



सत्यमेव जयते

GOVERNMENT OF GUJARAT

Establishment of Hand-Picked and Selected Groundnut Processing Unit

Agro and Food Processing

Government of Gujarat



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The concept

The project envisages setting up of **Hand-Picked and Selected Groundnut Processing Unit** based on the raw material strength of Gujarat.

The manufacturing unit can focus on cultivation, processing, packaging, export, etc.

What is HPS Groundnut?

The three important processed products from groundnut are: (i) Hand-picked and selected groundnuts (HPSG) (ii) Roasted and salted groundnuts, and (iii) Edible oil.

- ▶ Edible groundnuts are traditionally called HPSG in trade circles
- ▶ HPSG is traditionally an export earner
- ▶ Domestic and international trade in HPSG is undertaken as per the size of the groundnuts termed as "Count" - Based on the count, kernels are classified into four broad groups; small (60-80 counts); medium (40-60 counts); large (30-40 counts); and very large kernels (20-30 counts)
- ▶ A larger size of the kernel means lower count and would fetch a higher price and vice versa.

Types of HPSG?



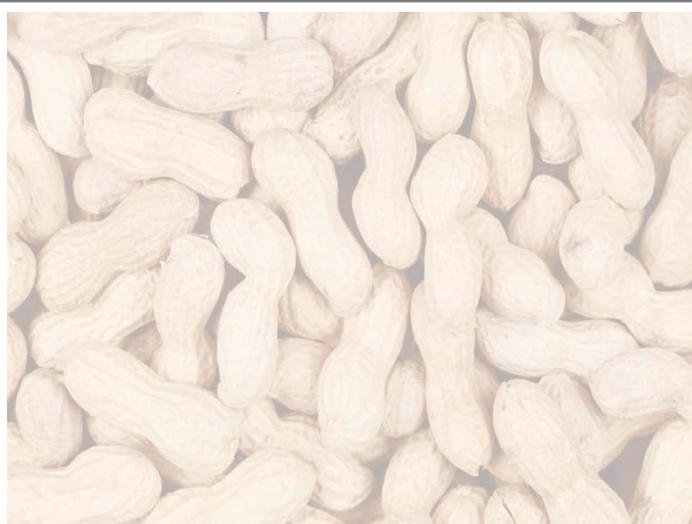
The two major varieties of peanuts produced in India are Bold (Virginia) and Java (Spanish) types. The winter crop of peanuts is rain-fed crop whereas the summer crop is irrigated. 70% of the winter crop is the bold variety and 85% of the summer crop is Java variety.

The Bold variety peanuts are typically red skinned with elongated shape. The Java variety peanuts are pink skinned with round spheroid shape.

Varieties and Sizes

BOLD (Virginia) 38/42, 40/50, 50/60, 60/70, 70/80, 80/90, 80/100

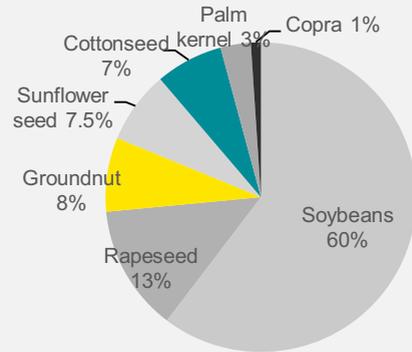
JAVA (Spanish) 60/70, 70/80, 80/90, 80/100



Global market overview – Rising demand from increasingly health-conscious consumers in China has coincided with bad weather in key growing regions, such as Argentina and South Africa, leaving many traders scrambling for supplies.

- ▶ Global production of groundnuts (40 million metric tons (mmt) - 2015/16) accounted for 7.7% of the global production of major oilseeds¹ (527 mmt).
- ▶ Global groundnut production in 2015/16 was slightly higher than that in the previous season, due to increased demand from health-conscious consumers.
- ▶ The US, Brazil, Argentina, China and India are the major producers of oil seeds while China, India, Nigeria, US, Sudan lead the groundnut production.

