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Pillar For Economic Growth

- Organised manufacturing is the biggest private sector employer in India. Overall, more than 30 million people are employed by the sector (organised and unorganised) and will become the engine of growth as it tries to incorporate the huge available workforce in India most of which is semi-skilled.
- The sector will push growth in the rural areas where more than 5 million manufacturing establishments are already running. This will be the alternative available to the new generation of farmers.
- Government aims to achieve 25 per cent GDP share and 100 million new jobs in the sector by 2022.

Potential To Become A Global Hub

- India’s manufacturing industry is already moving in the direction of industry 4.0 where everything will be connected and every data point will be analysed. Indian companies are at the forefront of R&D and have already become global leaders in areas such as pharmaceuticals and textiles. Areas such as automation and robotics also receiving the required attention from the industry.
- Large international industrial production such as Cummins and Abbott already have manufacturing bases in the country.
- Improvement in port infrastructure has also been a focus point of the government for the same reason.

Competitiveness

- India has all the necessary ingredients for its major industrial push – a huge semi-skilled labour force, multiple government initiatives like Make in India and high investments and a big domestic market.
- Necessary support infrastructure is being developed with areas such as power being the prime focus.
- Government incentives like free land to set up base and 24*7 power supply are making India competitive on a global scale.

Source: Central Statistics Office, FICCI, PwC, Economic Survey of India
ADVANTAGE INDIA
ADVANTAGE INDIA

- Huge domestic market with a rapidly increasing middle class and overall population.
- By 2030, Indian middle class is expected to have the second largest share in global consumption at 17 per cent.

- Investments in the Indian manufacturing sector have been on the rise, both domestic and foreign. FDI in the sector reached US$ 73.70 billion between April 2000–December 2017.
- Most sectors are open to 100 per cent FDI under automatic route.

- Increasing share of young working population in the total population. India can achieve its full manufacturing potential as it looks to benefit from its demographic dividend and a large workforce over the next 2-3 decades.
- A resource-rich country with 4th largest reserves of coal in the world and immense potential for renewable energy like solar and hydro, ready to meet the needs of growing industry.

- National Investment and Manufacturing Zones developed to create an ecosystem for industries in India.
- Initiatives like ‘Make in India’ and sector specific incentives to various manufacturing companies, aiming to make India a global manufacturing hub.
- Skill India, a multi-skill development programme has been started to equip the workforce with the necessary skills required by the sector.

Source: Brookings Institute, DIPP, Economic Times, Make in India,
MARKET OVERVIEW
## EVOLUTION OF THE INDIAN MANUFACTURING SECTOR

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<td>Most of the products were handicrafts and were exported in large numbers before the British era started.</td>
<td>Focus of Indian government on basic and heavy industries with the start of five year plans.</td>
<td>Indian markets were opened to global competition with the LPG reforms and gave way to private sector entrepreneurs as license raj came to an end.</td>
<td>Make in India campaign was launched to attract manufacturers and FDI.</td>
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<tr>
<td>The first charcoal fired iron making was attempted in Tamil Nadu in 1830.</td>
<td>A comprehensive Industrial Policy resolution announced in 1956. Iron and steel, heavy engineering, lignite projects, and fertilizers formed the basis of industrial planning.</td>
<td>Services became the engines of growth while the industrial production saw volatility in growth rates during this period.</td>
<td>Government is aiming to establish India as global manufacturing hub through various policy measures and incentives to specific manufacturing sectors.</td>
</tr>
<tr>
<td>India’s present day largest conglomerate Tata Group started by Jamsetji Tata in 1868.</td>
<td>Focus shifted to agro-industries as a result of many factors while license raj grew in the country and public sector enterprises grew more inefficient. The industries lost their competitiveness.</td>
<td>MSMEs in the country were given a push through government's policy measures.</td>
<td>70 per cent of manufacturing units under the private sector.</td>
</tr>
<tr>
<td>Slow growth of Indian industry due to regressive policies of the time.</td>
<td></td>
<td></td>
<td>GVA at basic prices from manufacturing grew at a CAGR of 8.95 per cent between FY16 and FY18 at current prices.</td>
</tr>
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<td>Indian industry grew during the two world war periods in an effort to support the British in the wars.</td>
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</table>

