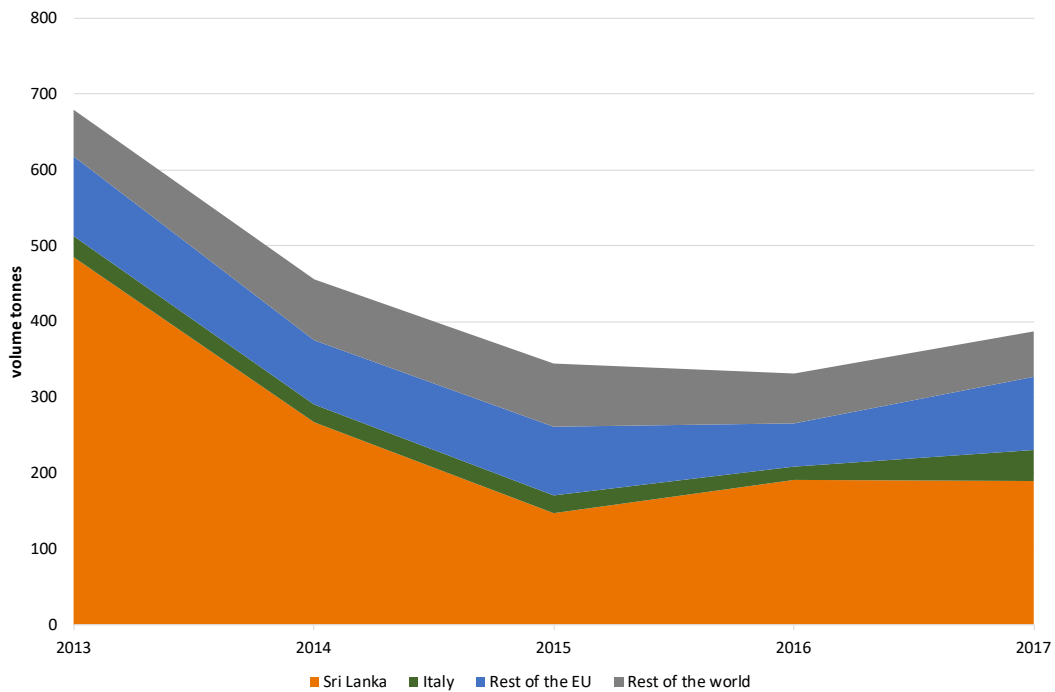
The volume of both imported and exported processed meat products decreased between 2013 and 2017 (Figure 5-70). Imports recorded a drop of roughly 300 tonnes, whereas exports almost 450. Furthermore, while imports declined rather gradually, exports significantly fluctuated. The majority of processed meat is imported from Sri Lanka, followed by EU countries, including Italy (Figure 5-71).

Figure 5-70: Trade balance (imports and exports) of processed meat in India



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 0210, 1601 and 1602

Figure 5-71: Indian imports of processed meat by country, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 0210, 1601 and 1602

5.14.3.3 EU GI products

As indicated in section 4.2.4, as a member of the WTO, India has transposed the TRIPs provisions on GIs in the 1999 Geographical Indications of Goods Act and the 2002 Geographical Indications of Goods Rules. The list of protected GIs includes one Italian product:

- Prosciutto di Parma

5.14.3.4 Main competitors

Considering main competitors, it should be remembered that the structure of the market almost entirely relies on frozen products. While domestic producers are exclusive supplier of buffalo meat and to some extent frozen poultry, some products are also imported from abroad. The main competitor is Sri Lanka, being the major imported of processed meat to India.

5.14.4 Specific market entry requirements

Market Access and Entry

EU producers planning to export processed meat products should be mindful of market entry procedure outlined in section 4.2.1. Furthermore, similarly to fresh meat (section 5.6), given the fact that meat importation is strictly regulated in India, producers should familiarize themselves with list of restricted products and applicable procedures¹⁸³. Moreover, EU fresh processed producers are required to submit additional documentation to Customs, if requested, prior the release (Table 5-7).

Table 5-7: List of documents to present to Customs to release processed meat products

Documents to present to Customs, if requested	
<i>Licence to Import Restricted Items</i>	A document confirming that its carrier is authorised to import items classified as “restricted”.
<i>CITES Permit</i>	A document permitting the importation of goods subject to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
<i>Import Permit for Livestock Products</i>	A document permitting the actual importation of livestock products.
<i>Veterinary Health Certificate for Animal Products</i>	A document proving that products of animal origin have been prepared and inspected according to appropriate requirements, are not contaminated and do not carry any contagious diseases and conform to the veterinary regulations of the importing country.

Furthermore, depending on the type of market targeted, EU producers should also take into account Halal certification requirements in India. Please see section 5.6.4 for more information on this.

¹⁸³<http://dgft.gov.in/policies/restricted-items>

Lastly, EU producers should take into consideration the fact that EU processed meat products face tariffs barriers prior to entrance the market, as set out in Table 5-8.

Table 5-8: Duties levied on imports of processed meat to India

Commodity	Hs Code	Duty
0210 - Meat and edible meat offal salted, in brine, dried or smoked; edible flours and meals of meat or meat offal		
Meat of swine: Hams, shoulders and cuts thereof, with bone in	0210.11	30%
Meat of swine: Bellies (streaky) and cuts thereof	0210.12	
Meat of swine: Other	0210.19	
Meat of bovine animals	0210.20	
Other, including edible flours and meals of meat or meat offal: Of primates	0210.91	
Other, including edible flours and meals of meat or meat offal: Of whales, dolphins and porpoises (mammals of the order Cetacea); of manatees and dugongs (mammals of the order Sirenia); of seals, sea lions and walruses (mammals of the suborder Pinnipedia)	0210.92	
Other, including edible flours and meals of meat or meat offal: Of reptiles (including snakes and turtles)	0210.93	
Other, including edible flours and meals of meat or meat offal: Other	0210.99	
1601 - Sausages and similar products, of meat, meat offal or blood; food preparations based on these products		
Sausages and similar products, of meat, meat offal or blood; food preparations based on these products	1601	100%
1602 - Other prepared or preserved meat, meat offal or blood		
Other prepared or preserved meat, meat offal or blood: Homogenised preparations	1602.10	30%
Other prepared or preserved meat, meat offal or blood: Of liver of any animal	1602.20	30%
Of poultry of heading 0105: Of turkeys	1602.31	30%
Of poultry of heading 0105: Of fowls of the species Gallus domesticus	1602.32	100%
Of poultry of heading 0105: Other	1602.39	30%
Of swine: Hams and cuts thereof	1602.41	30%
Of swine: Shoulders and cuts thereof	1602.42	30%
Of swine: Other, including mixtures	1602.49	30%
Of bovine animals	1602.50	30%
Other, including preparations of blood of any animal	1602.90	30%

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

http://madb.europa.eu/madb/datasetPreviewFormATpubli.htm?datacat_id=AT&from=publi&hscode=0210&countryid=IN

A list of standard documents required for import processed meat into India is presented in Table 4-1, in section 4.2.1. Furthermore, for some commodities it may be requested to present additional documents, as outlined above as well as in Table 4-2 in section 4.2.1

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

http://madb.europa.eu/madb/datasetPreviewFormATpubli.htm?datacat_id=AT&from=publi&hscode=0210&countryid=IN

SPS measures

Given the fact that India does not recognise the EU regionalisation system per se, it inevitably leads to imposing country-wide bans in case of a disease outbreak in the country. Furthermore, when shipping products of animal origin, consignment must undergo quarantine inspection at the port of entry, following submission of necessary documentation:

- Veterinary Health Certificate for Live Animals
- Veterinary Health Certificate for Animal Products
- Licence to Import Restricted Items
- Import Permit for Livestock Products

Up to date information on appropriate documents concerning SPS measures:

http://madb.europa.eu/madb/datasetPreviewFormATpubli.htm?datacat_id=AT&from=publi&hscode=0210&countryid=IN

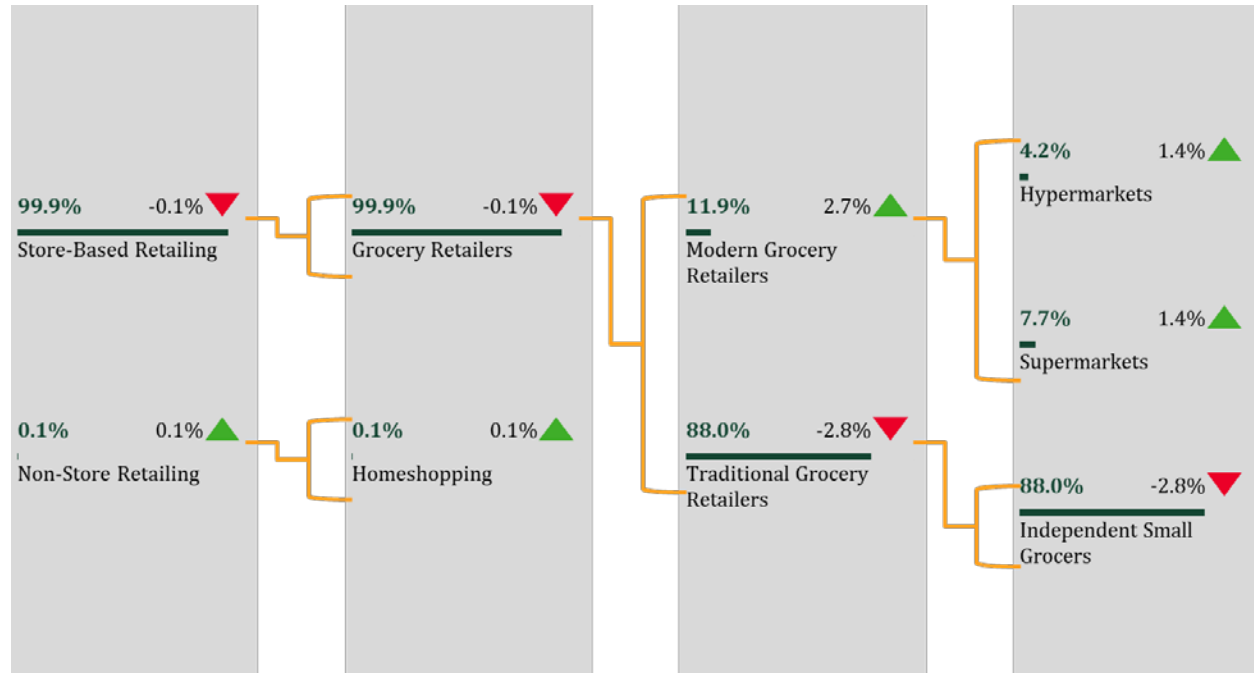
Labelling

Fresh meat products must comply with the labelling rules outlined in section 4.2.3.

5.14.5 Distribution

As presented in Figure 5-72, vast majority of processed meat products are distributed through independent small grocers (88% in terms of retail value, 2017). On the other hand, modern grocery retailers account for almost 12% retail value wise, noting a solid growth of 2.7% in 2017.

Figure 5-72: Distribution channel overview of processed meat in India (2017); retail value



Source: Euromonitor International: Packaged Food, 2018

5.14.6 Challenges for EU products

The greatest challenge for EU processed meat producers relates to the fact that the market is relatively small, with most consumers perceiving processed meat only as an alternative for fresh meat. As a result, almost the entire market comprises frozen preparations of meat. Furthermore, it should be remembered that the processed beef market in India comes with delicate issues of religious sensitiveness. Last but not least, producers planning to export their products to India should be mindful of Muslim population in India and necessary halal requirements concerning all meat products.

Market Takeaway: Processed meat

Consumption: Market, mostly comprising frozen meat products, has been on gradual rise.

Competition: Strong dominance of domestic producers in case of frozen buffalo meat. The main foreign competitor is Sri Lanka

Distribution: Majority of products distributed through traditional retailers, however distribution through supermarkets and hypermarkets has picked up.

Challenges: Relatively small market, with majority of products frozen, seen as an alternative for fresh meat. Stringent market entry rules relating to religious sensitivities.

