WINE INDUSTRY OF MAHARASHTRA AND PRESENT SCENARIO By

Maharashtra Industrial Development Corporation

TABLE GRAPES AREA & PRODUCTION

- > Grape is one of the most commercially important crop of the world, India and Maharashtra.
- ➤ In India, total area under grape cultivation is 84,400 hect with annual production 18 lakhs mts.
- ➤ In Maharashtra, Nashik, Sangli, Solapur, Pune, Ahmednagar, Latur, Osmanabad and Satara are the main grape producing districts.
- ➤ In Maharashtra, total area under grape cultivation is 65,000 hect with annual production 15 lakhs mts.

UTILISATION OF TABLE GRAPES

- Every year 70,000 to 80,000 mts of fresh grapes are exporting to various countries from Maharashtra state.
- The production of raisin in Maharashtra is approximately 60,000 mts every year.
- (1 kg raisin is made from 3 kg grapes)
- > 30,000 mts grapes are utilised for production of grape juice, jam, jelly etc.
- > Out of 15 Lakhs mts production remaining 12 lakhs mts grapes are utilising as a fresh table grapes.

DIVERSIFICATION TO BIPRODUCTS OF GRAPE

- Due to natural calamities or sudden changes in weather conditions the quality of grapes is affecting.
- Thereby farmers are getting less price for their exportable grapes and also in the local market.
- This situation further aggravated by unscrupulous middleman, who deceive farmers by not paying even the basic cost of cultivation.
- There are 16 biproducts which are made from grapes i.e. raisin, juice, squash, syrup, jam, jelly, chocolates, vinegar, wine, pickles, tartaric acid, oil, cattle feed, tanin etc.

DIVERSIFICATION TO GRAPE WINE

- Looking to the world scenario, therefore, it was decided to setting up of projects for manufacturing other value added products from grapes, such as good quality of WINE, so as to prevent losses, obtain more income and provide additional employment to rural people in Maharashtra.
- Total production of grape wine in the world is 32,000 million liters.
- Total consumption of grape wine in the world is 28,000 million liters.
- France, Italy, Spain, Germany, Australia, America, Chille, South Africa etc. are the major wine producing countries in the world.

MAHARASHTRA GRAPE PROCESSING INDUSTRIAL POLICY 2001

- To give impetus to the Grape Processing and Wine Industry in the Maharashtra State, Govt. of Maharashtra has been declared policy on 19th October, 2001.
- 1. Declared as a preferential area.
- 2. Declared as a small scale industry.
- 3. Units will have status of "Food Processing Industry".
- 4. 100 % exemption from excise duty for 10 years from 2001.
- 5. Relief in sales tax levels (from 20% to 4%).
- 6. Single window clearance facility.
- 7. Licensing procedure for new wine units and wine sales vastly simplified.
- 8. Establishment of "Wine Institute" to train the farmers and "Maharashtra Grape Board" and "Indian Grape Processing Board" to promote the industry and exports.

AEZ:-CONCEPT AND OBJECTIVE

- The Concept of Agri Export Zone (AEZ) has been introduced by the Govt. of India to take comprehensive look at a particular produce located in the contiguous area for the purpose of developing and sourcing the raw material, processing, packaging and preservation leading to export of the produce and value added products. The effort is mainly centered around a cluster approach of identifying a particular crop / food item grown in the area and providing and integrating entire process from production to marketing.
- The Objective of AEZ is to provide remunerative returns to the farming community in a sustained manner and to increase competitiveness.

ENVISAGED BENEFITS OF AEZ

- 1. Strengthening backward and forward linkages.
- 2. Product acceptability and its competitiveness abroad.
- 3. Value addition.
- 4. Bring down cost of production by increasing economy of scale.
- 5. Better price to producer.
- 6. Improving product quality and packaging.
- 7. Promote trade related research and development.
- 8. Increase employment opportunity.
- ➤ In Maharashtra in 16 districts for 8 crops [Grape and Grape Wine, Flower (MIDC), Mango Alphanso and Kesar, Pomogranate, Onion, Banana and Orange (Agricultural Marketing Board)] AEZ has been declared.

MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN APEDA & MIDC

- ▶ Memorandum of Understanding between the Government of India (Agricultural and Processed Food Products Export Development Authority, APEDA) and Government of Maharashtra (Maharashtra Industrial Development Corporation, MIDC) for development of Agri Export Zone (AEZ) for Grapes and Grape Wine made on 7th January, 2002.
- Maharashtra Industrial Development Corporation (MIDC) as a NODAL AGENCY which will be responsible for the project and would co-ordinate efforts of various organisations from central and state government and also be the main link between the central and state agencies and the stakeholders (Farmers, Processors, Service, Providers etc.).