Global oilseeds production by type: 2015/16



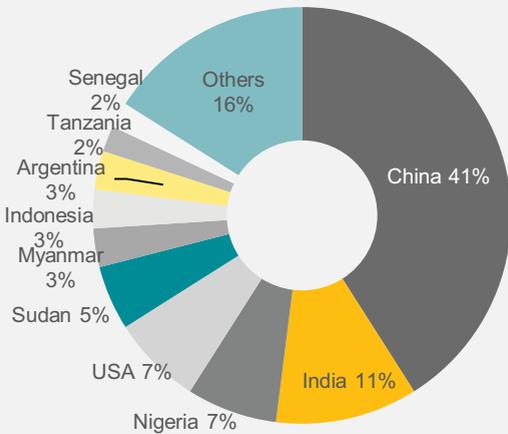
Source: United States Department of Agriculture

Indian market overview

India is the second largest groundnut producer in the world after China (China: 41%, India 11%)

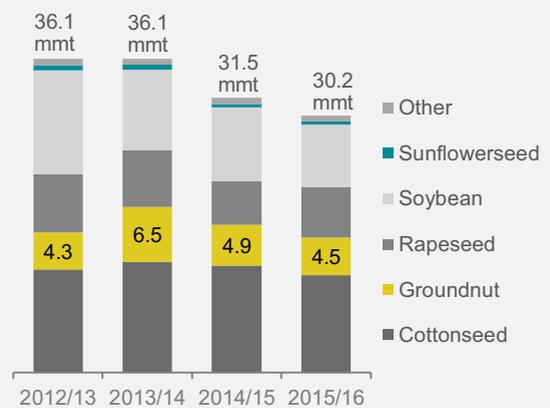
Groundnuts account for about 15% of all oilseeds produced in India.

Groundnut production by country: 2015/16

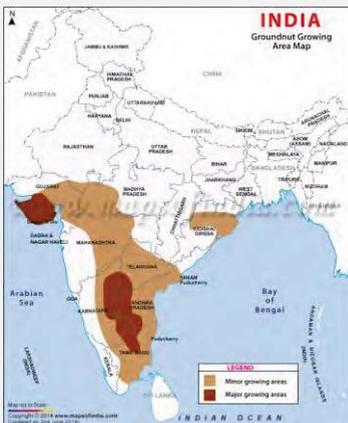


Source: United States Department of Agriculture

Indian oilseeds production by type 2015/16



Source: United States Department of Agriculture



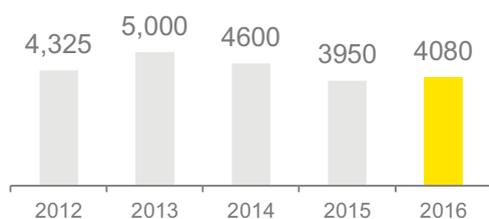
- ▶ 90% of groundnut produce in India mainly comes from six states: Gujarat (~40%), Andhra Pradesh (~18%), Tamil Nadu (~11%), Karnataka (~9%), Rajasthan (~8%) and Maharashtra (~6%)

Source: United States Department of Agriculture

Market potential for India

- ▶ The population of India is likely to touch a figure of 1,690 million by 2050. Providing food security to such a large population would be a daunting task and also a challenge to agricultural scientists for developing production technologies to bridge the gap in the demand and supply on a sustainable basis. In times to come, groundnut would play a greater role as a supplementary food crop besides continuing to be an oilseed crop.

Peanut oilseed domestic consumption ('000 MT)



Source: IndexMundi, accessed 7 July 2016

- ▶ Apart from its use as edible oil, groundnuts are directly consumed in large quantities in individual houses.
- ▶ Chikki and farsan manufacturers, salted peanuts processors, chocolate manufacturers, peanut butter manufacturers, bars and pubs, etc. are the bulk consumers.

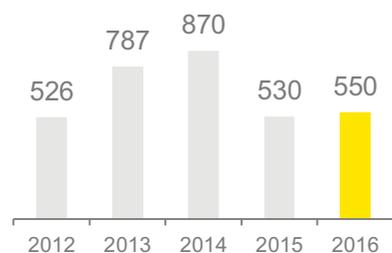
- ▶ The projected domestic demand of groundnut would be about 25 million tonnes in 2050. The area under groundnut may not shrink any further and would stay around 6-7 million hectares. Considering, the current national average productivity of 1200 kg/ha, a growth rate of about 4-5% in productivity is required to meet the demand.