Opportunities: Continuously growing demand for processed meat products and gaining interest in Western-style preparations.

5.15 Honey

5.15.1 SWOT analysis

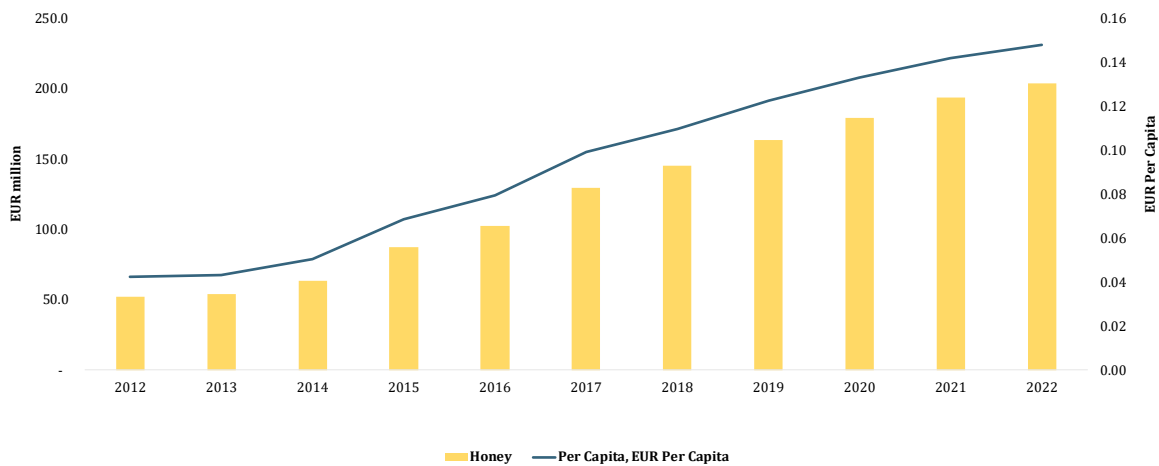


5.15.2 Consumption

5.15.2.1 Evolution of consumption

The retail market for honey in India has been continuously growing, recording almost 20% growth per year in years 2012-2017, reaching retail value of EUR 129 million in 2017. The segment is projected to maintain the upward trend, however at slower pace – 9.5% per year over the forecast period (Figure 5-73).

Figure 5-73: Evolution and forecast of market for honey (000 tonnes) and honey consumption per capita (kg) in India, 2012-2022



Source: Euromonitor International: Packaged Food, 2018

Note: figures for 2018 to 2022 based on forecasts

5.15.2.2 Consumer profile and purchase criteria

Consumers



Beekeeping has been known to Indians for centuries and it is still being traditionally practised. Honey is associated with extreme health benefits and medicinal properties and it is often perceived as a substitute for sugar¹⁸⁴. The demand has been sustained as consumers very often include honey to their diets. Lately, the Indian government has launched social programmes which aim at serving honey as part of midday meals in schools¹⁸⁵. In general, honey has been very often

regarded as an important ingredient of healthy diet, especially for health-conscious consumers.

Drivers and method of consumption

The market of honey in India is driven mainly by tradition aspects and the positive image of honey products. Moreover, given latest government actions encouraging wider honey consumption in schools, the demand is projected to keep growing. In terms of method of consumption, honey in India is generally seen similar as in Europe, i.e. sweet spread, however some consumers perceive also as a sugar substitute in their meals/drinks.

¹⁸⁴Honey in history: Ancient India; <https://healthywithhoney.com/honey-in-history-ancient-india/>

¹⁸⁵Euromonitor International: Packaged Food, 2018

Purchase criteria

The quality of product remains a crucial purchase criterion when choosing honey, particularly for health-conscious consumers. In addition, consumers in India tend to choose domestic products, being often loyal to trusted brands.

5.15.2.3 Recent market trends

The Indian honey market has been constantly growing due to sustained demand and expanding beekeeping sector. Otherwise, the latest trend relates to paying attention to quality of the product, as consumers' health awareness has been continuously increasing. Furthermore, in recent years, many honey producers in India have picked up the trend by introducing adverts and social campaigns, such as: *Stay fit, feel young*¹⁸⁶.



5.15.3 Offer

5.15.3.1 Domestic production

India is among the biggest producers of honey in the world and includes many varieties of the product. Domestic production sites are mainly located in states of West Bengal, Uttar Pradesh, Punjab and Bihar, which roughly accounts for above 60% of the country's honey production¹⁸⁷. Beekeeping sector in India is characterized by using both traditional and modern bee farming techniques¹⁸⁸. The market in the country is led by several domestic companies, such as Dabur India – the overall leader in honey spreads, followed by Kejriwal, Patanjali as well as smaller, regional manufacturers. It should be also mentioned that some entities produce strictly for the export, hence entirely bypassing supply for the domestic market¹⁸⁹.

5.15.3.2 Imports and exports

India is not only one of the biggest producers of honey in the world but places itself among the biggest exporters of honey worldwide. As depicted in Figure 5-73, India is a heavy net exporter of honey. In years 2013-2016, exported volumes were subject of fluctuations, however in 2017 volumes picked up and reached its peak, recording exports of above 52 000 tonnes. Imports, on the other hand, are marginalized and include very minor volumes imported mainly from Spain (216 tonnes in 2017) and Australia (19 tonnes).

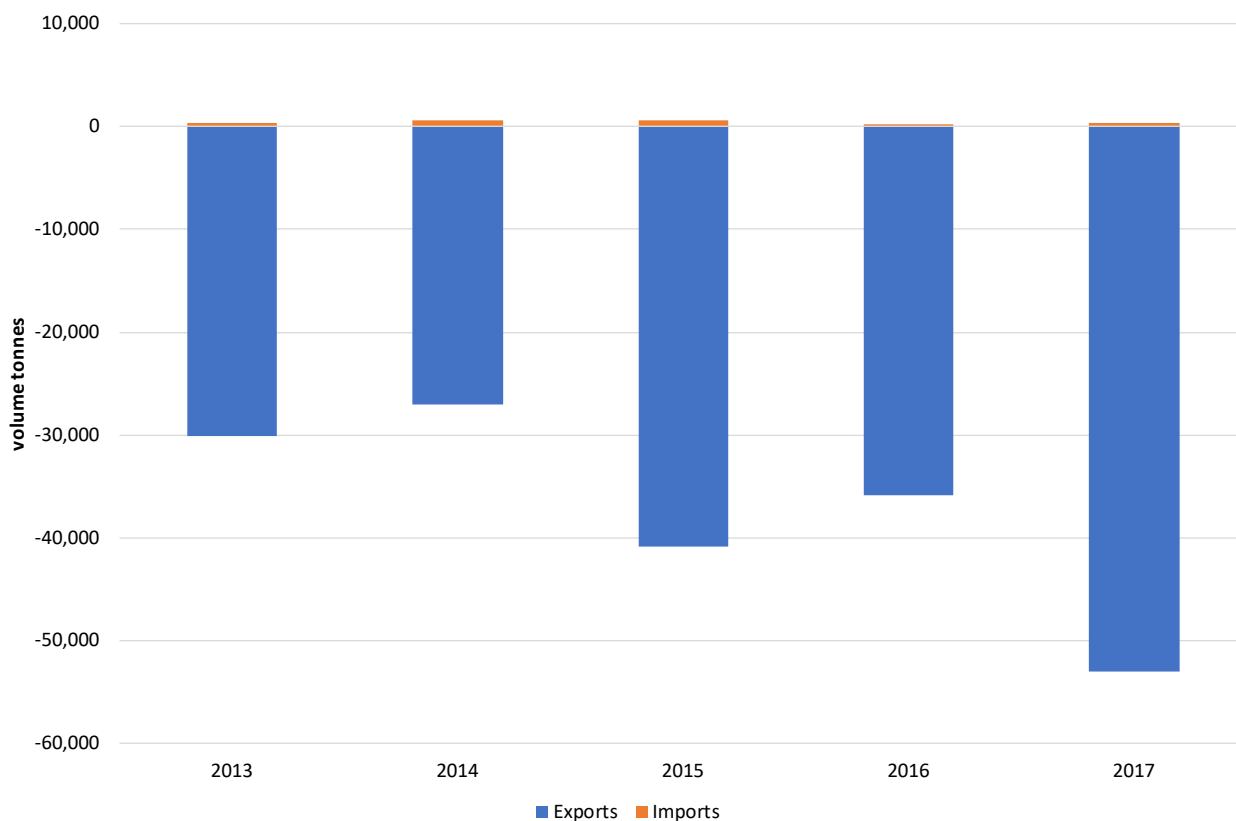
¹⁸⁶ Dabur Honey plays the obesity and weight loss manager in latest film by Mullen Lintas India; <http://www.campaignbriefasia.com/2017/09/dabur-honey-plays-the-weight-l.html>

¹⁸⁷The honey industry; http://dairyknowledge.in/sites/default/files/honey_industry.pdf

¹⁸⁸ How To Start Commercial Honey Bee Farming Business In India; <https://agrifarmingtips.com/how-to-start-commercial-honey-bee-farming-business-in-india/>

¹⁸⁹<http://www.indianhoneyking.com/>

Figure 5-74: Trade balance (imports and exports) of honey in India, 2013-17; tonnes



Source: Trade Map, International Trade Centre - <https://www.trademap.org/> Data for CN code 0409

5.15.3.3 EU GI products

For honey products, no GIs are registered in India.

5.15.3.4 Main competitors

As described in section 5.15.3.1, the Indian market for honey exclusively relies on domestic production, with almost non-existing imports of this product. The market is characterized by presence of both major, country-wide producers as well as more independent regional players.

5.15.4 Specific market entry requirements

Market Access and Entry

EU honey producers wishing to export their products to India should take into account the fact that natural honey products (CN code 0409) are subject of 60% tariffs. Moreover, EU exporters are required to submit additional documentation:

- Import Permit for Livestock Products

- Veterinary Health Certificate for Animal Products

Detailed information on import duties and Rules of Origin can be consulted on the European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod e=0409>

Customs procedures

A list of standard documents required for import honey to India is presented in Table 4-1, in section 4.2.1. Furthermore, for some commodities it may be requested to present additional documents, as outlined above as well as in Table 4-2 in section 4.2.1

Any other up to date information on appropriate documents concerning customs procedures can be consulted on European Commission website:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod e=0409>

SPS measures

Sanitary and Phytosanitary measures concerning the import of honey to India are in line with international standards.

Up to date information on appropriate documents concerning SPS measures:

<http://madb.europa.eu/madb/atDutyOverviewPubli.htm?countries=IN&hscod e=0409>

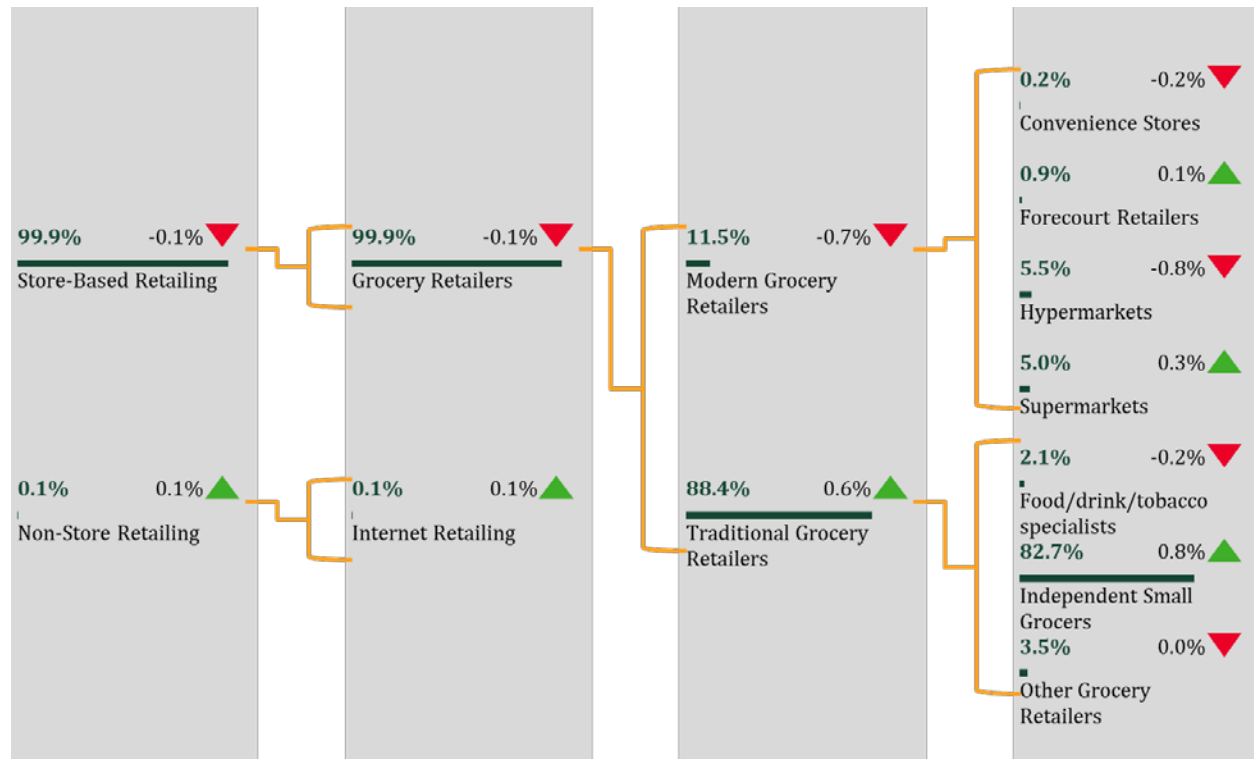
Labelling

Honey products must comply with the labelling rules outlined in section 4.2.3.