**Note:** MSME – Micro, small and Medium Enterprises, FDI – Foreign Direct Investments

**Source:** data.gov.in, Central Statistics Office, Indian Express
As per National Industrial Classification, following 23 activities make up the manufacturing sector in India:

**Manufacturing**

- Food products
- Beverages
- Tobacco products
- Textiles
- Wearing apparel
- Leather and related products
- Wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials
- Furniture
- Paper and paper products
- Printing and reproduction of recorded media
- Coke and refined petroleum products
- Chemicals and chemical products
- Pharmaceuticals, medicinal chemical and botanical products
- Rubber and plastics products
- Other non-metallic mineral products
- Basic metals
- Fabricated metal products, except machinery and equipment
- Computer, electronic and optical products
- Electrical equipment
- Machinery and equipment n.e.c.
- Motor vehicles, trailers and semi-trailers
- Other transport equipment
- Other manufacturing which includes jewellery, bijouterie and related articles, musical instruments, sports goods, games and toys, medical and dental instruments and supplies

Source: udyogaadhaar.gov.in
Indian manufacturing sector’s Gross Value Added at basic prices based at current prices is expected at US$ 388.01 billion in 2017-18E.

- Manufacturing sector is estimated to have grown at a CAGR of 4.34 per cent between FY12 and FY18.
- The Wholesale Price Index, in respect of manufactured goods grew 3.03 per cent in 2017-18.
- Quarterly GVA at basic prices from manufacturing sector grew by 10.92 per cent in the third quarter of FY18.

Note: FY – Indian Financial Year (April -March), E – Estimate, Exchange rate used is average for the Financial Year
Source: MOSPI, News Articles
MANUFACTURING SECTOR – PERFORMANCE IN COMPARISON WITH OTHER SECTORS

- Gross Capital Formation simply means capital accumulation over a time period through additions in physical assets such as equipment, transportation assets and electricity. This serves as an indicator of the investment activity in a sector.
- The sector’s contribution to the Indian Gross Domestic Product was 16.51 per cent in 2016.
- At constant 2011-12 prices, Gross Capital Formation of the sector increased at a CAGR of 13.88 per cent to US$ 125.4 billion in 2016-17 from US$ 95.46 in 2011-12.

Source: Central Statistics Office, World Bank
The Index of Industrial Production (IIP) is prepared by the Central Statistics Office to measure the activity happening in three industrial sectors namely Mining, Manufacturing, and Electricity.

It is the benchmark index and serves as a proxy to gauge the growth of manufacturing in India since manufacturing alone has a weight of 77.63 per cent in the index.

The manufacturing component of the IIP recorded 4.50 per cent growth in FY18.

The production levels are expected to pick up growth again as the Goods and Services Tax (GST) has finally been implemented.

Source: Central Statistics Office
The Index of Eight Core Industries (ICI) is an index reflecting the production performance of eight core industries viz. Coal Production, Crude Oil Production, Natural Gas Production, Petroleum Refinery Processing, Steel Production, Cement Production and Electricity Generation.

The overall index grew 4.2 per cent to 125.6 during 2017-18 as compared to 120.5 in the corresponding period during the previous financial year.

**Note:** MT – Million Tonnes, BCM – Billion Cubic Metres, MWH – Mega Watt Hour

**Source:** Office of the Economic Adviser
Nikkei India Manufacturing PMI stood at 51.60 in April 2018 indicating an expansion in the manufacturing sector.
Manufacturing is a key component of India’s merchandise exports. India’s merchandise exports grew 9.78 per cent year-on-year to US$ 302.84 billion in 2017-18. Merchandise exports during April 2018 stood at US$ 25.91 billion.
ROLE IN EMPLOYMENT

- Out of the total, manufacturing sector accounted for a positive change of 89 thousand in employment.
- Positive changes of 71 thousand and 18 thousand were witnessed in the employment of male and female workers, respectively.