Projected total oilseeds demand and groundnut as oilseeds and oils demand in India (in million tonnes)

| By year | Total oilseeds requirement | Groundnut oil requirement | Groundnut production |
|---------|----------------------------|---------------------------|----------------------|
| 2020 | 50.4 | 3.5 | 14.8 |
| 2030 | 63.7 | 3.9 | 17.8 |
| 2040 | 79.6 | 4.3 | 21.6 |
| 2050 | 93.0 | 4.9 | 24.6 |

- ▶ Higher prices in local market (due to decreased output owing to poor monsoon), followed by a ban by Vietnam, the 2nd largest importer, resulted in a steep decline in groundnut exports in 2015-16. However, the exports have again picked up due to strong demand from Southeast Asia and other neighbouring countries.

Peanut oilseed export ('000 MT)



Source: IndexMundi, accessed 7 July 2016

Vietnam lifted ban on import of Indian groundnut thereby providing market access after nine months

- ▶ Last April, Vietnam had banned the Indian HPSG, due to quality issues, for almost a year resulting in India's overall export to decline by 28% to 428,561 tonnes in April to January 2015-16 from 592,675 tonnes in corresponding period in 2014-15.

Market potential for Gujarat

Gujarat (more particularly Saurashtra region) is the single largest as well as the best quality groundnut producer accounting for over 30% of total groundnuts produced in the country.

| Gujarat | Area (lakh ha) 18.05 | Production (lakh tons) 33.76 | Yield (kg ha ⁻¹) 1870 |
|---------|-------------------------|---------------------------------|--------------------------------------|
|---------|-------------------------|---------------------------------|--------------------------------------|

Source: Gujarat Agro Industries Corporation (GAIC)

Triennial (2010-11 to 2012-13) averages of area, production and yield of groundnut in various states of India

| States (~90% production) | Area (lakh ha) | Production (lakh tons) | Yield (kg ha ⁻¹) |
|--------------------------|----------------|------------------------|------------------------------|
| Andhra Pradesh | 14.26 | 11.3 | 790 |
| Tamil Nadu | 3.7 | 9.1 | 2495 |
| Karnataka | 7 | 5.4 | 742 |
| Rajasthan | 2.8 | 3.6 | 1182 |
| Maharashtra | 3.8 | 7.1 | 1813 |

Source: Vision 2050, Directorate of Groundnut Research, July 2015



Mars, the \$2-billion chocolate bar brand, sourcing peanuts for Snickers from Saurashtra

- ▶ Mars has teamed up with Gujarat-based Khedut Feeds to help farmers in Saurashtra produce high-quality peanuts with global expertise and best practices.
- ▶ Snickers chocolates, made using Saurashtra-based peanuts, are targeted for distribution in the following markets – India, Middle East, South East Asia and China.
- ▶ Mars plans to invest \$160 million to open its first chocolate plant in India.



Growing demand for HPS groundnut

- ▶ Consistent demand for Indian HPSG in Indonesia, Vietnam, Malaysia, Philippines, and Thailand keep exports buoyant.
- ▶ The domestic consumption of groundnuts has also seen an increase of ~4% from 2015 to 2016.
- ▶ Groundnut continues to be used widely in southern India, Gujarat and Maharashtra.

Farmers keen on groundnut produce

- ▶ Cotton farmers are shifting from cotton production to groundnut amidst increase in Minimum Support Price for groundnut and increased export demand.
- ❖ Prices of cooking oils, incl. groundnut oil, shot up in the past, amid supply constraints due to
 - unexpected export demand rise
 - reduced production in both Kharif and Rabi seasons due to erratic weather conditions in the past months, further motivating the farmers to shift towards producing groundnut

Emerging technologies and research in oilseeds segment

- ▶ Mechanization of Cultivation: Development of machines for intercultural, harvest and post-harvest operations
- ▶ DNA sequencing of groundnuts: A scientific breakthrough on the DNA sequencing of the groundnut promises the development of improved groundnut varieties with enhanced traits such as increased pod and oil yield, drought and heat tolerance and greater disease resistance

Government support

- ▶ Department of Agriculture, Cooperation and Farmers Welfare(DAC&FW) has been implementing a Central Sector Plan Scheme namely "Forecasting Agricultural Output using Space, Agro Meteorology and Land Based Observations (FASAL)'. The mandate of FASAL scheme is to generate crop forecast in respect of 11 crops, including groundnut
- ▶ Government of Gujarat (GoG) has provided assistance to seed farms to augment seed production. GoG has mandated Gujarat State Seeds Corporation Ltd. to produce /purchase quality seeds.
- ▶ GoG has taken initiatives for creation of rural infrastructure such as Narmada Main Canal and Saurashtra Branch Canal and its distribution system.

