

Institutes imparting education for agriculture development in the state

Universities:

Rajmata Vijayaraje Scindia Agriculture University (RVSAU):

- The university is spread over 25 districts of Madhya Pradesh encompassing:
- **Affiliates:** 6 colleges, 9 Agriculture Research Stations and 19 Krishi Vigyan Kendras
- **Programs offered:** Bachelors and Masters degree programs in agriculture, horticulture and veterinary services and animal husbandry
- **Research & Development:** Crop Improvement projects, Natural Resource Management Projects, Plant Protection, Horticulture projects, Salt Affected Soils, etc
- Out of 11 agro climatic zones in Madhya Pradesh, six covers the area of jurisdiction of RVSAU



Colleges and research institution

- Central Institute of Agricultural Engineering, Bhopal.
- College of Agriculture, Rewa and Indore
- RAK College of Agriculture, Sehore
- Mahatma Gandhi Chitrakoot Gramodaya University, Chitrakoot
- Indian Institute of Management, Indore
- Nana Deshmukh Pashu Chikitsa Vigyan Vishwavidyalaya, Jabalpur
- 5 Diploma Institutes run by the above
- College of Veterinary Science and Animal Health, Jabalpur
- Indian Veterinary Research Institute (High Security Animal Disease laboratory – ICR Lab), Bhopal
- College of Veterinary Science and Animal Husbandry – Mhou, Jabalpur and Rewa
- Horticulture College, Mandsaur
- Indian Institute of Soil Sciences, Bhopal

Policy Framework

The new policy has been christened as

- “Agribusiness and Food Processing Policy 2012”

The name change is to allow investment at the farm level

- To minimise loss
- To add value at the Farm Gate
- To give the benefit of the policy for the farm level activity



Incentive, Subsidy and Exemption

- Infrastructure Development establishment of Food Park/Mega Food Parks/Horticulture Hub/Vendor Park Rs.5 crore subsidy.
- Top up subsidy of Rs 25 lakh on Gol subsidy of Rs 50 lakh
- Subsidy to existing MSME of Rs 25 lakh on modernization/expansion
- Assistance on Power Consumption: Rs. 1.50 per unit subject to a ceiling of 25% of the electric units in every bill
- Mandi Fee Exemption



Promotional Assistance

- Reimbursement on
- Preparation of project report
- Quality Certification
- Promotion of Research & Development and patent obtained
- Participation in trade fairs/exhibition
- Transport to Inland Container Depot (ICD)/ Port
- IPP 2010 incentives
- Allotment of land
- Interest Subsidy
- Investment promotion subsidy ; refund of vat
- Entry tax exemption on certain goods

Opportunities



Opportunities across the agri value chain

Seeds	Organicfarming, Tissue Culture, Production of Certified Seeds
Land development	Land development and irrigation technologies, Construction work — check dams, canals, water pipelines, Custom hiring centres of agriculture machineries
Crop husbandry	Fertilizers and pesticides, Green house farming, Insurance service
Harvesting	New harvesting technologies, Harvesting equipments, Farm Mechanization, Sorting and grading
Storage & logistics	Cold storages and warehouses, Logistics and supply chain, Insurance service
Agribusiness	Sorting, Grading, Ripening, Waxing, Packing
Markets	Food Processing, Retailers, Exports and traders, Contract farming, e- marketing

Other investment opportunities offered by the state

Direct procurement from farmers by the private sector

Amendment of APMC act in the state allows trading outside the market yard and contract farming - direct procurement from the farmers

- Fruits and vegetables
- Flowers
- Dairy products
- Food grains

Food processing and value addition

With Madhya Pradesh producing a sizeable quantity of many agriculture and horticulture products and low existence of food processing units, the state offers huge potential in food processing and value addition.

- Soybean
- Milk
- Fruits and vegetables

Infrastructure development

Taking into account the growing area under horticulture crops, increasing production of livestock products and fisheries in recent past, Madhya Pradesh offer immense opportunities in infrastructure development including:

- Green houses
- Irrigation projects
- Cold storages
- Warehousing and logistics
- Food Parks

Agriculture machinery and equipments

With a total of 23 million hectares of cropped area, agriculture production of around 35 MT (2009-10), growth of around 10% per annum and lack of agriculture equipment making companies, provides a huge opportunity.

- Tractors
- Reversible plough machine
- Crown and canopy machine
- Sowing equipment
- Garlic planter
- Potato digger

Other specific opportunities

Organic Produce Madhya Pradesh- the organic state of India

- Madhya Pradesh produces 40% of India's total organic agriculture production
- Total area under cultivation (2010-11): 28.6 lakh hectares
- Production (2010-11): 82,000 metric tonnes
- MP suited for: Organic cotton, minor millets (kodo-kutki), organic soybean, spices such as chilli, garlic and coriander

Sharbati Wheat

- Area under cultivation (2010-11): 4 - 5 lakh hectares
- Production (2010-11): 6 – 7.5 lakh metric tonnes
- Production areas: Sehore, Sagar,, Vidisha