Note: *Change is recorded quarter-on-quarter, ^workers include number of persons self-employed, employed either directly by the establishment on regular/ casual basis / contract basis or through a contractor on contract basis

Source: Labour Bureau

Estimated Change in Employment in Manufacturing (in ‘000)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Change (in ‘000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apr-Jun 16</td>
<td>-12</td>
</tr>
<tr>
<td>Jul-Sep 16</td>
<td>24</td>
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<tr>
<td>Oct-Dec 16</td>
<td>83</td>
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<td>Jan-Mar 17</td>
<td>102</td>
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<tr>
<td>Apr-Jun 17</td>
<td>87</td>
</tr>
<tr>
<td>Jul-Sep 17</td>
<td>89</td>
</tr>
</tbody>
</table>
100 per cent FDI is approved in the sector through the automatic route under the current FDI Policy.

In August 2017, Department of Industrial Policy and Promotion released the consolidated FDI Policy and a new industrial policy is expected by October 2017. This will improve technology transfer in the sector as well as investment opportunities in startups.

For the period between April 2000 - December 2017
- Automobile sub-sector received FDI inflows of US$ 18.41 billion
- Drug and pharmaceutical manufacturing has received US$ 15.59 billion
- Chemical manufacturing sector (excluding fertilizers) received inflows totalling to US$ 15.59 billion

Source: Department of Industrial Policy and Promotion
PORTER’S FIVE FORCES FRAMEWORK ANALYSIS

### Threat of Substitutes
- **High** – Threat of substitutes is high as there are a lot of players with similar products within a particular sector of the manufacturing industry.

### Bargaining Power of Suppliers
- **Low** – Bargaining power of suppliers is low as there are many suppliers; and the order quantity is bulk and the amount is quite high, and the companies can switch to other suppliers.

### Competitive Rivalry
- **Medium** – Competitive rivalry is medium as it depends from sector to sector; few sectors have high competition and few have low. However, most of the sectors under the manufacturing industry have few established players that constitute the major share and remaining share is taken up by the small players.

### Threat of New Entrants
- **Low** – Threat of new entrants is low as the cost of setting up a factory or plant is quite high, so it is not easy for new players to enter the industry.

### Bargaining Power of Buyers
- **High** – Bargaining power of buyers is high as there are a lot of players in the industry and there is very low to no switching cost involved.

- **Positive Impact**
- **Neutral Impact**
- **Negative Impact**
RECENT TRENDS AND STRATEGIES
## NOTABLE TRENDS IN INDIA’S MANUFACTURING SECTOR

| Major Investments and Expansion Into New Markets | As per India Manufacturing Barometer 2017*, more than 50 per cent of respondents in the industry are planning major investments and 62 per cent are planning to expand into foreign markets. Along with major investments consolidation is happening in sectors like cement. |
| Additive Manufacturing | Popularly knows as 3D printing, this new manufacturing technology uses digital models to create products by printing layers of materials. This has huge potential in India with the rise of mega projects coming up. Indian IT major Wipro in collaboration with EOS manufactured India’s first additive manufacturing engineered component for ISRO’s GSAT19 communications satellite launch in June 2017. |
| Industrial Internet of Things (IIOT) and Industry 4.0 | With the rise of IoT in consumer tech, manufacturing sector has also started implementing this new network of sensors and actuators for data collection, monitoring, decision making and process optimisation over internet infrastructure. Data is a huge component of this whole setup and Indian companies have a lot of potential in this area with many large companies already betting on big data and analytics. As an example, Indian Railways will be rolling out locomotives with solutions like remote diagnostics and proactive predictive maintenance and these trains will be part of a wider ecosystem connected to industrial internet. |
| Advanced Robotics | While standalone robotic workstations are already common place even in Indian companies, advanced robotics use enhanced senses, dexterity, and intelligence to automate tasks or work alongside humans. |