Gujarat - Competitive Advantage



Saurashtra is the largest groundnut producing region in the nation and is called the 'Groundnut bowl of the country'

1

Groundnut bowl of the country – high raw material availability

Saurashtra is an important groundnut producing region, accounting for ~90% of Gujarat's groundnut produce.

2

Agricultural research

The state is home to major institutions such as Directorate of Groundnut Research (ICAR – DGR), Junagarh Agricultural University, and various other research centers catering specially to agricultural research.

3

Agriculture development

The state has witnessed above average growth rate of Gross State Domestic Product (GSDP) from agriculture and allied activities. During the period 2005-06 to 2011-12, the national average was ~4% while that for Gujarat was 5.5%.

4

Government support

Gujarat government has aggressively pursued innovative agriculture development by liberalizing markets, inviting private capital, reinventing agricultural extension, improving roads and other infrastructure.

ICAR - Directorate of Groundnut

Research (ICAR-DGR) formerly known as National Research Centre for Groundnut is a premier national level institute set up by the Indian Council of Agricultural Research, Ministry of Agriculture of India to cater to the needs of agricultural science research in the field of groundnut crop in India. ICAR-DGR was established in 1979 at Junagarh.

Gujarat agricultural schemes

1. National Agriculture Insurance Scheme
2. Farmers Accident Insurance Scheme
3. Schemes for Remunerative Farm Produce Price (MSP)
4. Farmers Training Centre
5. Soil & Water Testing Laboratory
6. Janta Juth Accidental Insurance Scheme

Project Information

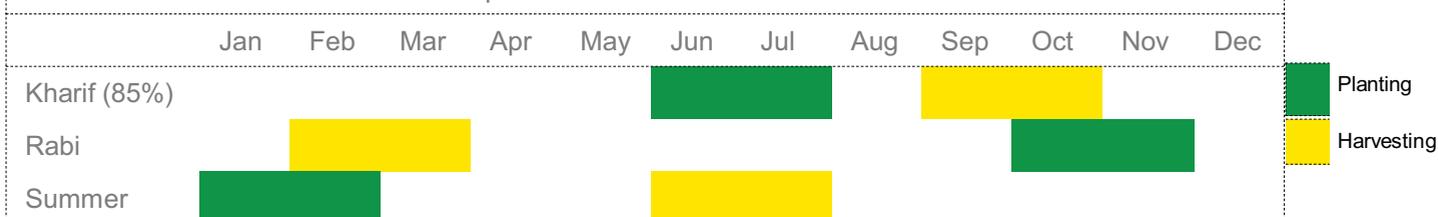
Project location



- **Key groundnut producing centres in Saurashtra region:** Rajkot, Amreli, Bhavnagar, Jamnagar, Surat, Porbandar, Surendranagar and Sabarkantha
- Of the 400 HPS groundnut units located in Gujarat, around 37% (150 units) are located in Junagadh district (Keshod, Mangrol & Junagadh Talukas).

Although groundnut can be grown in all seasons, Kharif season production accounts for about 85% of the total production. Kharif crop is grown during June-September in majority of Gujarat and Maharashtra. In southern region, it is grown as Kharif as well as Rabi crop; and in south-eastern states, it is even cultivated in rice fallows during Oct-March. Groundnut is also cultivated as a summer crop under assured irrigation.

Crop Calendar: Groundnut in India



High dependence on weather

- The effectiveness of rainfall in crop production depends mainly on commencement of sowing rains and amount and distribution of rainfall during the season as water deficit is a major constraint in peanut production, especially during the critical period of pod set which results in reduced pegging.
- Yield variation in rain fed groundnut can be attributed to rainfall variability i.e., amount and distribution of rainfall.