5.15.5 Distribution

As depicted in Figure 5-75, spreads (including honey) are mainly distributed through traditional grocery retailers (88% in terms of retail value, 2017), particularly through independent small grocers (82%). Modern grocery retailers account for 11.5% (2017, retail value) and includes both hypermarkets and supermarkets. That said, the shares of traditional grocers in distribution have picked up slightly recently.

Figure 5-75: Distribution channels overview of spreads (including honey) in India (2017); retail value



Source: Euromonitor International: Packaged Food, 2018

5.15.6 Challenges for EU products

The main challenge for EU honey producers relates to self-sufficiency of Indian market when it comes to honey production. The country is among worldwide leaders considering both production and exports of honey products, and imports are historically minimal. Secondly, EU exporters should be mindful of 60% tariffs involved when entering the market as well as of the fact that Indian consumers tend to choose domestic products and trusted brands.

Market Takeaway: Honey

Consumption: Consumption of honey has been continuously growing and it is expected to remain on the upward trend.

Competition: Market led by domestic producers and India is more than self-sufficient in honey.

Distribution: The majority of spreads (including honey) are distributed through traditional small grocers, however approximately 11% of spreads are purchased through hypermarkets and supermarkets.

Challenges: Self-sufficient market with large production and export volumes.

Opportunities: Growing demand for honey, general premiumisation of the sector.

6 Communication

6.1 Communication strategy

This section sets out the main communication channels (new and traditional media, as well as fairs) available, key regulations for the advertisement of F&B in India.

6.1.1 Online & Digital Medias

In India, digital channels are still underdeveloped, although they are rapidly spreading. Indeed, internet users were estimated at 481 million in 2017, which corresponds to about one third of the whole Indian population. Nonetheless, this figure is expected to nearly double by 2022.

Overall, Indian internet users spend around 4.4 hours in a day on internet through their laptop/desktops and 3.1 hours through their mobile devices. Amongst internet users, about 326 million are active on social media, but also this figure is on the rise.

Nonetheless, current use of internet and social media is rather uneven, as 70% internet consumers are men and only one out of five rural Indians are online. Indeed, internet penetration in urban India stood at 65% in 2017, *vis-à-vis* 20% in rural India. Nonetheless, these imbalances are set to adjust in the long term¹⁹⁰¹⁹¹.

As internet users increase, and Indians spend more time on social media, also digital marketing becomes more important. Social media platforms provide several opportunities for brand marketing in the Indian market. However, in order to plan and implement a successful advertising strategy through social media, it is essential to understand the different platforms and how they are used by target customers. Digital advertising agencies (see box below) may provide companies with support to develop a successful digital marketing strategy.

Internet advertising has proved successful for several companies, in terms of enhancing brand awareness and online brand presence, as well as penetrating a specific target market at reduced costs. Indeed it can now be considered an essential part of any marketing campaign in India. The way online and social media can be used in India for marketing purposes is further analysed in the sections below.

¹⁹⁰ Internet users in India expected to reach 500 million by June: IAMAI; <https://economictimes.indiatimes.com/tech/internet/internet-users-in-india-expected-to-reach-500-million-by-june-iamai/articleshow/63000198.cms>

¹⁹¹ The future of digital marketing in India; <https://yourstory.com/mystory/8a70b89206-the-future-of-digital-marketing-in-india>

Indian Top Digital Marketing Agencies:

Lounge Lizard, www.loungelizard.com

WebFX, www.webfx.com

Cyber Infrastructure, www.cisin.com

SurgeStream, www.surgestream.com

PreApps, www.preapps.com

SEOTonic, www.seotonic.com

Webdesk, webdesk.com

GeeksChip, www.geekschip.com

Quick SEO Help, www.quickseohelp.com

Quantum IT Innovation, www.quantumitinnovation.com

6.1.1.1 Social media platforms

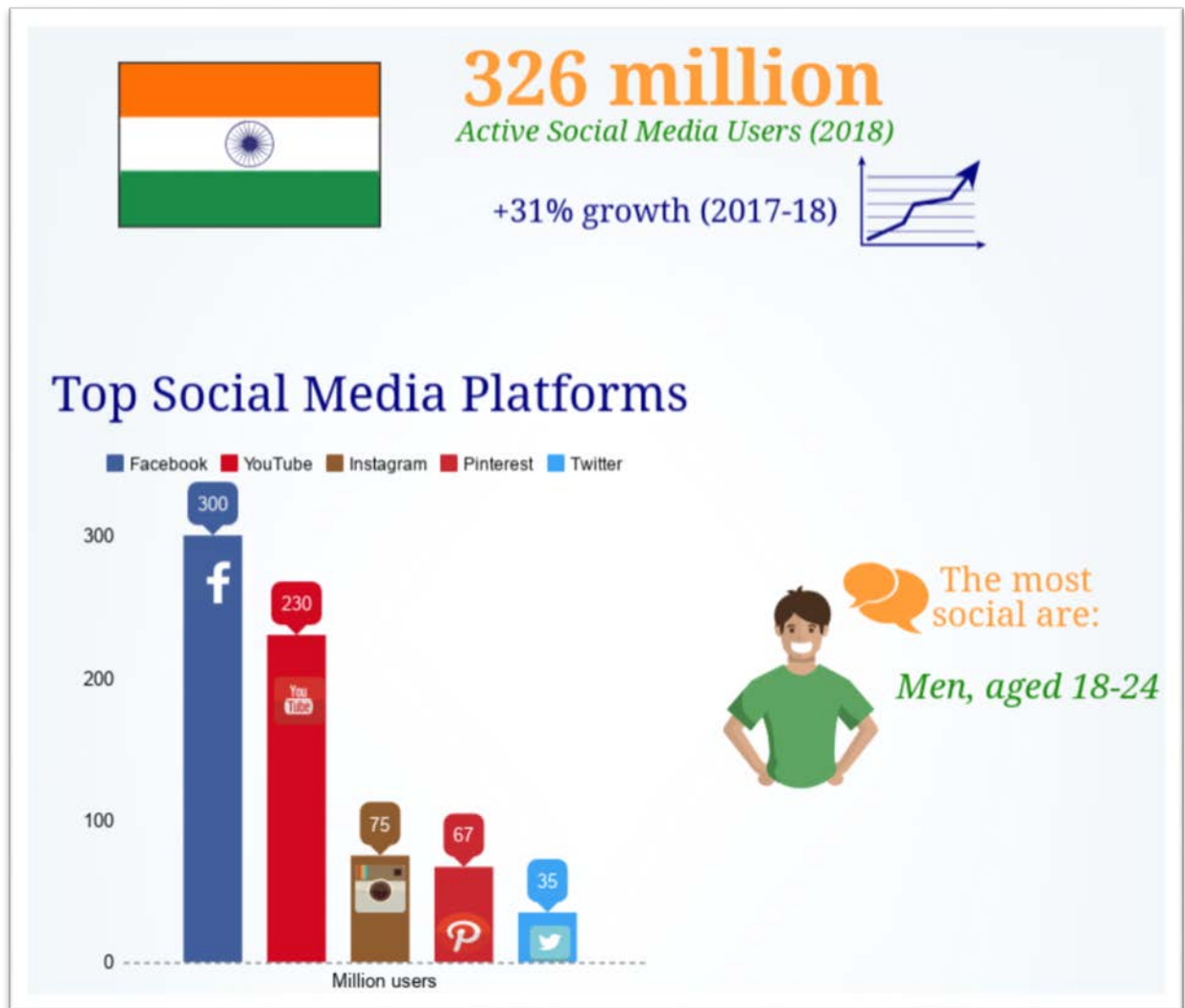
Social media marketing is growing in importance in the Indian F&B sector, given that:

- India is set to become the youngest country in the world, with new generations being increasingly digital-savvy and connected;
- Indian active social media users amount to about 326 million of people;
- On average, people spend around 2-3 hours a day on social medias;
- Indians increasingly rely on information and reviews published on social media platforms when making their purchase decisions¹⁹²¹⁹³¹⁹⁴.

¹⁹² The future of digital marketing in India; <https://yourstory.com/mystory/8a70b89206-the-future-of-digital-marketing-in-india>

¹⁹³ Social Media Marketing India Trends Study 2016; <https://www.ey.com/in/en/services/advisory/ey-social-media-marketing-india-trends-study-2016>

¹⁹⁴ Social Media and Customer Purchase Decision; <http://iasir.net/AIJRHASSpapers/AIJRHASS14-691.pdf>



Source: Agra CEAS / designed with Piktochart

Top social media platforms in India

Owing to the large demographic, the absolute number of internet and social media users is very high in India, despite being internet and social media penetration relatively low, compared to traditional medias. At the same time, Indian social media users have been growing by 31% between 2017 and 2018, rising to 326 million users. This makes India the country with the largest numbers of social media users in the world, second only to China.

With 300 million users, **Facebook** is the most popular social media platform in India. The country has indeed the largest number of active users on Facebook in the world. Nonetheless, nearly four out of five of them are males. Furthermore, most of them are aged 18-34, while Facebook penetration is very low amongst users above the age of 45, as well as amongst adolescents, overall accounting for much less than 20% of Facebook population. With about 230 million users, **YouTube** is the second most popular social media in India, with high penetration levels amongst people under the age of 35. **Instagram** follows;

although penetration is rather limited, due to the large demographic, India is amongst the countries with the largest absolute number of active users on Instagram, amounting to 75 million users. Similarly to Facebook, most users are male (76%) millennials¹⁹⁵¹⁹⁶. With respectively 67 and 35 million users, also Pinterest and Twitter have established themselves in the Indian market. Notably, India is second only to Japan in Asia-Pacific for number of Twitter users.