Note: ISRO – Indian Space Research Organisation, * - by PWC

Source: PWC India Manufacturing Barometer, FICCI, Bloomberg Quint
STRATEGIES ADOPTED

Digital Technologies

- With the advent of the digital age, Indian manufacturing companies have started adopting digital technologies in their production processes which will help in increasing efficiency. It is estimated that 65 per cent of manufacturing companies will have high levels of digitalisation by 2020.
- For its Commercial Vehicles, Ashok Leyland is utilising machine learning algorithms and its newly created telematics unit to improve the performance of the vehicle, driver and so on.

Focus on backward integration

- Backward integration helps manufacturers to increase efficiency and overall cost of products without sacrificing on quality. Various organisations are looking at backward integration as a means to reduce costs.
- As of April 2018, Rallis India, a subsidiary of Tata Chemicals, is planning to undertake backward integration as its inputs have become costlier and the move will help the company to ease pressure on its profit margins.

Focus on forward integration

- Forward integration strategies also help organisations to realise cost benefits.
- As of May 2018, The Chatterjee Group (TCG) is planning to set up a Continuous Polymerisation (CP) unit and a spinning unit, which will act as forward integrated units for its petrochemicals subsidiary MCPI.

Collaboration

- The Government of India has been pushing for greater technology transfers and collaborations along with more FDI and domestic production.
- Tata Advanced Systems is collaborating with the world’s largest defence contractor Lockheed Martin to manufacture the F-16 fighter jets in India while the Adani Group has also entered the sector by forming a joint venture with Israel-based Elbit Systems.

Source: Annual Reports and Company Presentations, Aranca Research
GROWTH DRIVERS AND OPPORTUNITIES
GROWTH DRIVERS FOR MANUFACTURING IN INDIA

- Government Initiatives
- Public Private Partnerships
- Domestic Consumption
- International Investments
- Huge Labour Pool
MAKE IN INDIA INITIATIVE

- Make in India initiative was launched in 2014 to encourage Indian as well as multi-national companies to manufacture in India. After the launch of the programme, India became the top destination globally for Foreign Direct Investment (FDI) in 2015.

- It focuses on 25 sectors of the economy and 100 per cent FDI is permitted in all these sectors except space, defence and new media.

- A Make in India week covering various sectors was held in February 2016 which was attended by government and business delegations from over 70 countries. By the end of the event investment commitments of over US$ 240 billion had been received.

- Special cells called ‘Japan Plus’ and ‘Korea Plus’ have been made under the initiative to facilitate investments and fast track proposals from Japan and Korea respectively.

- Five industrial corridors are being developed across the country which will act as supporting infrastructure to the manufacturing sector.

- In May 2017, construction of 10 Pressurised Heavy Water Reactors was approved at an estimated cost of US$ 11 billion which is expected to create 33,400 jobs.

- In June 2017, appliance maker Midea announced its plan to construct a new manufacturing facility in Pune with an investment Rs 800 crore (US$ 124.17 million).

- In August 2017, the government announced a new Consolidated FDI Policy. The policy allows start-ups to raise money from Foreign Venture Capital Investors (FVCI’s) by issuing instruments such as convertible notes.

- Since the launch of ‘Make in India’, India has moved up 12 spots from 142 in 2015 to 130 in 2017 in the World Bank’s Ease of Doing Business rankings.

- The initiative has led to a rise in India’s total FDI inflows to US$ 60.1 billion in 2016-17 from US$ 34.9 billion in 2014-15. FDI investments during April-December 2017 stood at US$ 35.941 billion.

- India has been ranked at 30th position on a global manufacturing index*, ahead of BRICS peers, Brazil, South Africa and Russia.