Durrum wheat

- Area under cultivation (2010-11): 5 – 7 lakh hectares
- Production (2010-11): 12 – 15 lakh metric tonnes
- Production areas: Malwa, Ujjain and Indore
- Based products: Pasta, biscuits and other confectionery products
- Special feature: requires less water for cultivation and low sugar content

Other specific opportunities

Potato

- The malwa region produces one of the best quality potatoes with low sugar content suitable for making finger and potato chips.
- The size of the potato is adequately large and per hectare productivity is quite good.
- The potato has long shelf life with proper storage facilities
- These potatoes, when sold off season, will fetch good prices and also offer opportunities of processing in the districts of Indore, Dhar, Dewas and Ujjain

Pulses (Dal)

- The state is the largest producer of pulses which include Tuar, moong, chana and masoor
- There is very good scope for not only hulling and polishing the pulses but also marketing based on geographical indicators.
- The climatic conditions of Narsinghpur and Hoshangabad districts produce one of the best Tuar dal, which if GI marked properly and marketed, will capture the premium segment of this pulse which because of its unique taste is much sought after by the customer

Other specific opportunities

Soybean Processing

- The state is the largest producer of soybean in India, with a total production of 6,669 thousand tonnes in 2010-11.
- The production of soybean increased by an outstanding 79% since 2001-02 to 2010-11.
- This massive production produce huge opportunity in terms of soya processing and manufacturing various soya based products such as:
 - Soy milk
 - Proteins
 - Soy vegetable oil
 - Flour
 - Extruded foods
 - Tofu

Paddy CroP	2007-08	2008-09	2009-10	2010-11
Area under Cultivation ('000 Hectares)	1645	1717	1446	1603
Production ('000 MT)	1332	1578	1360	1772

Basmati Rice	2010-11
Area under Cultivation ('000 Hectares)	150
Production ('000 MT)	350

- The area under rice cultivation has increased remarkably by 11% (y-o-y) to reach 1,603 thousand hectares in 2010-11
- During the same period the cultivation of rice also increased by a whopping 30%
- The Government of Madhya Pradesh provides Mandi Fees exemption on paddy bought for processing and production of Basmati Rice
- Basmati Rice
- Cultivation areas: Hoshangabad, Gwalior, Jabalpur, Raisen

Other specific opportunities

Sugarcane production

Sugarcane	2001-02	2010-11
Area under Cultivation ('000 Hectares)	42	65
Production ('000 MT)	160	266

- The area under sugar cultivation has increased remarkably by 55% since 2001-02 to reach 65 thousand hectares in 2010-11
- During the same period the cultivation of sugarcane increased by a phenomenal 66%
- This provides opportunity for processing sugarcane and manufacturing sugarcane based products such as: Sugar, Ethanol, Bio fuel, Molasses, etc.
- Areas: Narginsgpur, Betul

Minor millets

- Area under cultivation (2010-11): 2.5 lakh hectares
- Production (2010-11): 82,000 metric tonnes
- Production areas: Shahdol, Jabalpur and Rewa
- Special feature: healthy food with high fiber and low sugar
- Kodokukti: 2.5 lakh hectares under cultivation, producing 82,000 metric tonnes
- Ramtil: 1 lakh hectares under cultivation and production of 22,000 metric tonnes
- Linseed : 1.25 lakh hectares, producing 42,000 metric tonnes

Opportunities in production of wheat and rice

- Madhya Pradesh occupied the third position in terms of wheat procurement in India in Fy11
- In FY11, the state procured 4.9 million metric tonnes of wheat worth INR63 billion
- The state government has set a target to procure nearly 6.5 million metric tonnes of wheat in the year Fy12
- Beside this, MP was the only state where a bonus of INR150 per quintal was being provided to farmers

Wheat

Wheat Procurement by Govt. of Madhya Pradesh	2009	2010	2011	2012
Volume ('000 MT)	1900	3500	5000	6500
Growth	-	84%	43%	30%