Infrastructure availability/ connectivity

Logistics & Connectivity



Rail

- ▶ A 269-km-long rail line links Pipavav with the first major railway line at Surendranagar in the Saurashtra region of Gujarat.
- ▶ The Delhi - Mumbai broad gauge line provides nationwide broad gauge connectivity for the Saurashtra and Kutch regions of the state of Gujarat.

Proposed

- ▶ The Mumbai-Ahmedabad bullet train project will have Surat as one of the stations.



Road

- ▶ The cities in Saurashtra region are very well connected with each other and also with other cities in the state of Gujarat.

Proposed

- ▶ Widening of four laning of about 260km long Bhavnagar-Somnath coastal highway NH8E in Gujarat (timeline: 2.5 years; cost INR 5,000 crore)
- ▶ Six new national highways for Gujarat as well as the refurbishing of a 277 km highway between Bhavnagar and Veraval in the Saurashtra region
- ▶ Expressway planned for connectivity of Ahmedabad with Pipavav port (INR 9000 crore)
- ▶ Connection of Western Dedicated Freight Corridor to Pipavav (INR 2500 crore)



Air

- ▶ Saurashtra region is very well connected through air. Of the key groundnut growing regions, Rajkot, Amreli, Bhavnagar, Jamnagar, Surat and Porbandar have airports.

Proposed

- ▶ Seeking to improve air connectivity, the Gujarat government has decided to develop six new airstrips in smaller towns in the state. Of these two lie in the Saurashtra region - Morbi and Dwarka.
- ▶ In Morbi, the process of land transfer and providing alternate route for villagers is underway while land mapping is underway for Dwarka airstrip



Port

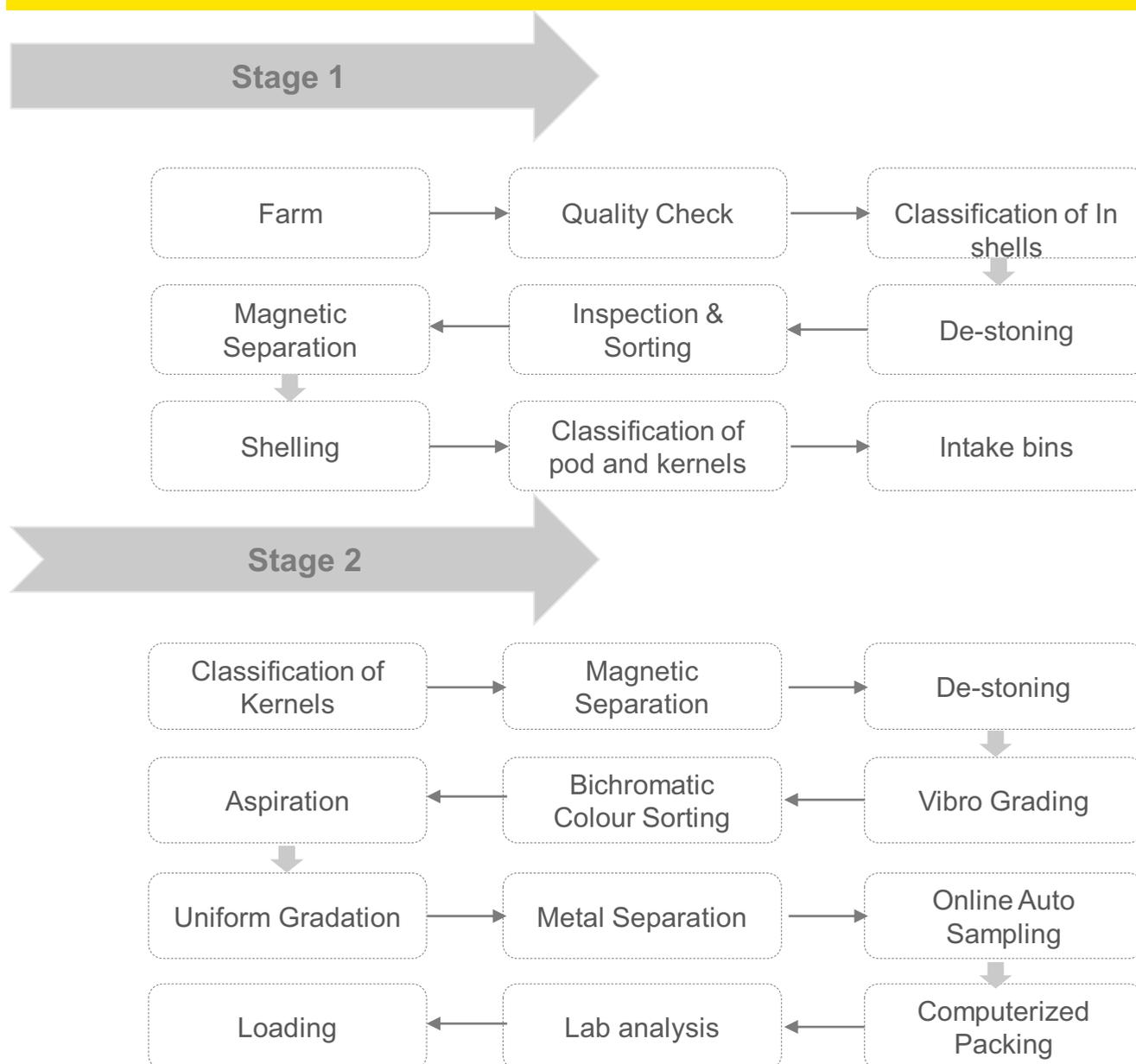
- ▶ Saurashtra region boasts of a number of ports – Porbandar, Pipavav, Bhavnagar, Navlakhi, Bedi, Sikka, and Okha
- ▶ Kandla, the major port of Gujarat is at 5 hours distance (by road) from Junagarh, the key groundnut growing region in Saurashtra.