Note: * By World Economic Forum (WEF)
Source: Bloomberg, Economic Times
Skill India Campaign was launched in 2015 and aims to train over 400 million people in various skills. It involves various schemes such as National Skill Development Mission, Pradhan Mantri Kaushal Vikas Yojana and National Policy for Scheme Development and Entrepreneurship.

Budget 2017-18 aims to extend Pradhan Mantri Kaushal Kendras from 60 to 600 districts of the country and also establish 100 India International Skills Centres. These centres would offer advanced training and courses in foreign languages.

As of June 2017, there were 13,353 ITI’s in India. Out of these around 16.12 per cent were government run while other 83.88 per cent were private.

Till December 2017, approximately 2.76 million candidates had been trained under Pradhan Mantri Kaushal Vikas Yojana (PMKVY).

The government has introduced two new World Bank assisted projects viz. SANKALP scheme and STRIVE scheme for skill development in the country. Both Skill Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) and Skills Strengthening for Industrial Value Enhancement (STRIVE) scheme aim to improve quality of skill development and reforms institutions for skill development in India. World Bank is going to provide a loan worth US$ 250 million and Rs 1,100 crore (US$ 169.91 million) for the implementation of the scheme.

Source: Budget, Economic Times, Media sources, Aranca research
STARTUP INDIA

- Startup India campaign was launched in 2015 to encourage startups in India and provide policy support to startups.

- Under the Startup India action plan a startup is an entity which is headquartered in India, has been opened less than five years ago and has revenue less than US$ 3.88 million.

- There are various benefits offered to registered startups under the scheme:
  - As per the scheme no inspection regarding labour laws would be carried out for three years. Also, only self certification is required for environmental law compliance.
  - Startups can claim an 80 per cent rebate on their patent costs and get protection for Intellectual Property Rights (IPR’s).
  - Income Tax exemption is available for first three years after obtaining certificate from Inter-Ministerial Board. Capital Gains Tax exemption is also available if the funds are invested in a fund of funds recognised by the government.
  - Startups in manufacturing sector are exempted from the criteria of prior turnover/experience without relaxation in quality standards or technical parameters in public procurement.

- Japanese firm Softbank pledged total investments of US$ 10 billion in startups. It has already invested US$ 2 billion in India.

- As of March 2018, Xiaomi is planning to invest around Rs 7,000 crore (US$ 1.09 billion) in around 100 start-ups in India over the next five years.

- Budget 2017-18 reduced the Income tax from 30 per cent to 25 per cent for companies with annual turnover of up to US$ 7.76 million.

- In February 2018, India launched its States Start-up Ranking 2018. The ranking framework will evaluate states on various parameters and is expected to support in creation of a robust start-up ecosystem in the country.

Source: Media sources, Aranca research
NATIONAL MANUFACTURING POLICY

- National Manufacturing Policy was introduced in 2011. It aims to increase the share of Manufacturing sector in India’s GDP to 25 per cent and create 100 million jobs by 2021.
- The policy was introduced to create an enabling policy framework and provide incentives for infrastructure development on Public Private Partnership (PPP) basis.
- Under the policy, National Investment and Manufacturing Zones (NIMZ’s) have been conceived as large industrial townships managed by a Special Purpose Vehicle (SPV). These SPV’s would ensure planning of the zones, pre-clearances for setting up industrial units and undertaking other specific functions.
- Fourteen NIMZ’s have already been granted ‘in principle’ approval while four of them have been given final approval.
- Central and State governments will provide exemptions, subject to fulfillment of conditions by the SPV, from compliance burdens for industries located in these zones.
- Exemption from Capital Gains Tax on sale of plant and machinery will be granted in case of re-investment of the capital gain amount for purchase of plant and machinery within the same or different NIMZ within three years of sale.
- A Technology Acquisition and Development Fund (TADF) has been launched for acquisition of appropriate technologies, creation of a patent pool and development of domestic manufacturing of equipment’s for reducing energy consumption.
- In 2016, eight NMIZ’s were announced to be developed along the Delhi-Mumbai Industrial Corridor. Other than these, as of April 2017, fourteen NIMZ’s have been granted ‘in-principle approval’, while three of them have been granted final approval by the government.
- An amount of US$ 1.4 million has been allocated for Scheme for implementation of National Manufacturing Policy in Budget 2017-18.
- As of March 2018, Government of India is in the process of coming up with a new industrial policy which envisions development of a globally competitive Indian industry. Consultations are being held with various stakeholders such as state governments, industry bodies, etc for formulation of the policy.