ROLE OF MIDC

- According to the "Maharashtra Grape Processing Industrial Policy 2001" the Grape Wine Parks will be set up in Nashik, Sangli, Pune, Solapur, Satara and Ahmednagar to encourage Wine Industries in the Maharashtra State.
- >MIDC is developing initially Godavari Wine Park at Vinchur, district Nashik and Krishna Wine Park at Palus, district Sangli.
- The role of MIDC is to provide mainly land to entrepreneur at reasonable rate (Rs. 7.5 /- per sqft in Nashik & Rs. 3 /- per sqft in Sangli) and to provide infrastructure facilities like high quality internal roads, water supply, power and telecom facilities, mother unit, bank, post office, g. house etc. in parks.

Locations of Wine Parks



Godavari Wine Park, Vinchur (Nashik)

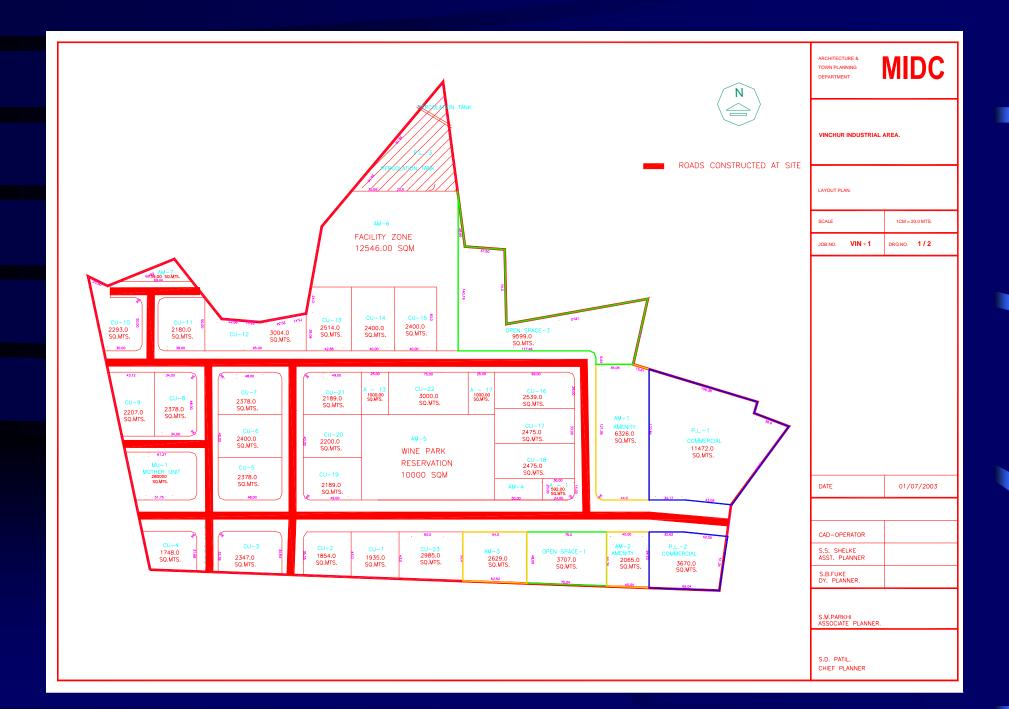
Godavari Wine Park (Vinchur)

- ► Godavari Wine Park is on Nashik-Aurangabad Highway. From Nashik city it is about 53 Km, 54 Km from Shirdi and 239 Km from Mumbai.
- >Total area of Wine Park is 162.02 hect.
- >94 Plots developed and 58 plots allotted
- Each plot having area approx. 2000.00 Sqmt.

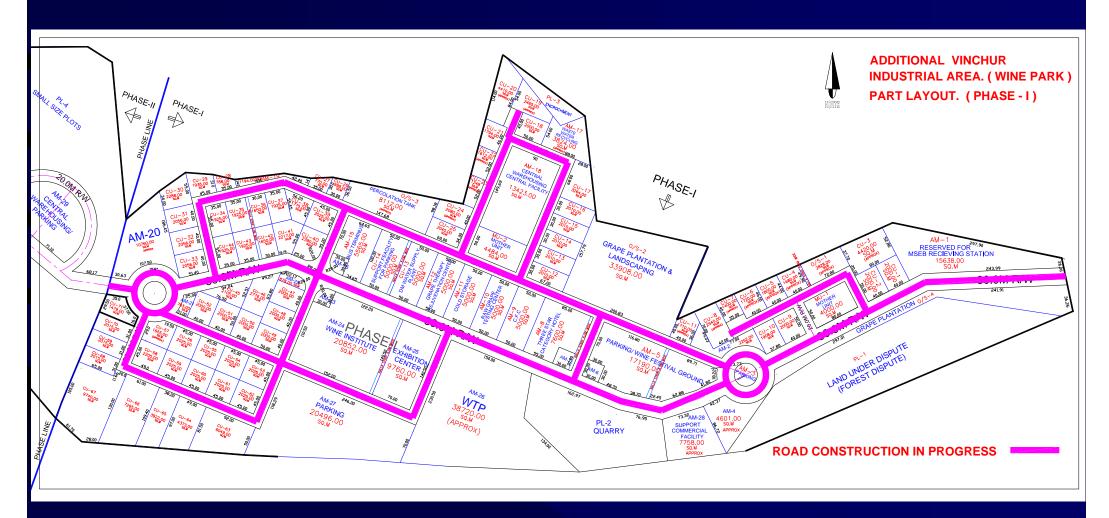
MEANS OF FINANCE FOR CAPITAL INVESTMENT Godavari Wine Park (Vinchur)

