

Production of Beer In India

<u>Brewery</u>	<u>Production (million litres)</u>
The UB Group	150
Shaw Wallace & Co. Ltd.	75
Mohan Meakin Ltd.	75
Associated Breweries	40
Mysore Breweries	40
Others	20
<u>Source:</u> CMIE	

As in Canada, beer is subject to strict regulation and high taxes. There are restrictions on the movement of liquor between states and such movements may carry taxes. However, this sector is offering more and more potential as regulations are relaxed and as urbanization progresses. While general import of beer and other liquor into India is not permitted, Canadian brewers may investigate joint ventures, both for the domestic market and for export.

CEREAL GRAIN PRODUCTS

India is the second largest producer of rice (79 million tonnes) and the fourth largest producer of wheat (58.5 million tonnes) in the world. Pulses and coarse grains (e.g. maize and millet) account for another 45 million tonnes of production. The grain processing sector is largely unorganized, although there are a few processors in the organized sector. Primary processors are estimated to account for 88% of the value of production in the sector. Secondary and tertiary producers process milled grain and its by-products and there is scope for the modernization of production technologies, the production of value-added products based on pulses and coarse grains, and packaged and branded products. Rice based products manufactured in India include puffed rice, instant rice, noodles and extruded snack products.

Kellogg's Indian factory, located at Taloja, manufactures ready-to-eat cereals from maize, rice, wheat, dried fruits and nuts.

Wheat

India grows 8% of the world's wheat. Eighty percent of the flour milled in India is consumed directly by the household sector for home baking and food preparation. The remaining 20% is used in the manufacture of bread, biscuits and other products, pasta products, breakfast foods and other instant foods. This latter production has been steadily increasing over the years and is expected to reach approximately 3.4 million tonnes by 1997. Ninety percent of this production however, is in the unorganized (cottage) sector. Of the large firms, Britannia Industries manufactures biscuits, bakery and soybean products. Corn Products (India) Ltd., a subsidiary of CPC International Inc., manufactures starch and glucose based food products. Opportunities exist for entrepreneurs to convert wheat and other food grains into starch, gluten, glucose and other derivatives, breakfast cereals, flakes and other ready-to-eat snack foods, in addition to the traditional use of the cereals and food grains.