Source: Media sources, Aranca research
IMPACT OF GST ON MANUFACTURING SECTOR

- Goods and Services Tax (GST) is expected to provide a major boost to the manufacturing sector. It has subsumed various taxes that were earlier imposed on manufacturers. Some of the ways in which GST will help manufacturers are:
  - Before GST, excise duty had to be paid as a specified percentage of Maximum Retail Price (MRP). However, under GST the excise duty will have to be paid on the ex-factory transaction value leading to lower tax burden.
  - Pre-GST Central taxes could not be offset against State wise taxes and there were cascading layers of taxation. With the introduction of GST, such issues get addressed as set-offs are allowed across the production and value chain.
  - Subsuming of entry taxes for inter state transfers will reduce the cost of goods and services, thereby boosting demand.
  - GST will provide a simple single point registration unlike the old regime in which each production facility had to be registered separately.
  - Under the new tax law, manufacturers can claim input tax credit on input goods which will have positive impacts on cash flows.
  - Another benefit would be the provision of a single Goods and Services Tax Identification Number (GSTIN) instead of the multiple registrations required for service tax, VAT, CST.
  - Manufacturers will also be able to optimise their supply chain for business efficiency. Warehousing and location decisions will be taken on the basis of economic efficiency such as costs and locational advantages instead of tax efficiency.
  - Assessment of income of manufacturer by many separate authorities for VAT, Service Tax, Central Excise, etc. has been replaced by only three authorities – Central, State and Interstate.
### OPPORTUNITIES IN MANUFACTURING

#### Government Initiatives
- For creating an eco-system to make India a global hub for electronics manufacturing a provision of US$115.62 million in 2017-18 in incentive schemes like M-SIPS and EDF.
- 100% FDI is allowed under the Electronic System Design and Manufacturing Sector (ESDM).

#### Defence Manufacturing
- In Budget 2018-19, US$ 45.57 billion was allocated to Defence.
- 31 per cent of India’s Defence Budget is spent on capital acquisitions.
- It is estimated that India will spend over US$ 250 billion on defence in the next decade.
- A target of US$ 2 billion of defence exports has been set for the two years starting 2016-17.
- The FDI limit in the defence sector has been raised to 100 per cent

#### Electronics goods manufacturing
- As of November 2017, Ministry of Electronics and Information Technology is going to come up with a new electronics manufacturing policy and is in process of setting up industry-specific groups.
- The electronic goods industry is one of the fastest growing industries. Demand for electronic goods is increasing at a CAGR of 22 per cent and is expected to reach US$ 400 billion by 2020.
- Production of India’s electronics sector is estimated to have increased to Rs 3,87,525 crore (US$ 60.13 billion) in 2017-18 from Rs 3,17,331 crore (US$ 47.30 billion) in the preceding fiscal.
- The government has launched various schemes to boost Electronics System Design and Manufacturing (ESDM) sector in India. Modified Special Incentive Package Scheme (M-SIPS) is one scheme which aims to achieve ‘Net Zero Imports’ in the industry by 2020. Electronic Development Fund (EDF) is a fund of funds which will invest in ‘daughter funds’ which invest in companies in the field of electronics and IT.
- In September 2017, the government issued a notification for 10 electronic products under Public Procurement Order 2017. Under the order, for procurement of goods for which there is sufficient local capacity and local competition, and where the estimated value of procurement is US$ 77,772 or less, only local suppliers shall be eligible.