Sr. #	Description	Rs. in Crores
1.	Total Cost	9.37
2.	State Govt./ MIDC Contribution	5.37
3.	MOFPI, New Delhi Contribution	4.00

GODAVARI WINE PARK (VINCHUR)



GODAVARI WINE PARK (ADDITIONAL VINCHUR)



Krishna Wine Park, Palus (Sangli)

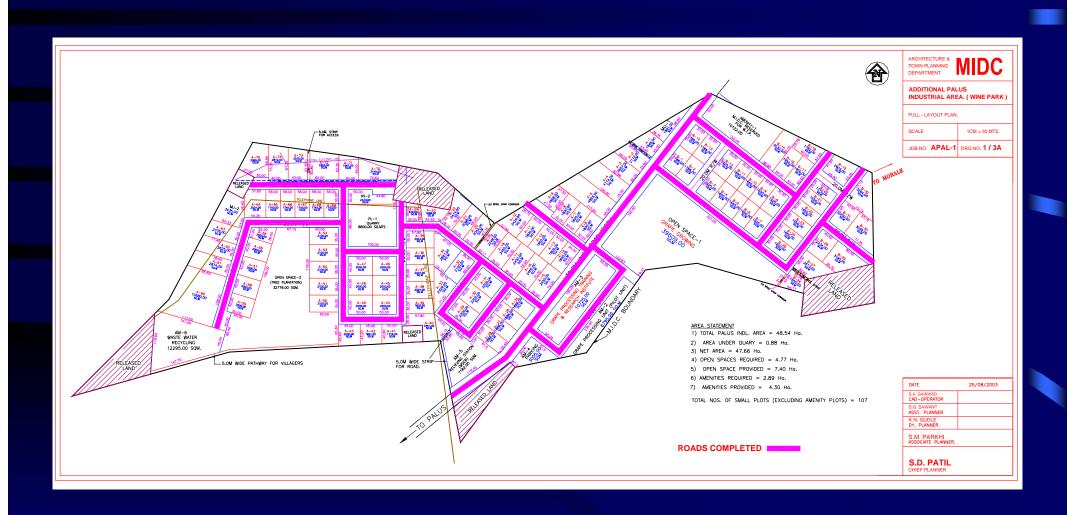
Krishna Wine Park (Palus)

- ➤ Krishna Wine Park is near Pune-Bangalore Highway. From Sangli City it is about 40 Km and 400 Km from Mumbai.
- > Total Area of Wine Park is 48.54 hect.
- > 104 Plots developed and 50 plots allotted.
- > Each plot having area approx. 2000.00 sqmt.

MEANS OF FINANCE FOR CAPITAL INVESTMENT Krishna Wine Park (Palus)

Sr. #	Description	Rs. in Crores
1.	Total Cost	18.60
2.	State Govt./ MIDC Contribution	14.60
3.	MOFPI Contribution	4.00

KRISHNA WINE PARK (ADDITIONAL PALUS)



BASIC INFRASTRUCTURE IN BOTH PARKS

- ➤ Built up space for Bank, Post office, Guest house etc.
- ➤ Effluent Treatment Plant: BOO basis, Collaboration with Association.
- ➤ Promoting Mother Winery Unit (Central Facility) with Active Participation of Park Members.
- ➤ Promoting Grape Processing and Research Institute, Quality Control Laboratory, Packaging House & Cold Storage.

OBJECTIVES OF GRAPE PROCESSING AND RESEARCH INSTITUTE

- ➤ In order to create the awareness of the advantages of grape processing industry, MIDC and Bharati Vidyapeeth Deemed University, Pune have been taken up a joint project to train the farmers in the grape area. Bharati Vidyapeeth have established Grape Processing and Research Institute in Krishna Wine Park, Palus, Sangli. The objectives is:-
- 1. To give training to the farmers to various courses like certificate or diploma or degree in cultivation of wine grape varieties, production of good quality of wines and marketing of wines.

