

IKEA comes looking for investment opportunity in Uttar Pradesh

Lucknow | Oct 23, 2013:

Representatives of Swedish furniture chain IKEA, which proposes to invest around Rs 10,500 crores in India market met today Principal Secretary, Infrastructure & Industrial Development Department (IIDD), Dr Surya Pratap Singh, expressing willingness to set up their first integrated unit for furniture manufacturing and selling in Uttar Pradesh.

The delegation included Jeff Dolin-Property Manager, Patrik Antony-Communication Manager and Suhail Ahmed-Real Estate & Development Manager of IKEA India Pvt Ltd. From State government's side, Secretary-Infrastructure & Industrial Development, Dheeraj Sahu and Special Secretary, Industrial Development Sumant Singh were also present in the meeting.

It was informed that IKEA planned to establish their stores in four States of India and Uttar Pradesh was high on their priority. It was agreed that the IKEA officials would visit Noida and Greater Noida early next month to see for themselves the infrastructure and identify appropriate site.

In this high-level interaction, Patrik Antony-Communication Manager of IKEA India made a presentation through a short film on the business concept and strategy of IKEA. It was informed that at present world over IKEA had 342 stores with 1,54,000 co-workers and turnover of around Euros 27.5 billion. A model IKEA store comprises of showroom, market hall and self-service warehouse along with a restaurant. For which around 12 to 17 acres of land is required with customised specifications and ease of accessibility through public transport.

Appreciating the interest shown in Uttar Pradesh, Principal Secretary, IIDD, Dr Surya Pratap Singh said, *"Investment in industries is welcome provided that such investment must not affect local businesses negatively." "Along with a large consumer base and growing middle-class, U.P. has around 40,000 hectares of land available for industries, hence it cannot be ignored any more by entrepreneurs, Indian or foreign," he added.*

Expressing interest for land in Noida or Greater Noida, Jeff Dolin-Property Manager, IKEA India said, *"By 2020, we plan to double our turnover and that is possible only by tapping into the vast consumer base in India. U.P. is one of the priority States for us and we will be aiding in growth of whole furniture sector by providing low-cost quality products."*

Allaying concerns about adverse impact on local furniture business, Jeff Dolin said that in addition to need for local suppliers, we create a lot of work opportunities for local manufacturers for achieving viability. *"Our expansion in U.P. will depend upon our experience from the first store," he said.*

Earlier, *Udyog Bandhu* made a short but crisp presentation on the availability of comparatively cheaper land equipped with world-class infrastructure in Noida, Greater Noida and Yamuna Expressway Industrial Development Authority. IKEA team was informed about the upcoming connectivity infrastructure and commitment of State government to ensure 24x7 power supply to industries in the State.