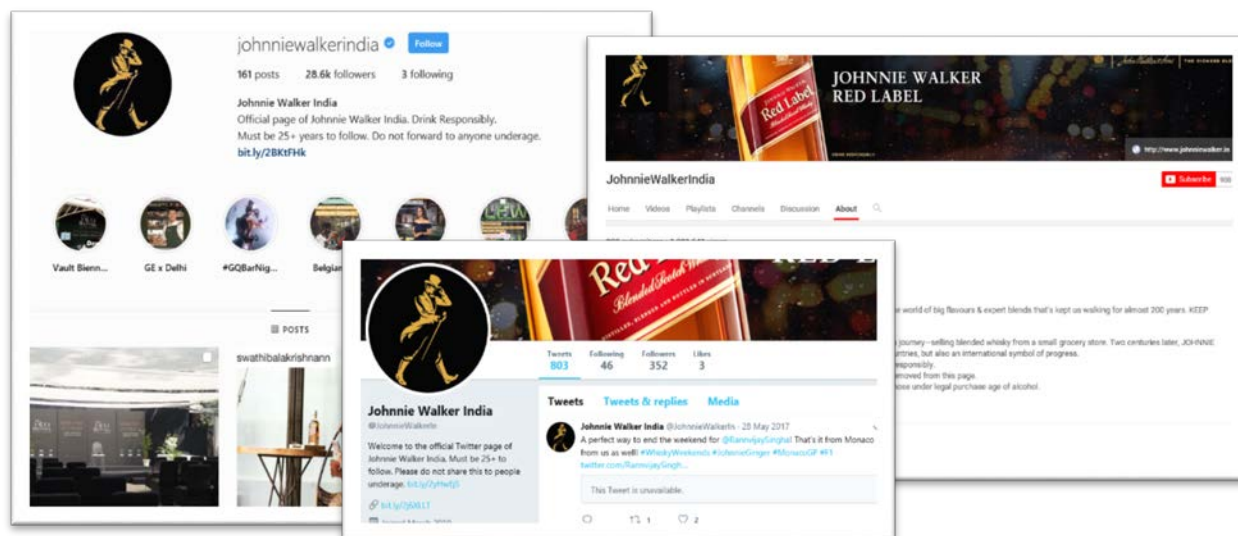
Tips to advertise products on social networks and video platforms

Personalised Account

One way to enhance brand awareness on social networks is to create an account/page specifically for India, and post content, in English and/or Hindi or other languages spoken in India if specific regions/markets are being targeted. Below are some examples of popular Johnnie Walker brand's presence in the Indian social media landscape (namely Instagram, Youtube and Twitter).

Instagram, Pinterest and YouTube are particularly useful to highlight the visual identity of the brand, while Facebook and Twitter accounts enable interaction with the consumers including keeping them up to date with companies' news.

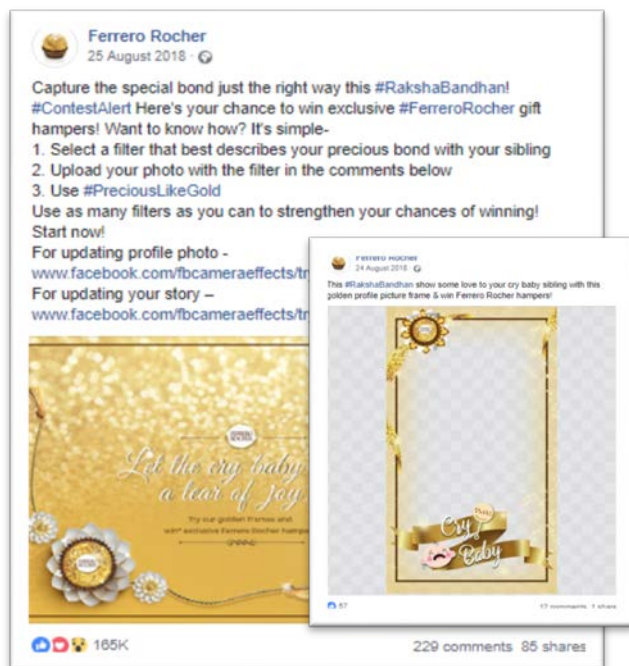
A **successful entry** on social media platforms has the potential to increase traffic to the company's website, boost brand awareness, and increase customers' engagement, subsequently boosting sales.



¹⁹⁵Facebook and Instagram user demographics in India – August 2017; <https://napoleoncat.com/blog/facebook-and-instagram-user-demographics-in-india-august-2017/>

¹⁹⁶We Are Social & Hootsuite Report: Digital in 2018; <https://digitalreport.wearesocial.com/download>

Digital campaigns



Once the brand is present on one or more social media platforms, encouraging social connections with customers can be done through digital campaigns. For example, every year, on occasion of the *Rashka Bandan*, Ferrero India develops the “Precious like Gold” social media campaign (see image on the left) celebrating the relations between siblings. The campaign encourages Indian residents to share a picture describing the special relation with a sibling. The result of the campaign, which every year reaches large amounts of Facebook and Instagram users, is therefore very positive for the brand image on the Indian market.

Paid advertising and influencers

Most social networks allow to start a paid campaign, which can be personalised according

to the final goal (e.g. attract new followers, send traffic to the website etc.), the audience, and the budget. The audience can be selected on the basis of several criteria e.g. location, gender, interests etc.

Furthermore, enterprises may consider working with an influencer, to enhancing brand awareness and penetrating a specific target audience at a relatively lower cost. Through native speaking celebrities the brand can indeed connect more personally with target users. Furthermore, influencers’ advertising ensures more exposure through spreading the brand among their followers. Influencers can be remunerated with a fee, or (mostly micro-influencers) with an exclusive experience (e.g. a discount), and/or recognition (e.g. share their posts on the company’s social media accounts). Currently, the most popular Indian food bloggers/Instagram influencers are outlined in the box in section 6.1.1.2.

6.1.1.2 Food blogs

Another successful strategy to promote a product in India is to work with food bloggers to write a promotional post on their blog. The tips indicated in section 6.1.1.1 are valuable also with regards to food blogs. Popular food bloggers (a list is provided in section 6.1.1.1) are also influencers who often cross over between written blogs and social media platforms; therefore, working with them often means the opportunity to expose the brands on several platforms.

Top Indian Food Bloggers

Roxanne Bamboat,

www.instagram.com/thetinytaster - thetinytaster.com

Himanshu Sehgal,

www.instagram.com/myyellowplate - www.myyellowplate.com

Swayampurna Mishra

www.instagram.com/lapetitchef - lapetitchef.in

Shivesh Bhatia,

www.instagram.com/shivesh17 - bakewithshivesh.com

Anindya and Madhushree,

www.instagram.com/pikturinama - www.pikturinama.com

6.1.2 Traditional Media

In the face of digital mediums double-digit extraordinary growth, traditional medias remain dominant in the Indian media landscape, especially (though not exclusively) among people belonging to generation X. Traditional medias penetration in the country and their potential for marketing purposes are set out below:

- **Print media:** Unlike most countries in the world, print in India remains the dominant communication medium, and it is expected to further grow in the future. India is indeed the largest newspaper publisher in the world with about 6 700 publications and over 260 million copies distributed per day. People of all ages have indeed got used to reading a newspaper in the morning, before starting their day. A major reason is that Indians increasingly appreciate the credibility of newspapers, in the era of fake news¹⁹⁷. The Top Newspapers in India are Dainik Jagran, Hindustan and Dainik Bhaskar, all published in Hindi; on the other hand, the Times of India, Hindustan Times, Indian Express, Mint are amongst some of the popular English daily newspapers¹⁹⁸.
- **Television:** Prasar Bharati is India's largest public broadcasting agency. It is a statutory autonomous body set up by an Act of Parliament and comprises the Doordarshan Television Network and All India Radio, which were earlier media units of the Ministry of Information and Broadcasting.

Private channels were started in about 1995. Cable television is however the primary source of TV programming in India. Overall, over 823 TV channels are available in India, covering all regional languages.

¹⁹⁷ Print media ad growth to accelerate in 2019;

https://economictimes.indiatimes.com/articleshow/66977717.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

¹⁹⁸ Top Newspapers in India; <https://business.mapsofindia.com/top-brands-india/top-newspaper-brands-in-india.html>

Television penetration is relatively high, as India currently has about 197 million TV homes, with a total of about 835 million having the possibility to watch television; and over ¾ of the population over 12 watch in a month. Nonetheless television diffusion is uneven across the country, with states like Andhra Pradesh, Telangana, Kerala, Karnataka, and Tamil Nadu recording a 90% penetration. Nonetheless, unlike digital medias, television diffusion is higher in rural India. Given the high penetration rates across the whole country, television remains a significant marketing tool. Unlike most Western countries, the Indian TV industry is indeed set to grow at a double-digit annual rate over the next years, reaching a size of over Rs 1 trillion (approximately EUR 13 billion) by 2021. However, this trend, while visible amongst Indians belonging to generation X, is less observable amongst millennials and adolescents, who are more digitalised and hence watch less television than previous generations¹⁹⁹.

- **Radio:** With 477 broadcasting centres²⁰⁰, radio continues to be of a great importance in India. Currently, over half Indian population can access the radio network, a percentage that is expected to quickly expand in the short term. The strength of this mean stands in its democratic nature, as radio programmes are likewise recorded in minor languages spoken in India, which are not usually used in TV broadcasts²⁰¹²⁰².

6.1.3 Fairs and exhibitions

In addition to the digital approach, some companies decide to advertise their products on various trade fairs, which presence on the Indian market is constantly growing. Most of them are endorsed by governmental ministries and agencies, or other bodies. Exhibitions constitute a promising opportunity to develop better brand recognition and initiate market interest. However, as some exhibitions might only reach local audience, it is advisable to research the exhibition's profile in advance. On the other hand, some of them might create synergies when accompanied by an online presence. It is also worth remembering that participation costs are usually directly proportional to the rank of the exhibition and its scope. Finally, it should be remembered that food shows that target the general public may be effective ways of raising awareness of products already on the market but are likely to be of limited use for identifying potential partners when first entering a market (see section 4.4.2.2 for more information on targeting intermediaries).

¹⁹⁹ Television remains the choice of the masses even in digital times;

https://economictimes.indiatimes.com/articleshow/65097493.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst; Why millennials are ditching TV for online content;

<https://www.livemint.com/Consumer/ePS4JiEeb4iVECN7odUuOL/Why-millennials-are-ditching-TV-for-online-content.html>;

<http://mruc.net/uploads/posts/8e428e54a95edcd6e8be593a7021a185.pdf>

²⁰⁰ India's Public Service Broadcaster; <http://allindiaradio.gov.in/Profile/Factss%20at%20Glance/Pages/default.aspx>

²⁰¹ 65% of population soon to be connected to FM radio network, says govt;

<https://www.livemint.com/Politics/eUh208BfXawM8JmD1OgbEM/FM-radio-network-to-reach-65-population-soon-says-governme.html>

²⁰² Radio has absorbed new technologies and emerged stronger over the decades;

<https://www.thehindu.com/opinion/op-ed/is-radio-relevant-in-the-21st-century/article22423373.ece>

A list of upcoming exhibitions is included in an annex to this document, and further lists may be found online on websites such as:

- <https://10times.com/india/food-beverage>
- <https://www.tradefairdates.com/Fairs-India-Z103-S1.html>
- <http://tofairs.com/fairs.php?fld=20&rg=&cnt=&cty=&sct=>
- <https://www.tradeindia.com/TradeShows/Food-Beverage/>

6.2 Advertising regulations

The Indian advertising rules are set out by a designated non-Government self-regulatory organisation, the Advertising Standards Council of India (ASCI). ASCI is aimed at regulating advertising to ensure the full protection of consumers' interests.

Advertising in India is regulated under a set of laws, the most important of which are outlined below:

- 2006 **Food Safety and Standards Act**, which forbids misleading advertisement of food;
- 1994 **Cable Television Networks Rules**, under which advertisements must not offend morality, decency and religious sensitivities of TV viewers;
- **All India Radio (AIR) Advertisement Code** and the 1978 **Press Council Act**, aimed at ensuring radio and press advertisements are appropriate²⁰³.

Spirits, wine and beer producers should also bear in mind that India **prohibits the advertising of alcoholic beverages** in traditional medias.

²⁰³ Advertising Laws in India: an overview; <https://www.lawteacher.net/free-law-essays/commercial-law/advertising-laws-in-india-law-essays.php>

7 Indian Etiquette

7.1 Quick facts

Clothing

- Indian standards of dress are rather conservative, particularly in rural areas. Notably, both women and men are advised to keep the legs (at least until the knees in case of women) and shoulders covered, to be respectful.
- Shoes should be taken off before entering houses, temples, gurdwaras or mosques.