- 2. To set up a nursery of different wine grape varieties for farmers.
- 3. Production of good quality of wines in a pilot plant for demonstration purpose.
- 4. To set up quality control laboratory for wines.
- 5. Impart blending techniques.
- 6. Explore domestic and international markets.
- 7. Set up a 'Mother Unit' for processing of grapes to help the farmers for production of wines (The concept of 'Mother Unit' is to set up common facilities to the grape processor for various equipments which are very costly and required only 2-3 days or 2 week in a season).

WINE INDUSTRY

- ➤ Wine industry is totally depend upon the three important factors;
- 1. Viticulture :- Cultivation of suitable grape wine varieties for winery.
- 2. Enology:- Production of different types of wines.
- 3. Marketing: Marketing of wines.

CULTIVATION OF GRAPE WINE VARIETIES

- Erection of any grape garden: Initial expenditure is Rs. 2.5 to 3.0 Lakhs per acre.
- Cost of grape cultivation :-Rs. 60,000 to 70,000 (local) & Rs. 1 Lakh to 1.5 Lakhs (export) per acre per year for table grapes and Rs. 30,000 to 35,000 per acre per year for wine grapes.
- Wine grape varieties doesn't required thinning, girdling and growth regulators.
- Wine grape varieties are very sturdy and required less water, fertilizers, pesticides & labours.
- Yield of grape wine varieties: Average 5 to 6 tonnes per acre recommended.
- ➤ In Maharashtra total area under wine grape cultivation is 6,775 to 7,000 acres.

TYPES OF WINES & THEIR VARIETIES

- Major Three types of Wines are available in the Market.
- 1. Still Wine: a. White, Red, Rosae wines. b. Dry, Medium dry, Sweet wines. c. Aromatised wines. d. Vintage wines. e. Young & Old wines.
- > Sugar 21 to 22.5 %, Acid 7 to 8 % & pH 3.3 required in wine grapes.
- Varieties are Shenin Blanc, Souvignon Blanc, Uni Blanc, Viognoir, Resling etc. for White Wine.
- ➤ Varieties are Cabernate Souvignon, Shira Shiraz, Marlo, Pinot Noir, Grenesha etc. for Red Wine.

- > Variety Zinfandel for Rosae Wine.
- 2. Sparkling Wine: Champagne.
- > Sugar 18 to 19 %, Acid 8 to 9 % & pH 3.2 required in wine grapes.
- Variety Chardony for Sparkling Wine.
- 3. Fortified Wine: Sweet Wine or Desert Wine.
- Sugar 24 to 26 %, Acid 6 to 7 % & pH 3.4 required in wine grapes.
- > Varieties are Symphony, Tinta Madera, Musket etc.

PRODUCTION OF WINE

- > Wine is nothing but FERMENTED GRAPE JUICE.
- >Quality of Wine is totally depend upon the wine grapes.
- ➤So 80% Wine is made in vineyard only.
- ➤ Quality of Wine is depend upon the Colour, Test, Smell, Aroma, Flavour, Clarity etc. and technically depend upon the Sugar, Acidity and pH.
- Exchanger, Chilling Plant, Pipline, Destemming Unit, Pneumatic Press, Crusher, Filtration Unit, Surface Cooler, Bottling Unit, Corking & Foiling Unit, Laboratory, Packaging House, Cold Storage and Services of Wine Maker, Wine Master and Wine Tester.

ECONOMICS OF WINE UNIT

- **▶1,00,000** liters capacity (per season) of wine unit is become feasible. Feasibility is depend upon marketing.
- To set up a Wine Unit of 50,000 liters capacity on our own farm required Rs. 1 crore to 1.25 crore investment.
- To set up a Wine Unit of 50,000 liters capacity in Grape Wine Park required Rs.45 to 50 lakhs investment.
- For production of 50,000 liters wine required 100 to 105 tonnes wine grapes (if 5 tonnes yield per acre then 20 acre wine grape garden required) or 1.5 kg wine grapes = 750 ml wine.
- ➤ Total cost of production for 1 bottle (750 ml) is Rs.130 to 140 /- (from wine grapes to wine in bottle).

WINERIES IN MAHARASHTRA BEFORE 2001

Sr. No.	Year	Name of the winery gone in production
1.	1975	M/s. Baramati Grape Industries Ltd., Baramati.
2.	1982	M/s. Champagne Indage Ltd., Narayangaon.
3.	1990	M/s. Pimpane Co-op. Ltd., Nashik.
4.	1999	M/s. Samant Soma Wines Ltd., Nashik.