*Source: Media sources, Aranca research*
CASE STUDIES
Nilkamal Limited is a leader in the Indian market for manufacturing and marketing of molded plastic furniture.

Nilkamal is a One Stop Shop for Material Handling Solutions and offers a comprehensive product mix from crates, pallets, bins, material handling equipment ranging from pallet trucks to stackers, shelving, racking and forklifts plus all equipment required for every type of industry which is growing at a rapid pace in India.

Nilkamal's core businesses include material handling solutions, molded furniture, Nilkamal Matrezzz, Nilkamal Home Ideas and @Home.

The company has grown at a Compound Annual Growth Rate (CAGR) of 7.46 per cent over FY11-18.

Note: *Constant exchange rate of US$ 1 = Rs 64.45 used
Source: Company website, Moneycontrol
**EVOLUTION OF NILKAMAL**

- Shri Virajlal Parekh manufactures metal buttons in a one machine factory shed
- Buys windsor machines to start plastics processing, called company National Plastics
- Full fledged into household items
- Plant started in Sinnar, Maharashtra
- Becomes official crates supplier to Coca-Cola and Pepsi
- Opens new plants at Noida (North India), Pondicherry (South India) and Kharadapada, Silvassa (West India)
- Launches Nilkamal Padma Plastics Pvt Ltd
- Inaugurates @home
- Enters into joint venture with BITO Logertechnik Bittman Gmbh, Germany

**1934-1964**
- Factory started at Powai (Mumbai)
- Nilkamal Plastics is an independent venture
- Crate manufacture started
- Manufacture on moulded furniture started

**1970-1990**
- Launches plant in Vasona, Silvassa (West India)
- Opens Nilkamal Eswasan Plastics Pvt Ltd
- Starts plant in Barjora, West Bengal (East India)
- Achieves ISO 9001:2000 certification by TUV- Germany

**1991-1997**
- Nilkamal Crates and Bins Private Limited and Stackwell Marketing Services Private Limited merges with Nilkamal
- @home grabs the award 'Best Retail Design and Visual Merchandising' under the Home Improvement category
- @home grabs the award 'Retailer of the year' under the Home Product and Office Improvement category

**1999-2001**
- @home grabs the award 'Best Retail Design and Visual Merchandising' under the Home Improvement category
- @home grabs the award 'Retailer of the year' under the Home Product and Office Improvement category

**2002-2006**
- Launches Nilkamal Padma Plastics Pvt Ltd
- Inaugurates @home
- Enters into joint venture with BITO Logertechnik Bittman Gmbh, Germany

**2014-2015**
- Nilkamal Crates and Bins Private Limited and Stackwell Marketing Services Private Limited merges with Nilkamal
- @home grabs the award 'Best Retail Design and Visual Merchandising' under the Home Improvement category
- @home grabs the award 'Retailer of the year' under the Home Product and Office Improvement category

*Source: Company website, Aranca Research*
Asian Paints is India’s leading and Asia’s fourth largest paint company.

- It operates in 19 countries and has 26 paint manufacturing facilities in the world, servicing customers in over 65 countries.
- Asian Paints was included in the list of India’s Super 50 companies by Forbes India (August 2017 issue) and was the 8th ranked company in the Forbes Most Innovative Company List in 2017.
- Over the years, the company has won many awards such as Outstanding Company of the year (2016) by India Business Leader Awards and Most Impactful companies of the Decade by CNBC Awaaz (2015).
- The company’s total income from operations has grown at a CAGR of 12.22 per cent during FY11-FY18 to reach US$ 2,198.27 million in 2017-18.

Source: Company website, Moneycontrol
EVOLUTION OF ASIAN PAINTS

- Champaklal H. Choksey, Chimansal N. Choksi, Suryakant C. Dani and Arvind R. Vakil get together to manufacture paint in a garage on Foras Road, Bombay. They name their company 'The Asian Oil and Paint Company'.