Body language

- Pointing with your finger is also rude in India.
- It is considered disrespectful to point feet at people or touching people or objects with your feet, as this is considered a dirty part of the body. Another part of the body that should not be used to eat or pass objects is the left hand, which is considered unclean.
- Indian women do not touch men when meeting and greeting them.
- Shaking your head does not mean “no” in India, as it is a simple sign of understanding.

Personality

- Indians like small talks. Asking more personal questions is not considered rude; on the contrary, it shows you take an interest in the person you are talking to. Therefore, it is not unusual to be asked how much you earn for a living and other more intimate questions, all upon first meeting.
- The use of too many “please” and “thank you” can be viewed as a sign of weakness, or as a creation of distance that is not supposed to exist.
- Declining an invitation or request is considered rude in India. Subsequently, instead of saying “I can’t”, Indians may reply by giving evasive answers such as “I will try” or “maybe”.

Business meetings

- As the concept of time is flexible in India, delays are not unusual. However, at a business meeting it is advisable to be on time, to give a good impression.
- Meetings should be rather scheduled around 11 am or early afternoon. It is advisable to organise meetings well in advance (1-2 months minimum).
- Indian businessmen are more used to shake hands with women. However, giving a “Namaste” with both palms together is usually a better alternative.
- As status and hierarchy are very important in India, you should always address firstly the most seniors in the room. You should also take into account that the middle and lower management do not usually make decisions.
- In case you organise a lunch or dinner, be sure to take into account all religious sensitivities (see also section 3.3.2.1).


Other sensitivities


- India is a very diverse country, where each state is unique and has its own culture. Hence, you should be careful not to draw conclusions about the whole country based on limited experience.

7.2 Key DOs and DON'Ts

DOs


1. Organise meetings well in advance.
2. Schedule late morning meetings.
3. Avoid short and revealing clothing.
4. Be on time, but be patient if your counterpart is late.
5. Greet by placing your hands in front of your chest and bowing forward.
6. Give your counterpart a small gift wrapped in red, green, yellow or blue (colours of luck).
7. Always bring business cards and give/receive them with the right hand.
8. Be respectful of roles and status.





DON'Ts

1. Schedule meetings in the late afternoon.
2. Eat food or give/receive objects with the left hand.
3. Show the soles of your shoes.
4. Point at someone with a finger.
5. Be offended by more personal questions.
6. Offer to shake the hand of a person of the opposite sex unless they offer first.
7. Drink alcohol if others don't.
8. Be disrespectful of religious beliefs.



Source: Agra CEAS / designed with Piktochart

8 Directory of Trade Support Projects, Organisations, and Service Providers

There are a variety of services available, both within the EU and in India, for producers wishing to develop their business in India. These service providers include EU funded projects, services provided by Member States and their embassies, and other organisations and service providers.

- Section 8.1 contains the contact information for Member State embassies within India.
- Section 8.2 contains a listing of service providers including some information on the services available.
- Section 8.3 provides a calendar of exhibitions, trade shows, and other events to be held in India in 2019.

8.1 Directory of EU Member State Embassies

EU MS	Address	Website	Contact information
Austria	EP-13, Chandragupta Marg Chanakyapuri New Delhi 110021	www.bmeia.gv.at/botschaft/new-delhi.html	Tel: +91 11 2419 2700 Email: new-delhi-ob@bmeia.gv.at new-delhi-ka@bmeia.gv.at
Belgium	50 - N Shantipath Chanakyapuri New Delhi 110021	www.diplomatie.be/newdelhi	Tel: +91 11 4242 8000 Email: newdelhi@diplobel.fed.be
Bulgaria	16/17 Chandragupta Marg Chanakyapuri New Delhi 110021	www.mfa.bg/embassies/india	Tel: +91 11 2611 5549 Email: embassy.delhi@mfa.bg
Croatia	A-15 West End New Delhi 110021	<i>Not available</i>	Tel: +91 11 4166 3101 Email: croemb.new-delhi@mvep.hr
Cyprus	D- 64 Malcha Marg, Chanakyapuri New Delhi 110 021	www.mfa.gov.cy/highcommission/newdelhi	Tel: +91 11 4358 6295 Email: delhihc@mfa.gov.cy
Czech Republic	50-M, Niti Marg Chanakyapuri New Delhi 110 021	www.mzv.cz/newdelhi	Tel: +91 11 2415 5200 Email: newdelhi@embassy.mzv.cz
Denmark	11, Golf Links New Delhi 110 003	indien.um.dk	Tel: +91 11 4209 0700 Email: delamb@um.dk
Estonia	C15, Malcha Marg Chanakyapuri New Delhi 110 021	www.newdelhi.vm.ee	Tel: +91 11 4948 8650 Email: embassy.new-delhi@mfa.ee
Finland	E-3, Nyaya Marg Gate C in Chanakyapuri New Delhi 110021	www.finland.org.in	Tel: +91 11 4149 7500 Email: sanomat.nde@formin.fi
France	2/50-E Shantipath Chanakyapuri New Delhi 110021	in.ambafrance.org	Tel: +91 11 2419 6100 Email: webmaster@ambafrance-in.org

EU MS	Address	Website	Contact information
Germany	No. 6/50G, Shanti Path Chanakyapuri P.O. Box 613 New Delhi 110021	www.india.diplo.de	Tel: +91 11 4419 9199 Email: info@new-delhi.diplo.de
Greece	EP-32, Dr. S. Radhakrishnan Marg Chanakyapuri New Delhi 110021	www.mfa.gr/india	Tel: +91 11 2688 0700 Email: gremb.del@mfa.gr
Hungary	2/50-M, Niti Marg Chanakyapuri New Delhi - 110021	delhi.mfa.gov.hu	Tel: +91 11 2688 1135 Email: mission.del@mfa.gov.hu
Ireland	C17 Malcha Marg, Chanakyapuri New Delhi 110021	www.dfa.ie/irish-embassy/india/	Tel: +91 11 4940 3200
Italy	50-E, Chandra Gupta Marg Chanakyapuri New Delhi 110021	www.ambnewdelhi.esteri.it	Tel: +91 11 2611 4355 Email: ambasciata.newdelhi@esteri.it
Latvia	B8 Anand Niketan New Delhi - 110001	www.mfa.gov.lv/india	Tel: +91 11 4985 9100 Email: embassy.india@mfa.gov.lv
Lithuania	C-93 Anand Niketa New Delhi 110021	in.mfa.lt	Tel: +91 11 4313 2200 Email: amb.in@urm.lt
Luxembourg	84, Jor Bagh New Delhi 110003	newdelhi.mae.lu	Tel: +91 11 4998 6600 Email: newdelhi.amb@mae.etat.lu
Malta	N60, Panchsheel Park New Delhi 110 017	<i>Not available</i>	Tel: +91 11 4767 4900 Email: maltahighcommission.newdelhi@gov.mt
Netherlands	6/50F, Shantipath Chanakyapuri New Delhi 110 021	www.netherlandsandyou.nl/your-country-and-the-netherlands/india	Tel: +91 11 2419 7600 Email: nde@minbuza.nl
Poland	50-M Shantipath, Chanakyapuri 110 021 New Delhi	www.newdelhi.msz.gov.pl	Tel: +91 11 4149 6900 Email: newdelhi.polemb.info@msz.gov.pl
Portugal	4, Panchsheel Marg Chanakyapuri New Delhi 110021	<i>Not available</i>	Tel: +91 11 4607 1001 / 2 Email: novadeli@mne.pt embassy@portugal-india.com
Romania	D 6/6, Vasant Vihar New Delhi 110057	newdelhi.mae.ro	Tel: +91 11 2614 0447 Email: newdelhi@mae.ro
Slovakia	50M - Niti Marg Chanakyapuri New Delhi 110021	www.mzv.sk/web/dilli-en/	Tel: +91 11 2688 9071 Email: emb.delhi@mzv.sk
Slovenia	A-5/4, Vasant Vihar New Delhi-110 057	www.newdelhi.embassy.si	Tel: +91 11 4166 2891 / 2 Email: sloembassy.newdelhi@gov.si

EU MS	Address	Website	Contact information
Spain	12 Prithviraj Road New Delhi 110011	www.exteriores.gob.es/embajadas/nuevadelhi	Tel: +91 11 4129 3000 Email: emb.nuevadelhi@maec.es
Sweden	4-5 Nyaya Marg Chanakyapuri New Delhi 110 021	www.swedenabroad.se/india	Tel: +91 11 4419 7100 Email: ambassaden.newdelhi@gov.se
United Kingdom	Shantipath Chanakyapuri New Delhi 110021	www.gov.uk/government/world/india	Tel: +91 11 2419 2100 Email: web.newdelhi@fco.gov.uk

8.2 Other organisations and service providers

Service provider	Address	Website	Contact information
Services for Austrian companies			
Advantage Austria	Austrian Trade Delegation 85, Jor Bagh New Delhi 110 003	www.advantageaustria.org/in	Tel: +91 11 24 61 83 95 Email: newdelhi@advantageaustria.org
Services for Belgian companies			
Indo-Belgian-Luxembourg Chamber of Commerce and Industry	C-53, G-Block, Bandra Kurla Complex, Bandra (E) Mumbai 400051	www.iblcci.net	Email: manager@iblcci.net
Belgo-Indian Chamber of Commerce & Industry	Marnixlaan 24 B-1000 Brussels, Belgium	www.bic-belgium.com	Tel: 0479 75 88 92 Email: bicci@bic-belgium.com
Brussels-Capital and Walloon Region Trade & Invest Office in South India	18, III Floor, YAFA Tower Khader Nawaz Khan Road Chennai 600 034	www.brussels-india.com	Tel: + 91 44 2833 0472 Email: chennai@brusselsinvestexport.com
Flanders Investment & Trade – Bengaluru	139, Residency Road Bengaluru 560 025	www.flandersinvestme ntandtrade.com/en/contact/foreign-offices/india	Tel: +91 80 22 22 99 21 Email: bangalore@fitagency.com
Flanders Investment & Trade – Mumbai	C-53 Bandra (E) Mumbai 400 098	www.flandersinvestme ntandtrade.com/en/contact/foreign-offices/india	Tel: +91 22 66 71 06 27 Email: mumbai@fitagency.com
Flanders Investment & Trade – New Delhi	50 - N, Shantipath, Chanakyapuri New Delhi - 110 021	www.flandersinvestme ntandtrade.com/en/contact/foreign-offices/india	Tel: +91 11 4242 8100 Email: newdelhi@fitagency.com

Service provider	Address	Website	Contact information
Services for British companies			
UK India Business Council - Bengaluru	Concorde Towers, UB City, 1 Vittal Mallya Road, Level 14 & 15, Bengaluru, Karnataka 560001	www.ukibc.com	Tel: +91 80 6759 0319 Email: enquiriesindia@ukibc.com
UK India Business Council - Gurgaon	WeWork DLF Forum, Cyber City - Phase III, Sector 24 Gurugram Haryana 122002	www.ukibc.com	Tel: +91 12 4502 6059 Email: enquiriesindia@ukibc.com
UK India Business Council – Mumbai	Trade Centre G/F & 1st Floor, Bandra East, Mumbai, Maharashtra 400051	www.ukibc.com	Tel: +91 22 6700 0559 Email: enquiriesindia@ukibc.com
British-South India Council of Commerce	P.O. Box 215, Loughton, Essex IG10 3HY, UK	www.bsicc.co.uk	Tel: +91 9343254130 Email: hello@bsicc.co.uk
Services for Bulgarian companies			
Indian-Bulgarian Business Chamber	24 Patriarch Evtimii Blvd Sredets Region 1000, Sofia	www.ibbc.bg	Email: info@ibbc.bg
Services for Croatian companies			
Croatian Chamber of Commerce	Rooseveltovtrg 2, 10000 Zagreb	www.hgk.hr	Tel: +385 1 456 1555 Email: hgk@hgk.hr
Services for Czech companies			
Czech-Indian Chamber of Commerce	Veveřkova 1229/9 170 00 Prague 7 - Holesovice	www.czechindia.com	Email: info@czechindia.com
Indian-Czech Joint Chamber of Commerce	Medkova 719/4 149 00 Praha 4 Czech Republic	www.indianczech.com	Email: info@indianczech.com
Services for Cypriot companies			
Cyprus-India Business Association	<i>Not available</i>	<i>Not available</i>	Tel: +357 22 889756 Email: elena@ccci.org.cy
Services for Danish companies			
Indo-Danish Business Association	11 Golf Links, 110003 New Delhi	indien.um.dk/en/the-trade-council/idba	Tel: +91 11 4209 0700 Email: delamb@um.dk
Indian-Danish Chamber of Commerce	BLOX, Bryghuspladsen 8, 3rd floor, DK-1473 Copenhagen	idcc.network	Tel: +45 3168 8841 Email: info@idcc.network
Nordic-Indian Business Chamber of Commerce	Diplomvej 381, DK-2800 Lyngby, Denmark	www.nibcc.com	Tel: +45 2121 0616 Email: info@copenhagencharter.com
Services for Dutch companies			