WINERIES IN MAHARASHTRA AFTER 2001

Sr. No.	Year	Number of wineries gone in production in each district
1.	2001	Nashik-2 Total-2
2.	2002	Nashik-3 & Solapur-1 Total – 4
3.	2003	Nashik-2 & Sangli-3 Total-5
4.	2004	Nashik-3, Sangli-3, Pune-3 & Solapur-1 Total – 10

WINERIES IN MAHARASHTRA AFTER 2001

Sr. No.	Year	Number of wineries gone in production in each district
5.	2005	Nashik-7, Sangli-2, Pune-2 & Solapur-1 Total – 12
6.	2006	Nashik-4, Pune-2, Buldhana- 1, Usmanabad-1 Total – 8
7.	2007	Nashik-6, Buldhana-1 Total – 7
8.	2008	Nashik-2, Sangli-2, Pune-2 & Buldhana-1 Total – 7

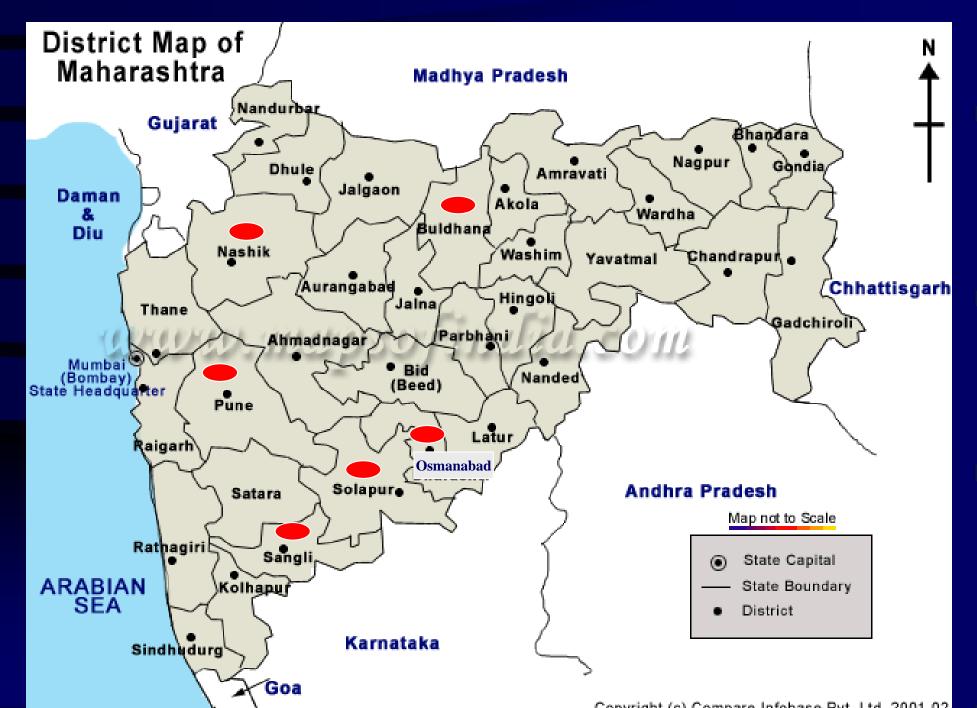
WINERIES IN MAHARASHTRA AFTER 2001

Sr. No.	Year	Number of wineries gone in production in each district
9.	2009	Nashik-4, Sangali-3, Pune-1, Solapur-1, Buldhana-1
		Total-10
10.	2010	Nashik-1, Solapur-1, Osmanabad-2, Latur-1 Total-5

WINE UNITS IN MAHARASHTRA

- ➤In 2010 total 80 wineries are gone in production in India Out of that 73 wineries are gone in production in Maharashtra State Only.
- From 2003 every year approximately 7 to 8 wine units are establishing in Maharashtra.
- ➤ Out of 73 wineries 35 in Nashik, 13 in Sangli, 12 in Pune 5 in Solapur, 4 in Osmanabad, 3 in Buldana & 1 in Latur Among these 73 wineries 5 wineries are in Godayari Win Park, Vinchur, Nashik & 5 wineries are in Krishna Win Park, Palus, Sangli are gone in production.
- ➤ Total production of wine in Maharashtra is 1.32 crorliters and total investment by entrepreneurs is Rs.450.0 Crore (Total production of wine in India-1.45 Crore lits).

Locations of Wineries in Maharashtra



MARKETING OF WINES

- Consumption of wine per person per year in Luxemburg is 63 liters, in France 53 lit, in Italy 48 lit, in USA 25 lit, in Australia 20 lit & in China 4 liters.
- ➤ While in India consumption of wine per person per year is literally a sip of 9 to 10 ml.
- ➤Indian market is growing at about 35 to 40% every year according to survey conducted recently by Rabo India Finance Pvt.Ltd. and is expected to grow at this rate for next 5 to 6 years in keeping the world trends.
- ➤In India consumption of wine is 1.32 Crore liters per year.
- ➤ Nearly 30% wine is import from different countries in India for consumption.

