

Mr. Vivek khanna is from Arunachal Pradesh and holds masters degree in computer science with 10 years of experience in IT industry. He always had a dream of starting his own business venture but was confused about which industry to invest.

He reached NPCS for the Business Plan to identify potential projects in South India, mainly in Andhra Pradesh and was willing to make an investment of Rs.15 crores.

## **SOLUTIONS PROVIDED BY NPCS:**

According to the NPCS research, Andhra Pradesh is endowed with many natural resources like fertile soil, perennial rivers, rich mineral deposits, good human resources, and a climate congenial for agriculture. The state is a leading producer of paddy, potato and coconut; hence activated carbon from saw dust & coconut, rice bran oil, frozen finger chips and modified potato starch has great potential. Four southern states put together account for 92% of the total production of coconut in the country where Andhra Pradesh accounts for 8.93%. Therefore there is availability of raw material for activated carbon. Andhra Pradesh has the second-longest coastline of 972 km (604 mi) among the states of India Government of India has delicensed salt industry by deleting provisions relating to Salt in the Central Excise & Salt Act, 1944 vide Finance Bill of 1996-97. Therefore Iodised Salt is one of the lucrative projects to venture. Andhra Pradesh is recognised as a pharmaceutical hub for manufacturing bulk drugs in the country. Pharmaceutical is a profitable sector to invest.

The research was done by NPCS to identify potential projects in South India, mainly in Andhra Pradesh and the identified projects are chosen for the investment limit of Rs.15 crores. There are lot of opportunities in South India to establish a new industry especially in Andhra Pradesh. Andhra Pradesh is India's fifth largest state (in terms of area) spreading over an area of 2,76,754 sq. kms., dominated by the production of food grains, agriculture is the primary sector of the state's economy.

We at NPCS identified some of the lucrative projects along with the cost estimation of each which can be ventured. The list of projects suggested by NPCS is:

**1. RICE BRAN OIL:** Andhra Pradesh ranks fourth in terms of the nation's rice-growing area (3.98 million ha). In Andhra Pradesh, rice is grown in 22 districts. Out of this 14 districts are falling under high productivity group, that is, yield more than 2500 kg/ha.

Since the applications and demand of rice bran oil is immense therefore the potential of the product is excellent. It is one of the imperative fields to endeavor.

**2. IODISED SALT FROM SEA WATER:** The average annual production of salt in Andhra Pradesh is 40 tonnes per acre. Government of India has delicensed salt industry by deleting provisions relating to Salt in the Central Excise & Salt Act, 1944 vide Finance Bill of 1996-97. In line with Government of India's Policy of liberalization and simplification of Procedures, the Salt Cess Rules, 1964, have been amended vide Notification No. GSR 639(E) dated 04.09.2001. Salt commissioner's organisation plays a facilitating role in overall growth and development of salt industry in the country.

The demand of the product in the market is immense and therefore its market position is splendid. Hence it is an excellent field to venture.

**3. COCONUT PROCESSING UNIT (COMPLEX):** India is the third largest coconut producing country in the world. It contributes 15% of the area and 25% of the production of coconut in the world. Coir and coir products, milling copra and coconut oil are the major commercial products produced in the country. In India as much as 48% of the coconut production is used for edible and religious purposes, 10% as tender coconut, roughly 30% as milling copra for oil extraction, 8% for the manufacture of edible copra and the rest is processed into products like desiccated coconut and coconut cream. The production of coir and coir products constitutes 55% of the world output. India's export trade accounts for 30% of the total export trade in the world.

**4. I V FLUID (FFS TECHNOLOGY):** World market growth is driven by population increases and constant up-scaling and sophistication of health care delivery. As part of this up-scaling, IV infusion therapy is becoming increasingly important in overall health care treatment regimens as new developments in antibiotics and other medications used in areas such as chemotherapy, burn centers, and renal/peritoneal dialysis centers favor intravenous use and application. The economic advantages of producing IV solutions locally emerging and medically in developing nations can result in an extremely short return on initial investment. Demand for IV solutions is so great that should production exceed local demand. Opportunities for national and export sales are unlimited in the foreseeable future.

**5. FROZEN FINGER CHIPS:** Frozen Food in India industry profile provides top-line qualitative and quantitative summary information including: market share, market size (value and volume 2006-10, and forecast to 2015). The profile also contains descriptions of the leading players including key financial metrics and analysis of competitive pressures within the market. The food processing industry has been slated for accelerated growth. It is projected to be a futuristic industry and it is anticipated that, over the years, it will emerge as a leading player in the global markets. As a result, the industry is seen to be witnessing feverish activity. Therefore the scope for this product is very bright. An entrepreneur venturing into this project will find it very lucrative.

**6. MODIFIED POTATO STARCH:** Starch, one of the most present biomaterials has witnessed significant developments over the years. The world market for starch, by consumption is expected to register healthy growth to reach 80 million metric ton by 2015. The Global starch market is likely to get respite from deceleration in its market growth, with growth poised to receive a new lease of life in the next few years, thanks to the growing consumption of liquid starches and modified starches. The modified starch market is projected to be the fastest growing segment over the period 2007-2015. Asia-Pacific represents the fastest growing market over the period 2007-2015. Growing employment opportunities, and subsequent increase in per-capita income over the last few years, particularly in China and India, have been driving the growing demand for starch in the region.