- The only paint company in the world to be awarded Forbes Best under a Billion companies.
- Reengineered formulations to reduce cost and upgraded key products and manufacturing processes to meet environmental and safety concerns.

1942

- The family owned company makes transition to a professionally managed one and emerges as the leading paint company ahead of any international competition.

1957-67

- Total income of company in 2016-17 reaches US$ 2.69 billion.
- Asian Paints enters into adhesives with its super adhesive, TruGrip Ultra.

2004-06

- Commencement of commercial production in new paint manufacturing facility in Rohtak, Haryana
- Integrated overseas technical groups with added focus on leveraging organisation capabilities

2010

- Source: Company website, Aranca Research

2017
KEY INDUSTRY ORGANISATIONS
<table>
<thead>
<tr>
<th>Industry Organisation</th>
<th>Address</th>
<th>Phone</th>
<th>Fax</th>
<th>E-Mail</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Textile Association (India) (TAI)</td>
<td>Address: 72-A, Santosh, Dr M B Raut Road, Shivaji Park, Dadar (W), Mumbai- 400 028</td>
<td>Tel: 011-26510860, 41550860</td>
<td>Fax: 91 22 24461145</td>
<td>E-mail: <a href="mailto:aifpa@vsnl.net">aifpa@vsnl.net</a></td>
<td>Website: <a href="http://www.aifpa.net">www.aifpa.net</a></td>
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<td>All India Food Processors’ Association (AIFPA)</td>
<td>Address: 206, Aubindo Place Market, Hauz Khas - 110016, New Delhi</td>
<td>Tel: 011-26510860, 41550860</td>
<td>Fax: 91 22 24461145</td>
<td>E-mail: <a href="mailto:aifpa@vsnl.net">aifpa@vsnl.net</a></td>
<td>Website: <a href="http://www.aifpa.net">www.aifpa.net</a></td>
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<tr>
<td>Cement Manufacturers’ Association (CMA)</td>
<td>Address: CMA Tower A-2E, Sector 24, Noida - 201301, Uttar Pradesh</td>
<td>Tel: 0120-2411955, 2411957, 2411958</td>
<td>Fax: 91 22 24461145</td>
<td>E-mail: <a href="mailto:cmand@cmaindia.org">cmand@cmaindia.org</a></td>
<td>Website: <a href="http://www.cmaindia.org">www.cmaindia.org</a></td>
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<tr>
<td>Automotive Component Manufacturers Association of India (ACMA)</td>
<td>Address: The Capital Court 6th Floor, Olof Palme Marg, Munirka - 110067, New Delhi</td>
<td>Tel: +91-11-26160315</td>
<td>Fax: 91 22 24461145</td>
<td>E-mail: <a href="mailto:acma@acma.in">acma@acma.in</a></td>
<td>Website: <a href="http://www.acma.in">www.acma.in</a></td>
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</table>
USEFUL INFORMATION
GLOSSARY

- BTRA: Bombay Textile Research Association
- CAGR: Compound Annual Growth Rate
- FDI: Foreign Direct Investment
- FY: Indian Financial Year (April to March)
- GOI: Government of India
- INR: Indian Rupee
- US$: US Dollar
- ACMA: Automotive Component Manufacturers Association of India
- Wherever applicable, numbers have been rounded off to the nearest whole number
### Exchange Rates (Fiscal Year)

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<tr>
<th>Year</th>
<th>INR Equivalent of one US$</th>
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<tr>
<td>2004–05</td>
<td>44.95</td>
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<td>2005–06</td>
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<td>2016–17</td>
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<td>2017–18</td>
<td>64.45</td>
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</table>

### Exchange Rates (Calendar Year)

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<th>Year</th>
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<tr>
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<td>2017</td>
<td>65.12</td>
</tr>
</tbody>
</table>

*Source: Reserve bank of India, Average for the year*
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