- Nearly 80% sale of premium wine came from the major four cities are Mumbai (39%), Delhi (23%), Bangalore (9%) and Goa (9%) where as rest of India has only 20% consumption.
- ➤In 2008 approximately 7,20,000 liters of wine (Rs. 7.80 Crore) is exported to Italy, France, Germany, UK, USA, New York, Singapur & Brazil from wineries of Maharashtra State (M/s. Chateau Indage Ltd., Narayangaon, Pune, M/s. Samant Soma Wines Ltd., Nashik, M/s. Rajdhir Wines Pvt. Ltd., Nashik, M/s. N.C. Fine Wines, Sangli & M/s. Vinsura Winery Pvt Ltd., Nashik).

PRODUCTION & EXPORT OF WINE FROM MAHARASHTRA

Sr. No.	Year	Total production of wine in Litres	Total export of wine in Litres
1.	2001	15 Lakhs	75,000
2.	2002	19 Lakhs	1.00 Lakhs
3.	2003	24 Lakhs	3.22 Lakhs
4.	2004	30 Lakhs	4.00 Lakhs
5.	2005	54 Lakhs	5.82 Lakhs
6.	2006	94 Lakhs	6.50 Lakhs
7.	2007	1.32 Crore	7.00 Lakhs
8.	2008	2.11 Crore	7.20 Lakhs
9.	2009	1.00 Crore	7.00 Lakhs
10.	2010	1.32 Crore	

➤ Wine is exporting to Italy, France, Germany, UK, USA, New York, Singapur & Brazil.

INITIATIVES TAKEN BY THE STATE

- Govt. of Maharashtra has declared the "Maharashtra Grape Processing Industrial Policy 2001" for entrepreneurs.
- Maharashtra Industrial Development Corporation (MIDC) is giving training to the farmers & entrepreneurs on detail cultivation practices of grape wine varieties, production of different types of wines, importance of wine & business of wine etc. for awareness.
- ➤ MIDC is developing initially Godavari Wine Park at Vinchur, dist. Nashik & Krishna Wine Park at Palus, dist. Sangli.

- ➤ MIDC is providing infrastructure facilities (land, roads. water, power, telecom etc.) to entrepreneurs in parks.
- ➤ MIDC has conducted wine festival with co-ordination of entrepreneurs at Nashik to create awareness & to promote the marketing of Indian wines in India.
- ➤ MIDC is providing information on development of Grape Wine Parks in Maharashtra through different media like newspapers, magazines, TV & other channels, website, training programmes etc. to create awareness & to promote the marketing of wine.

➤ Maharashtra Govt. (MIDC) made joint venture with Emillia Rumagna Region, Italy Govt. to reduce cost of production of Indian Wines.

Maharashtra Industrial Development Corporation has published a first Marathi Book on Wine Industry of Maharashtra i.e. "Mi Draksha Wine Ubharu Shakto ka?", which is written by Dr. Jaideep K. Kale, MIDC, Pune.

PLANS TO REALIZE IT

- Very simple & cheap equipments & machinery should required for wine making on a large scale.
- Efforts should made in standardization of up to date techniques in wine making in each wine unit in Maharashtra.
- ➤M.S.E.B. should avoid load shedding particularly in Grape Wine Parks & also charge for power consumption as per agricultural rate instead of industrial rate for wine industry.
- Like sugar, tobacco & tadi there should not be vat on wine in the state of Maharashtra.
- **➤ There should be duty free import for packing material**

- viz bottles, corks, foils & machinery etc. required for the industry.
- ➤ Wine marketing policy should be uniform in all states of India.
- Dept. of Central Excise should charge heavy duty on foreign wines which is imported by star hotels in India. So that Indian wine can be more competitive in rate.
- Railway Dept. should take a visit of tourist people of "Deccan Odisee" at both Grape Wine Parks to create awareness.
- ➤ Railway Dept. should keep Indian wines in "Palace on Wheels" & "Deccan Odisee" trains for tourist peoples.
- >Setting up more wine clubs & wine bars in all cities.

- Wine should be easily available in reasonable rates in Flexi Bags also in all wine shops, bars, clubs & restaurants.
- There should be separate wine shop for selling of wine only.
- Wine Festival should arrange frequently in every major cities to create awareness.
- Like abroad full media coverage should be given to Indian wines.
- There should be faster distribution of subsidies by Central Govt. & Govt. Maharashtra for winery owners.