Service provider	Address	Website	Contact information
Netherlands India Chamber of Commerce & Trade	WTC Business Center Prinses Margrietplantsoen 33 2595 AM The Hague	www.nicct.nl	Tel: +31 88 99 09 100
Services for Estonian companies			
Estonia Chamber of Commerce & Industry	Toom-Kooli 17, 10130 Tallinn	www.koda.ee	Tel: +372 604 0060 Email: koda@koda.ee
Services for Finnish companies			
Finland-India Business Association	Intialainen kauppayhdistys ry.c/o Keskuskauppakamari Jenni Isola, PL 1000 00101 Helsinki	kauppayhdistys.fi/suomi-intia	Tel: +358 9 4242 6239 Email: jenni.isola@chamber.fi
Nordic-Indian Business Chamber of Commerce	Diplomvej 381, DK-2800 Lyngby, Denmark	www.nibcc.com	Tel: +45 2121 0616 Email: info@copenhagencharter.com
Services for French companies			
Indo-French Chamber of Commerce & Industry – Bengaluru	Unit 1303-1304, 13th Floor Prestige Meridian II, 30, MG Road, Bengaluru - 560 001	www.ifcci.org.in	Tel: +91 80 6194 9749 Email: contactbangalore@ifcci.org.in
Indo-French Chamber of Commerce & Industry – Chennai	Old 27, New 66, III Street, Abiramapuram, Chennai - 600 018	www.ifcci.org.in	Tel: + 91 44 4217 8710 Email: contactchennai@ifcci.org.in
Indo-French Chamber of Commerce & Industry – Mumbai	French Bank Building, 4th Floor, 62, Homji Street, Fort, Mumbai - 400 001	www.ifcci.org.in	Tel: +91 22 6845 9800 Email: contact@ifcci.org.in
Indo-French Chamber of Commerce & Industry – New Delhi	RK Khanna Stadium, 1st Floor, Africa Avenue 1, New Delhi 110 029	www.ifcci.org.in	Tel: +91 11 3997 4690 Email: contactdelhi@ifcci.org.in
The Chamber of Commerce and Industry France India	5, rue Beffroy. 92200 Neuilly-Sur-Seine, France	www.ccifi.com	Tel: +33 1 41 27 95 02
Services for German companies			
Indo-German Chamber of Commerce – Bengaluru	403, Shah Sultan, 4th Floor, Cunningham Road, Bengaluru – 560052	indien.ahk.de	Tel: +91 80 2226 5650 Email: bangalore@indo-german.com
Indo-German Chamber of Commerce – Chennai	German Centre, No.32 (Old No.117) G. N. Chetty Road, T. Nagar	indien.ahk.de	Tel: +91 44 28340 835/ 836 Email: chennai@indo-german.com
Indo-German Chamber of Commerce – Delhi	21 Jor Bagh, New Delhi - 110 003	indien.ahk.de	Tel: +91 11 47168 888/ 801 Email: delhi@indo-german.com

Service provider	Address	Website	Contact information
Indo-German Chamber of Commerce – Kolkata	3A, Gurusaday Road, Kolkata – 700019	indien.ahk.de	Tel: +91 33 22837 962/ 970 Email: calcutta@indo-german.com
Indo-German Chamber of Commerce – Mumbai	Maker Tower E, 1st Floor, Cuffe Parade, Mumbai 400005	indien.ahk.de	Tel: +91 22 6665 2121 Email: bombay@indo-german.com
Indo-German Chamber of Commerce – Pune	710, Nucleus Mall, 1, Church Road, Opp. Police Commissioner's Office, Pune 411001	indien.ahk.de	Tel: +91 20 4104 7100 Email: pune@indo-german.com
Services for Greek companies			
Enterprise Greece – Invest & Trade	109 Vasilissis Sophias Avenue, 115 21 Athens, Greece	www.enterprisegreece.gov.gr	Tel: +30 210 335 5700 Email: info@enterprisegreece.gov.gr
Services for Hungarian companies			
Hungarian National Trading House india	<i>Not available</i>	hepa.hu	Tel: +36 1 810 1600 Email: info@hepa.hu
Services for Irish companies			
Ireland-India Council	9 Russell Crescent, Russell Square, Tallaght, Dublin 24	indiairelandcouncil.ie	Tel: +353 1 4131241 Email: info@irelandindiacouncil.ie
Ireland-India Business Association	William Fry, Grand Canal Square, Dublin 2	www.iiba.ie	Email: info@iiba.ie
Services for Italian companies			
The Indo-Italian Chamber of Commerce & Industry - Bengaluru	No.55 - S.V Complex (2nd floor) K.R.Road, Opp. Basavanagudi Police Station Bengaluru - 560004	www.indiaitaly.com	Tel: +91 80 2662 0318 Email: iicci.bang@indiaitaly.com
The Indo-Italian Chamber of Commerce & Industry - Chennai	2B Jamals No. 17 Jagannathan Road Nungambakkam Chennai - 600 034	www.indiaitaly.com	Tel: +91 44 2824 23 99/ 97 Email: iicci.chen@indiaitaly.com
The Indo-Italian Chamber of Commerce & Industry - Delhi	50-E Chandragupta Marg Chanakyapuri New Delhi - 110021	www.indiaitaly.com	Tel: +91 11 2688 2156 Email: iicci.delhi@indiaitaly.com
The Indo-Italian Chamber of Commerce & Industry - Kolkata	Lalbehari Shah Sarani Alipore Kolkata 700027	www.indiaitaly.com	Tel: +91 98 3169 7762 Email: iicci.cal@indiaitaly.com

Service provider	Address	Website	Contact information
The Indo-Italian Chamber of Commerce & Industry - Mumbai	Office No.501 - 5th Floor 349 Business Point Western Express Highway Andheri (East) Mumbai 400069 Maharashtra	www.indiaitaly.com	Tel: +91 22 6772 81 86/ 90 Email: iicci@indiaitaly.com
Italian Trade Agency – Delhi	50-E, Chandragupta Marg, Chanakyapuri 110 021	italiaindia.com	Tel: +91 11 2410 1272 Email: newdelhi@ice.it
Italian Trade Agency - Mumbai	Marathon Futurex, A-2404, 24th Floor, N.M. Joshi Marg, Lower Parel, 400 013	italiaindia.com	Tel: +91 22 230209 25/ 26/ 27/ 28 Email: mumbai@ice.it
Indian Business Forum of Italy	<i>Not available</i>	ibfitaly.it	Email: info@ibfitaly.it
Services for Latvian companies			
Indo-Latvian Chamber of Commerce	Ūdens iela 12, Kurzemes rajons, Rīga, LV-1007, Latvia	<i>Not available</i>	Tel: Email: ilccriga@gmail.com
Services for Lithuanian companies			
Indian Chamber of Commerce in Lithuania	Vilniaus Vartai, A. Tumeno street 4, Vilnius, Lithuania-01109	icclithuania.eu	Tel: +370 691 00919 Email: alina@icclithuania.eu
Lithuania-India Forum	<i>Not available</i>	www.lithuania-india.com	Email: kristinamyezi@hotmail.com
Services for Luxembourgian companies			
Indo-Belgian-Luxembourg Chamber of Commerce and Industry	C-53, G-Block, Bandra Kurla Complex, Bandra (E) Mumbai 400051	www.iblcci.net	Email: manager@iblcci.net
Services for Maltese companies			
The Malta Chamber of Commerce, Enterprise and Industry	64, Republic Street, Valletta, Malta	www.maltachamber.org.mt	<i>Not available</i>
Services for Polish companies			
Polish-Indian Chamber of Commerce	ul. Zadumana 11 a 02-206 Warsaw	en.piig-poland.org	Tel: +91 98 1007 0057 Email: biuro@piig-poland.org
Indo Polish Chambers Of Commerce & Industries	Tasmowa str 7 bld D 02-677 Warsaw	www.ipcci.pl	Tel: +91 11 4650 0500 Email: vmehta@ipcci.pl
Poland-India Business Council	<i>Not available</i>	pibc.pl	Email: info@pibc.pl
Services for Portuguese companies			

Service provider	Address	Website	Contact information
Chamber of Commerce Portugal-India	Rua Castilho 39,15º 1250-068 Lisbon, Portugal	www.ccpi.pt	Email: info@ccpi.pt
Services for Romanian companies			
The Chamber of Commerce & Industry of Romania	2 Octavian Goga Blvd. Bucureşti 030982, România	ccir.ro	Tel: +21 319 00 93 Email: ccir@ccir.ro
Services for Slovakian companies			
Indian Chamber of Commerce in Slovakia	Gorkého 9, 81603 Bratislava, Slovakia	www.indianchamber.sk	Tel: +421 917 252 978 Email: welcome@indianchamber.sk
Services for Slovenian companies			
Chamber of Commerce and Industry of Slovenia	Dimičeva 13, SI-1504 Ljubljana	www.eng.gzs.si	Tel: + 386 1 5898 000 E-mail: info@gzs.si
Services for Spanish companies			
Indo-Spain Chamber Of Commerce	12th Floor, 28, Gopaldas Bhawan, Barakhamba Road, Central Delhi, New Delhi	<i>Not available</i>	Email: pradeep.bhargava@gmail.com
Services for Swedish companies			
Swedish Chamber of Commerce India	Nyaya Marg, Chanakyapuri New Delhi-110021	swedishchamber.in	Email: info@swedishchamber.in
Nordic-Indian Business Chamber of Commerce	Diplomvej 381, DK-2800 Lyngby, Denmark	www.nibcc.com	Tel: +45 2121 0616 Email: info@copenhagenchamber.com

8.3 Calendar of trade events and exhibitions in 2019

Event	Date	Recurrence	Venue	Organiser Details
APRIL				
India International Dairy Expo	3-5	Annual	Bombay Exhibition Centre	Tel: +49 221 821 3112 Email: v.trostjanezki@koelnmesse.de Website: www.iideindia.com
Drink Technology India	10-12	Annual	Bengaluru International Exhibition Centre	Tel: +49 89 949 20113 Email: stefanie.lorenz@messe-muenchen.de Website: www.drinktechnology-india.com
Express Food & Hospitality, Goa	11-13	New event	Bhausahab Dayanand	Tel: +91 22 6744 0002 Email: info@foodhospitality.in