Source: Agriculture Economic Survey of Madhya Pradesh, 2012

Rice



Paddy Crop	2007-08	2008-09	2009-10	2010-11
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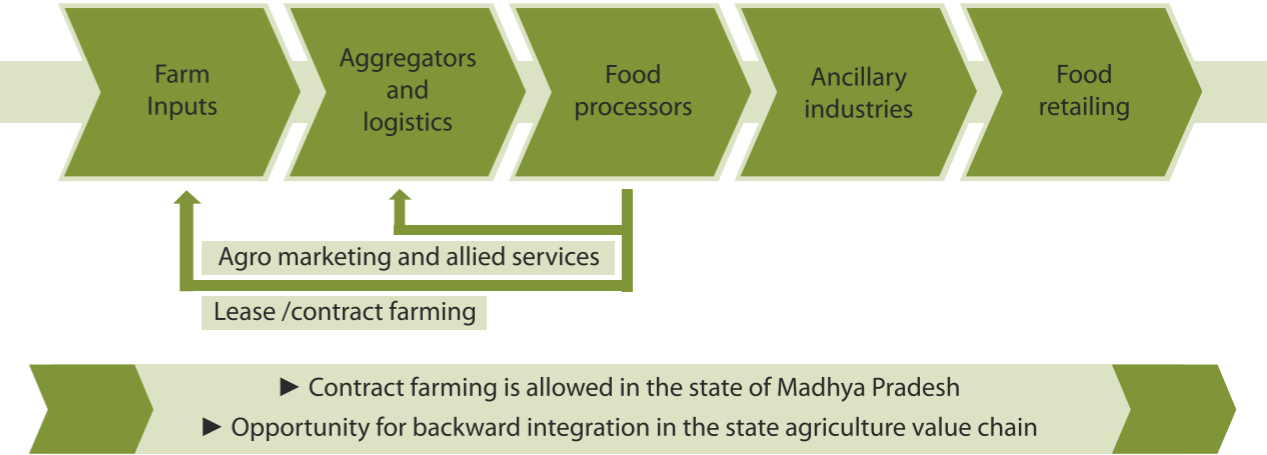
Source: Agriculture Economic Survey of Madhya Pradesh, 2012

High rate of crop surplus and contract farming provides huge potential for marketing activities

Marketable surplus of key commodities

Crop	Maize	Soybean	Sesamum	Wheat	Cotton	Gram	Mustard	
Potential for undertaking marketing activities	1315	6669	4780	9047	1055	2686	855	Surplus in the state is as high as 90%
Production (2010-11 in '000 MT)								
% of Surplus	36%	27%	90%	52%	89%	40%	90%	

Opportunities via backward integration



Horticulture Hub

- The hub will be a cluster of villages growing two or more horticulture crops that can be processed and stored.
- The hub will be a place where the farmer will be provided with quality planting material, quality advice on planting and crop management, harvesting and post harvest management.
- The hub will have facilities for production of quality planting material, trained manpower for assisting the farmer, post harvest management facilities such as cold store, ripening chamber, individual quick freezing unit etc.
- The hub will also be a place for processing of food material so that value can be added to the crop. This will be achieved through investment made by entrepreneurs by establishing business enterprises.
- The farmers will be either a formal federation or a society which will have backward and forward linkages with the hub management.
- It is proposed to have four hubs on a PPP basis with provision for viability gap funding.
- The State has passed a policy for horticulture hub which is available on the website www.horticulture.mp.gov.in

Proposed Infrastructure for Integrated Cold Chain Facilities

- Madhya Pradesh has a lot of scope for cold store/cold chamber and ripening chambers.
- The state has adequate surplus in fruits, vegetables and spices that need these facilities for long term storage.
- Western Madhya Pradesh, particularly districts of Indore and Ujjain division and to a lesser extent districts of Jabalpur and Bhopal division are having large surpluses of fruits, vegetables and spices
- In order to consume these surpluses, the state will require large quantity of storage spaces
- For banana, mango and papaya, 550 MTPD of ripening chamber capacity is required.
- In order to increase the shelf life of perishables, cold chambers on farm, reefer trucks, cold storages with climate control are required in the state, specially in Western Madhya Pradesh for which the department will shortly be issuing PPP based RFQ for qualifying suitable agencies

Various planned infrastructure projects providing highly profitable investment opportunities in the state

Opportunity

Food parks

Four new food parks in public-private partnership is planned to be established in Bhopal, Ratlam, Harda and Sarangpur in Madhya Pradesh. Also a mega food park in Jabalpur is proposed to be developed as a SEZ

Centre for Perishable Cargo - Indore & Bhopal Airport

The project is being funded by Mandi Board and will be operated by a private player

Multi-Modal Composite Logistics Hub

The project land is located at Pawarkheda (District Hoshangabad) near Itarsi, covering an area of around 115 acres. The project will provide facilities such as Rail sidings for cargo and container movement, Inland Container Depot (ICD), cold storage, food grains warehouse and common & support facilities like trucking hub, utilities etc. The project provides opportunities in the areas of construction and functioning of warehousing, agriculture related industries, value addition services, truck terminal, cold chain storage and processing centres

Modern Whole-sale market – Karond, Bhopal

Construction of a Modern Wholesale Fruits and Vegetables Market is under construction in Bhopal, with an investment of INR49 crores. It will provide opportunities in PPP format for services such as cold chain, warehousing and logistics

E-Agriculture Marketing

Electronic networking of APMCs (Mandis) in Madhya Pradesh

Modern APMC

Modern and fully equipped Mandi at Multi Modal Logistics Hub, Pawarkheda – for both Agri and Horticulture produce with additional facilities such as sorting, grading and packing

Irradiation centre at APMC - Indore

The Center is planned at an estimated outlay of INR400 million — land has been allotted to Centre for Advanced Technology (CAT), for implementing the project

Bundelkhand scheme

The scheme was launched to develop storage and agriculture marketing related facilities at 65 places across the state. It is expected to construct warehouses with a total capacity of 579 thousand metric tonnes

Source: MP TRIFAC, Agriculture Economic Survey of Madhya Pradesh, 2012

Key Contact

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