FINANCIAL ASSISTANCE SCHEMES

- Ministry of Food Processing Industries (MOFPI), Govt. of India is giving financial assistance for establishment of wine unit i.e. 25% of the cost of capital equipment and technical civil works upto Rs.50 lakhs in general areas.
- > Agricultural & Processed Food Products Export Development Authority (APEDA), Govt. of India is giving financial assistance schemes for setting up of specialized storage facilities such as high humidity cold storage, deep freezers, controlled atmosphere storage and assistance to exporters, producers, public institutions for setting up / strengthening laboratories & assistance to support relevant Research & Development for export efforts through organisation related to exports.

- National Horticulture Board (NHB), Govt. of India is giving financial assistance schemes for setting up of wine unit i.e. 20% on total capital cost of wine unit or maximum Rs. 25 lakhs (whichever is less).
- National Horticulture Mission (NHM), Govt. of Maharashtra is giving financial assistance schemes for setting up of wine unit i.e. 25% on total capital cost of wine unit or maximum Rs. 5 Lakhs (whichever is less).
- (Entrepreneur will get any one subsidy from Central Govt. including APEDA)
- District Industrial Center (DIC), Govt. of Maharashtra is giving financial assistance schemes for setting up of wine unit i.e. 20% to 35% (on the basis of zone) on total capital cost of wine unit.

- National Horticulture Board (NHB), Govt. of India is giving financial assistance schemes for cultivation of grape wine varieties i.e. 20% or Rs. 25 Lakhs on total capital cost of cultivation (whichever is less).
- National Horticulture Mission (NHM), Govt. of India (Maharashtra) is giving financial assistance schemes for cultivation of grape wine varieties i.e. Rs. 22,000 per hectare (Maximum limit = 4 hectare).
- (Entrepreneur will get any one subsidy from Central Govt.)
- National Horticulture Mission (NHM), Govt. of India (Maharashtra) is giving financial assistance schemes to 25 farmers for contract farming i.e. Rs. 62,500 for 25 farmers.