Event	Date	Recurrence	Venue	Organiser Details
			Bandodkar Ground, Panjim	Website: www.foodhospitality.in
Global Sugar Conclave	12-13	Annual	Renaissance Mumbai Convention Centre Hotel	Email: events@teflas.com Website: sugarconclave.com
Flavours and Fragrance Expo	16-17	Annual	Bombay Exhibition Centre	Tel: +91 98 3373 3117 +91 77 0004 4217 +91 77 0004 4220 Email: info@flavoursandfrancesexpo.com Website: flavoursandfrancesexpo.com
MAY				
North East Foodtech	3-5	Biannual	Maniram Dewan Trade Centre	Tel: +91 98 3116 8215 Email: jack_july2001@yahoo.com Website: www.foodtechkolkata.com
Fast Food & Cafe Convention	22	Annual	The Lalit Ashok Bengaluru	Tel: +91 95999 17615 Email: george@fastfoodconvention.com Website: fastfoodconvention.com
India Bakery Expo	24-26	Biannual	Chennai Trade Centre	Tel: +91 98400 24995 Email: info@indiabakeryexpo.com indiabakeryexpo19@gmail.com Website: www.indiabakeryexpo.com
JUNE				
Food Show India	1	Biannual	Noor Mahal Karnal	Tel: +91 74 9601 5767 Email: dhruv@cavpl.in Website: food-show.com
Food Hospitality World Bengaluru	13-15	Annual	Palace Grounds, Bengaluru	Tel: ++91 98 2158 0849 +91 98 2187 6620 Email: datta.kandalkar@fhwexpo.in satish.dange@indianexpress.com Website: bengaluruexpo.foodhospitality.in
JULY				
Craft Drinks India	3-4	Annual	White Orchid, Bengaluru	Tel: +91 74 9601 5767 Email: dhruv@cavpl.in Website: food-show.com
India HoReCa Expo	5-7	Annual	Codissia Trade Fair Complex, Coimbatore	Tel: +91 95 5166 5441 Email: info@indiahorecaexpo.com Website: www.indiahorecaexpo.com
Vegan India Expo	5-7	Annual	NSIC Exhibition Complex, Delhi	Tel: +91 85 8886 7834 Email: veganindiaexpo@gmail.com Website: www.veganindiaexpo.com

Event	Date	Recurrence	Venue	Organiser Details
India Food Expo	19-21	Annual	New Grain Market, Ludhiana	Tel: +91 98 1822 7099 Email: info@indiafoodexpo.com Website: www.indiafoodexpo.com
AUGUST				
Food & Technology Expo	1-3	Annual	Pragati Maidan, New Delhi	Tel: +91 84 4773 3909 Email: nnsevents@nnsevents.com Website: foodandtechnologyexpo.com
India Hospitality Expo+ F&B Pro Goa	1-3	Annual	Dr Shyama Prasad Mukherjee Stadium, Taleigao	Tel: +91 97 6955 5657 Email: trinity.cmd@gmail.com Website: www.trinityworld.biz
India International Hospitality Expo	7-10	Annual	India Exposition Mart, Greater Noida	Tel: +91 12 0232 80 11/ 20 Email: exhibitor@ihexpo.com exhibition2@indiaexpocentre.com Website: ihexpo.com
Vibrant Tamilnadu - Food Edition	12-15	Annual	Ida Scudder Auditorium, Chinthamani	Email: info@vibranttamilnadu.com Website: www.vibranttamilnadu.com
Catering Asia	19-21	Annual	Pragati Maidan, New Delhi	Tel: +91 97 6955 5657 Email: trinity.cmd@gmail.com Website: cateringasia.com
Goa Food & Hospitality Expo	22-24	Annual	Panjim	Tel: +91 99 2386 8680 Email: mktg@mediagoa.com Website: goahospitalityexpo.com
Foodpro	21-25	Annual	Chennai Trade Centre	Tel: +91 97 8998 1146 Email: foodpro@cii.in Website: www.ciifoodpro.in
Aahar Ways Expo	28-30	Annual	Dr Shyama Prasad Mukherjee Stadium, Taleigao	Tel: +91 98 9782 1407 Email: expo@aaharways.com Website: www.expo.aaharways.com
India Foodex-Bengaluru Concurrent events:				
- India Food Park Expo	30-		Bengaluru	Tel: +91 11 4140 7851
- SnackBev India	1/09	Annual	International Exhibition Centre	Email: indiafoodexgmail.com Website: www.indiafoodex.com
- MeatTech Asia				
- HRC EXPO				
- Global Halal Expo India				
SEPTEMBER				
Dairy Livestock & Poultry Asia	6-8	Annual	Mahatma Mandir, Gandhinagar	Tel: +49 62 21 13570 Email: info@ifw-expo.com

Event	Date	Recurrence	Venue	Organiser Details
				Website: www.dlpexpo.com/gujarat
International FoodTec India	13-15	Biannual	Pragati Maidan, New Delhi	Tel: +91 40 6570 7722 Email: s.kumar@koelnmesse-india.com Website: www.foodtecindia.com
Food & Hotel India	18-20	Annual	Bombay Exhibition Centre	Tel: +91 86 5224 4597 Email: vikram.mehta@ubm.com Website: www.foodandhotelindia.com
SIAL INDIA	19-21	Annual	Pragati Maidan, New Delhi	Tel: +33 1 76 771172 Email: adeline.vancauwelaert@comexposium.com Website: foodindia-bysial.com
Cakeology Cake Fest and Beyond	20-22	Annual	Cakekraft, Mumbai	Tel: +91 9820744629 Email: info@cakeology.in Website: cakeology.in
Food Hospitality World Hyderabad	24-26	Annual	Hitex Exhibition Center, Hyderabad	Tel: +91 98210 76065 Email: rajan.nair@fhwexpo.in Website: mumbaiexpo.foodhospitality.in
Indian Ice-Cream Congress & Expo	25-26	New event	Ahmedabad	Tel: +91 22 2855 5069 Email: info@advanceinfomedia.com Website: www.indianicecreamcongress.in
Globoil India	25-27	Annual	Renaissance Mumbai Convention Centre Hotel	Tel: +91 22 6223 1245 Email: events@teflas.com Website: www.globoilindia.com
Foodtek	26-28	Biannual	Bombay Exhibition Centre	Tel: +91 22 2880 3977 Email: info@intelepexpo.com Website: www.intelepexpo.com/intelpack
INDIA FISH	26-28	Biannual	Kala Academy, Panjim	Tel: +91 80 4302 3891 Email: info@indiafish.in Website: www.indiafish.in
OCTOBER				
HotelTech Kerala	10-12	Annual	Bolgatty Palace and Island Resort, Kochi	Tel: +91 48 4406 4135 Email: events@cruzexpos.com Website: hoteltechkerala.com
Dairy Industry Expo	11-13	Annual	Auto Cluster Exhibition Center, Pune	Tel: +91 86 0736 3377 Email: p.arora@dairyindustryexpo.com Website: dairyindustryexpo.com
Food Fest Concurrent event: - Poultry Fest	19-21	Annual	Ram Bharose Maiku Lal Inter College, Lucknow	Tel: +91 11 2994 9816 Email: foodfestindia@gmail.com Website: www.indiafoodfest.in
Food ingredients & Health ingredients India	21-23	Biannual	Bombay Exhibition Centre	Email: Casson.riley@ubm.com Website: www.figlobal.com/india

Event	Date	Recurrence	Venue	Organiser Details
NOVEMBER				
India International Agro Trade and Technology Fair	5-8	Annual	IARI Pusa Campus, New Delhi	Tel: +91 84 4848 2486 Email: ankita.singh@icfa.org.in Website: www.agroworldindia.com
BioFach India	7-9	Annual	Pragati Maidan, New Delhi	Tel: +91 11 4716 8830 Email: priya.sharma@nm-india.com Website: biofach-india.com
Bakers Technology Fair	14-16	Biannual	Hitex Exhibition Center, Hyderabad	Tel: +91 44 2278 0776 Email: btf@synergyexposures.com Website: www.bakerstechnologyfair.com
Food Tech India – Kolkata	15-17	Annual	Science City, Kolkata	Tel: +91 33 2335 6130 Email: jack_july2001@yahoo.com Website: www.foodtechkolkata.com
World Tea & Coffee Expo	21-23	Annual	Bombay Exhibition Centre	Tel: +91 22 2862 5131 Email: info@sentinelexhibitionsasia.com Website: www.worldteacoffeeexpo.com
World of Wines & Spirits Delhi	22-24	New event	NSIC Exhibition Complex, Delhi	Tel: +91 11 4062 0000 Email: info@m-india.com Website: www.m-india.com/events/world-of-wines-spirits-delhi
World of Wines & Spirits Mumbai	29-1/12	New event	Jio Garden, Mumbai	Tel: +91 11 4062 0000 Email: info@m-india.com Website: www.m-india.com/events/world-of-wines-spirits-mumbai
DECEMBER				
India food show	6-8	Annual	Dana Mandi, Ludhiana	Tel: 9654854732 Email: indiafoodshow@gmail.com Website: indiafoodshow.com
Aahar Ways Expo Hyderabad	18-20	Annual	Hitex Exhibition Center, Hyderabad	Tel: +91 98 9782 1407 Email: expo@aaharways.com Website: www.expo.aaharways.com

9 Database of professionals' contacts

9.1 List of relevant buyers, importers and distributors

Company name	Type	Area of interest	Contacts	Website
A B M Marketing Cell	Import	Breakfast cereals, Pasta etc.	Tel: +91 22 2374 5707	<i>Not available</i>
A. G. International	Import	Milk products	Tel: +91 92 1671 1077 Email: info@agfoodsindia.com	agfoodsindia.com
Adinath Overseas	Import/ Distribution	Vegetables	Tel: +91 92 2531 3031 Email: ahpntax@gmail.com	<i>Not available</i>
Agronic Food	Import/ Distribution	Processed fruit	Tel: +91 29 1272 1631 Email: info@agronicfood.com	www.agronicfood.com
Angel Starch & Food Pvt. Ltd.	Import/ Distribution	Dairy, Processed F&V	Tel: +91 70 4268 7572	angelstarch.tradeindia.com
Anusaya Fresh India	Import/ Distribution	F&V	Tel: +91 22 4123 8888 Email: dinesh@anusayafresh.com	anusayafresh.com
Asra Enterprises	Import/ Distribution	F&V	Tel: +91 40 2332 4738 Email: info@asraenterprises.com	www.asraenterprises.com
B. K. Enterprises	Import/ Distribution	F&V	Tel: +91 80 6821 5257	www.blackkey.in
Bajoria Foods	Import/ Distribution/ Wholesale	Processed food	Tel: +91 22 2636 7 100/200/ 300 Email: info@bajoriafoods.com	www.bajoriafoods.com
Bapa Sitaram Export	Import/ Distribution	F&V	Tel: +91 80 6188 1749	www.bapasitaramexport.com
Bhandari Global Ventures	Import/ Distribution	Spirits	Tel: +91 12 4414 3087 Email: sukesh@romboutsindia.com	<i>Not available</i>
Bilbo Marketing	Import/ Distribution	Processed vegetables	Tel: +91 97 2828 7660	www.goldenwing.in
Bon Appetit	Import/ Distribution/ E-commerce	F&B	Tel: +91 41 3233 8165 Email: sales@bonappetit.co.in	bonappetit.co.in
Boom Agro&Food	Import/ Distribution	F&V, Honey	Tel: +91 11 4056 061 2/6 Email: info@boombuying.com	www.boombuying.com
Brindco Sales	Import/ Distribution	Alcoholic beverages	Tel: +91 22 2857 81 33/34 Email: nixon.dmello@brindco.com	www.brindco.com
Cerena Imports	Import/ Distribution	Beer	Tel: +91 11 4653 6793 Email: ankur@cerana.in	www.craftbeer.in
Chenab Impex	Import/ Distribution	Premium food	Tel: +91 22 2847 8 880 Email: sales@chenabimpex.com	www.chenabimpex.com

Chincholi Wines	Retail	Alcoholic beverages	Telephone: +91 22 28712629/ 28770376/ 28767163/ 32682870 Email: chirag@chincholiwines.com	www.chincholiwines.com
Choudhari Enterprises	Import/ Distribution	Chocolate & Confectionary, Baked goods	Tel: +91 80 6821 0351	www.choudharienterprises.com
CMIPL	Import/ Distribution	Olive oil	Tel: +91 22 2850 1800 Email: sales@cmipl.net	www.cmipl.net
Continental Sales Emporium	Import/ Distribution	Alcoholic beverages	Tel : +91 11 2649 2318 / 19 / 20 Email : rajsethia@cseptd.com; gurdeepbagga@cseptd.com	www.cseptd.com/contact.asp
Deepa Farms	Import/ Distribution	F&V	Tel: +91 80 6188 0149	www.deepafarms.com
Dhall Group	Import	Alcoholic beverages	Tel: +91 11 4659 38 30/31/32 Email: arjunhall@dhallgroup.net	dhallgroup.net
Dugar Overseas	Import/ Distribution	F&B	Tel: +91 11 6568 3287 Email: care@dugaroverseas.com	www.dugaroverseas.com
Embassy Stores	Import/ Distribution	F&B	Tel: +91 11 2684 2120	<i>Not available</i>
Empire Foods	Import/ Distribution	Meat	Tel: +91 22 66555435 Email: sales@empirefoods.co.in	empirefoods.co.in
Empire Spirits	Import/ Distribution	Alcoholic beverages	Tel : +91 11 26147777 Email : hw@empirespirits.in	www.empirespirits.in
European Foods India	Import/ Distribution	European food	Email: garg_ca@hotmail.com	<i>Not available</i>
Fine Food	Import/ Distribution	Premium food	Tel: +91 98200 00084 Email: jas@finefood.in	www.finefood.in
Fine Wines N More	Import/ Distribution	Alcoholic beverages	Tel: +91 22 4033 0000 Emails: info@finewinesnmore.com craig@finewinesnmore.com	www.finewinesnmore.com
Flanders Dairy Products	Import/ Distribution	EU Cheese	Tel: +91 11 2465 3789	www.flanders-dairy.com
Flemingo International	Retail	Alcoholic beverages	Tel: +91 22 6626 9999 Email: atulahuja@flemingo-intl.com	flemingo-intl.com
Fortune Gourmet Specialities	Import	Premium food	Tel: +91 22 4366 4444	www.fortunegourmet.com
Fresh'n Frozen	Import/ Distribution/ E-commerce	Meat	Tel: +91 92 1231 6368	freshnfrozen.com
Future Group	Retail	F&B	Tel: +91 22 3084 1300 Email: Avinash.Tripathi@futuregroup.in	futureretail.co.in
Gardina International	Import/ Distribution	Fruit	Tel: +91 12 0277 0463	<i>Not available</i>

Godrej Nature's Basket	Retail	F&B	Tel: +91 22 2519 77 84/88 Email: manit.jana@godrejnb.com	www.godrejagrovet.com
Gustoimports	Import / Distribution	Alcoholic beverages	Tel : +91 98318 48786 Email : info@gustoimports.com	www.gustoimports.com
Hema Connoisseur Collections	Import/ HoReCa	Alcoholic beverages	Tel: +91 11 4103 2500 Email: info@hema.in	www.hema.in
High Lane Exports	Import/ Distribution	F&V	Tel: +91 80 6821 1808	www.highlaneexports.in
High Spirits	Import/ Distribution	Alcoholic beverages	Tel: +91 98 1060 3333 Email: sanjeev@high-spritexim.com	<i>Not available</i>
Home And Foreign Trade	Import/ Distribution	F&V	Tel: +91 20 25876149	<i>Not available</i>
Hypercity Retail	Retail	F&B	Tel: +91 22 4069 5555 Email: ashutosh.chakradeo@hypercityindia.com	www.hypercityindia.com
Impresario Entertainment & Hospitality	HoReCa	F&B	Tel: +91 11 2656 7001 Email: contact@impresario.in	impresario.in
Indo Spirits Distribution	Import/ Distribution	Alcoholic beverages	Tel: +91 95 9900 5000 Email: sm@indospirit.com	www.indospirit.com
Inducia	Import/ Distribution	Confectionary, F&V, Meat etc.	Tel: +91 99 5819 9908 Email: salesforce@inducia.com	inducia.wordpress.com
ITG EXIM	Import/ Distribution	F&B	Tel: +91 12 4427 2099	www.vnvbeverages.com
Jaiswal Enterprise	Import/ Distribution	Chocolate & Confectionary	Tel: +91 80 6188 1702	www.jaiswalenterprise.com
Jeevanksh	Import/ Distribution	Processed F&V	Tel: +91 36 1266 0085 Email: sampark@jeevanksh.com	jeevanksh.com
K.L.G. Imports & Exports	Import/ Distribution	F&V, Honey	Tel: +91 11 2721 9610	<i>Not available</i>
Kbv Imports and Exports	Import	Vegetables	Tel: +9197 9091 5640 Email: neelamegamv@yahoo.co.in	<i>Not available</i>
Kiwi Importer & Exporter	Import	Kiwi	Tel: +91 12 4257 1019 Email: kiwiexports9999@gmail.com	<i>Not available</i>
Kyndal Group	Import/ Distribution	Alcoholic beverages	Tel : +91 124 2570731/32 contactus@kyndalgroup.com	www.kyndalgroup.com
Lade Trading Company	Import/ Distribution	Vegetables	Tel: +91 80 6821 2591	www.ladetradingcompany.com
Larvin International	Import/ Distribution	F&V	Tel: +91 80 6185 9021	www.larvininternational.in
LCOMPS	Import/ Distribution	Premium F&B	Tel: +91 11 2636 4632 Email: info@lcomps.com	www.lcomps.com

Liberty Exim & Trade India	Import/ Distribution	F&V	Tel: +91 22 3220 6634	www.libertyexim.com
Lineage Agro Industries	Import/ Distribution	Chocolate & Confectionary	Tel: +91 80 6821 1697	lineageagroindustries.tradeindia.com
Living Liquidz	Retail	Spirits	Tel: +91 22 6150 0 700/701 Emails: info@livingliquidz.com moksh@livingliquidz.com	www.livingliquidz.com
M.R.K. Foods	Import/ Distribution	Processed F&V	Tel: +91 22 6647 9999 Email: customer.care@mrkfoods.in	www.mrkfoods.in
Madhuprabha International Trading	Import	F&B	Tel: +91 20 4121 0491 Email: satish@mit-pl.com	mit-pl.com
Magpie Global	Import/ Distribution	Alcoholic beverages	Tel: +91 22 6615 11 31/34 Email: magpie1@ttml.co.in	www.magpieglobal.com
Mansha Agencies	Distribution	Alcoholic beverages	Tel: +91 22 4030 3001/3030 Emails: yohan@mansha.net.in yohan1875@gmail.com	<i>Not available</i>
Mapleleaf Distribution	Distribution	F&B	Tel: +91 22 4013 8666	www.mapleleaf.in
Max Foods	Import/ Distribution	F&B	Tel: +91 98111 58889 +91 9899999786 Emails: amit@maxfoods.in vlo@maxfoods.in	www.maxfoods.in
Mirajkar	Import/ Distribution	F&B	Tel: +91 22 2300 3177 Email: info@mirajakars.com	www.mirajkars.com
Mohan Brothers	Import/ Distribution	Alcoholic beverages	Tel: +91 22 26423037 Emails: mumbai@mbpl.net rohit@mbpl.net	www.mbplindia.net
New Life Group	Import/ Distribution	Chocolate & Confectionary, Baked goods	Tel: +91 80 6821 1293	www.newlifegroup.in
Nishan International	Import/ Distribution	Confectionary, Cakes, Wine	Tel: +91 98 4033 8741 Email: victor@nishaninternational.com	www.nishaninternational.com
O.A. Associates	Import/ Distribution	Processed F&V	Tel: +91 11 2749 4466	<i>Not available</i>
Olives & Beyond	Import/ Distribution	Olive oil	Tel: +91 99 1169 0240 Email: olivebeyond@in.com	olivesandbeyond.wordpress.com
Optimum Marketing Metrix	Import	F&B	Tel: +91 11 4704 3288 Email: info@ommindia.biz	www.ommindia.biz
Pearl Foods	Import/ Distribution	Chocolate & Confectionary	Tel: +91 22 2513 9318	pearlfoods.in
Prestige Wines & Spirits	Import/ Distribution	Alcoholic beverages	Tel: +91 22 4215 1376 Email: sanal@prestigewinesandspirits.com	www.prestigewinesandspirits.com

Qadri Mushrooms	Import/ Distribution	F&V	Tel: +91 0750 735 8376	www.qadrimushrooms.com
Qureshi International	Import/ Distribution	Meat	Tel: +91 97 0333 6786 Emails: shahid.telangana@gmail.com qureshiinternational@gmail.com	www.qureshiinternational.com
R. K. Fortune Developers Pvt. Ltd.	Import/ Distribution	Fruit	Tel: +91 80 6188 2324	www.rkfortunedplt.com
R. R. Oomerbhoy	Import/ Distribution	Olive oil	Tel: +91 22 6627 7000 Email: business@rropl.com	rropl.com
R.P Gourmet Food	Import/ Distribution	Premium food	Tel: +91 80 4898 7627 Email: sales@rpgourmet.co.in	www.rpgourmet.co.in
Rahul Enterprises	Import/ Distribution	Vegetables	Tel: +91 80 6821 2798	www.rahulenterprises.online
Rajput Onion	Import/ Distribution	Vegetables	Tel: +91 80 6821 6367	www.rajputonion.com
Rathi Impex	Import	Pasta, Olive oil, Processed F&V	Tel: +91 92 4738 0746 Email: rathiimpex@yahoo.com hyderabad@rathiimpex.com mumbai@rathiimpex.com	rathiimpex.com
Saksham	Import	Premium food	Tel: +91 11 4163 0336 Email: info@sakshamimpex.com	www.sakshamimpex.com
Shri Ram Enterprise	Import/ Distribution	F&V	Tel: +91 98 2161 5986	shriramertradeindia.com
Shrih Trading	Import/ Distribution	F&B	Tel: +91 97 6805 1170 Email: sonali@shrihtrading.com	www.shrihtrading.com
Shukal International	Import/ Distribution	F&B	Tel: +91 22 6697 1597	<i>Not available</i>
Signporia Bros	Import	Pasta, Dairy, Meat etc.	Tel: +91 22 2344 5819 Email: signporia@vsnl.com	www.signporiabros.com
Sphinx Trading Company	Distribution	F&B	Tel: +91 95 6191 1769	sphinxtradingcompany.com
Sri Roda Foods	Import	Pasta, Processed vegetables etc.	Tel: +91 98 1008 9838 Email: rishabhasrani@hotmail.com	srirodafoods.com
Sserenee International	Import	Pasta	Tel: +91 85 2700 6723 Email: care@sserenee.com	www.sserenee.com
Sukhdarshan Pharmacy Pvt. Ltd.	Import/ Distribution	Healthy Food	Tel: +917042579721	www.sukhdarshan.com
Suresh Kumar & Co. (Impex)	Import	Pasta, Olive oil, Processed F&V	Tel: +91 11 2700 4000 Email: info@skco.in	www.skco.in
Suri Agrofresh	Import/ Distribution	F&V	Tel: +91 95 5572 0000 Email: info@suriagrofresh.com	www.suriagrofresh.com
Tajir	Import	Olive oil, Pasta, Processed F&V	Tel: +91 22 2301 0446 Email: info@tajir.com	www.tajir.com
Temptation Foods Limited	Import	Frozen food	Tel: +91 22 6740 4000	www.temptationfoods.com

			Email: investor.relations@temptationfoods.com	
Tree of Life	Import/ Distribution/ Wholesale	Premium & Specialty Food	Tel: +91 22 2883 14 25/26 Email: info@tolindia.com	www.tolindia.com
Ugam International	Import/ Distribution	F&V, Oils	Tel: +91 72 5949 2663	ugam.tradeindia.com
Vacco	Import/ Distribution	F&V	Tel: +91 22 2788 10 83/84 Email: info@vacco.in	www.vacco.in
Vijay Trader	Import/ Distribution	Processed fruit	Tel: +91 80 6188 2001	www.vijaytrader.co.in
Wesderby India	Import/ Distribution	Olive oil	Tel: +91 99 1402 3083 Email: contact@wesderbyindia.com	www.wesderbyindia.com
Yas Enterprises	Import/ Distribution	Chocolate & Confectionary	Tel: +91 80 6188 0681	yasenterprise.tradeindia.com
Zara Enterprises	Import/ Distribution	Chocolate & Confectionary, Baked goods	Tel: +91 80 6188 2686	www.zaranewenterprises.com
Zion Int'l Food Ingredients	Import/ Distribution	Baked goods	Tel: +91 70 4230 8609	www.zioninternationalfood.com

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