Godavari Wine Park, Vinchur, Nashik













Mother Unit & Cold Storage in the Wine Park



Cold Storage Facility in the Wine Park



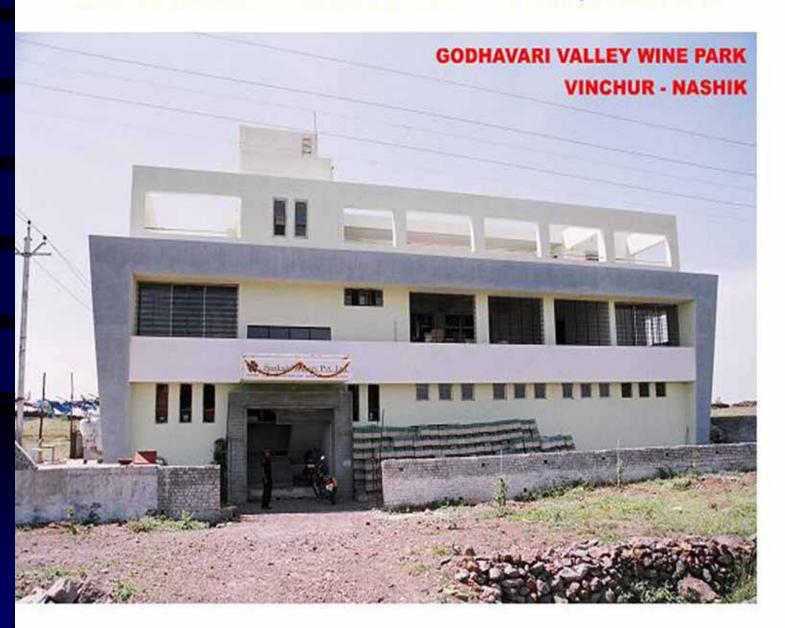
Chilling Plant for Cold Storage



Water Effluent Treatment Plant in the Wine Park



M/s. SANKALP WINERY PVT. LTD., NASHIK



M/s. FLAMINGO WINES PVT. LTD., NASHIK



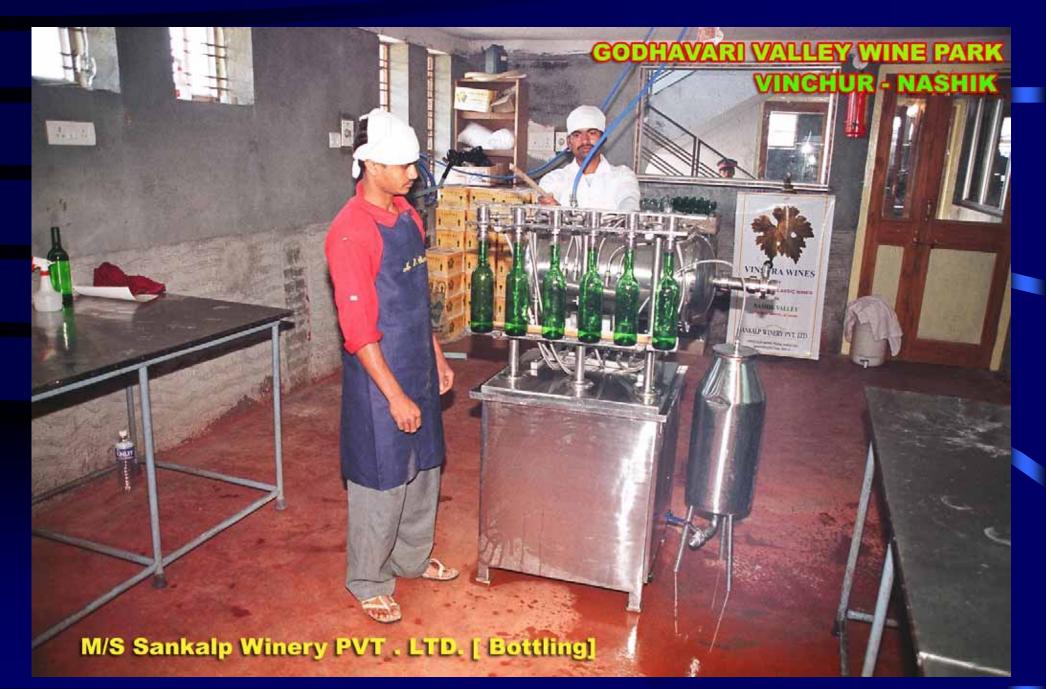
Testing Laboratory in the Wine Park



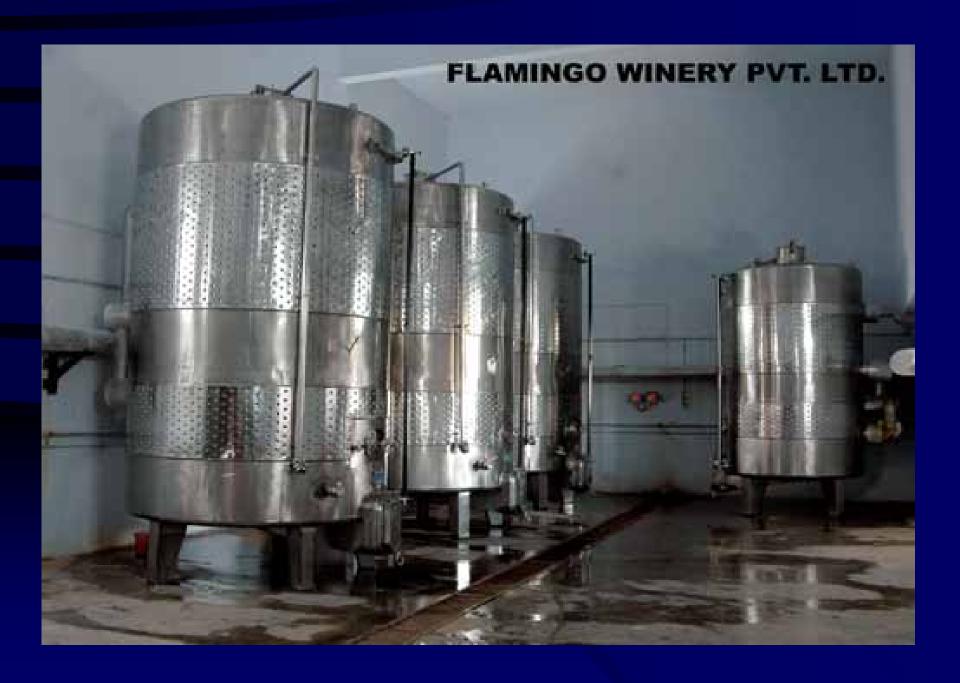
M/s. Sankalp Winery Pvt. Ltd., Nashik



Bottling Unit Facility in Wine Park



M/s. Flamingo Winery Pvt.Ltd., Nashik



Storage & Bottling Unit



Krishna Wine Park, Palus, Sangli







GRAPE PROCESSING AND RESEARCH INSTITUTE



GRAPE PROCESSING AND RESEARCH INSTITUTE



Fermented Tanks in Wine Institute



Different Machineries in Mother Unit



Bottling Unit Facility in Mother Unit



Laboratory Facility in Mother Unit



Class Room in Wine Institute



Cold Storage in Mother Unit



Common Cold Storage Facility



Guest House in Wine Park



THANK YOU!