Proposed

- ▶ Five new berths are likely to be added to the 20-year-old Pipavav port in the next three years

Project Information

HPSG processing



Manpower requirement

| Responsibility | Number |
|----------------------|-----------|
| Machine Operators | 2 |
| Semi-skilled workers | 2 |
| Helpers | 10 |
| Clerk | 1 |
| Total | 15 |

Project Information

Key players – Gujarat, India

Kanbi Foods: Key grower and processor of finest quality peanuts in India

- ▶ First in the country to implement in-house aflatoxin testing on a continuous basis from raw material to finished product
- ▶ Processing unit for peanuts is first and biggest of its kind in India, with peanut processing capacity in excess of 120 MT per day
- ▶ **Location:** Gondal, Gujarat, India
- ▶ **Connectivity:**

Distance from Gondal in Kilometer & Miles (approx.)

- Rajkot : 40 kms / 25 Miles
- Mumbai : 800 kms / 500 Miles
- Ahmedabad : 260 kms / 160 Miles
- Delhi : 1170 kms / 725 Miles

Nearest domestic Airport is Rajkot Airport.

Nearest International Airport is Ahmedabad Airport.

Easy access and connectivity to 3 major **International ports** of India, Kandla port, Mundra port and Pipavav port.



- Processing units
- Ports

Divya Corporation: Manufacturer and exporter of Groundnuts, Spices and Sesame seeds in the Saurashtra region of Gujarat

- ▶ Three star export house recognized by the government of India
- ▶ Three ISO 9001 : 2008 certified factories located in Gujarat.
 1. The main production and processing unit –located at Agatrai, Keshod, Junagadh (fully automated)
 2. Production house 'ATN Enterprise' located at Rajkot (fully automated)
 3. 'Aarti' unit trading at Junagadh incorporates both human resource and machines to produce high quality peanuts and groundnuts.
- ▶ **Location:** Saurashtra region, Gujarat, India
- ▶ **Connectivity:**

Nearest domestic Airport is Rajkot Airport.

Nearest International Airport is Ahmedabad Airport.

Easy access and connectivity to 3 major **International ports** of India, Kandla port, Mundra port and Pipavav port.



- Processing units
- Ports

Project Information



Key manufacturers/ suppliers (machinery)

| Company | Location | Machinery |
|-----------------------------------|-----------|---|
| Bhoomi Corporation | Rajkot | Groundnut picking machinery Groundnut sorting machinery |
| APS Industries | Ahmedabad | Groundnut cutting machinery |
| Ganesh Engineering Works | Rajkot | Groundnut processing machinery |
| Goldin (India) Equipment Pvt. Ltd | Vadodara | Groundnut processing machinery |
| Bharat Engineering Company | Ahmedabad | Groundnut decorticator plant, Seed grader, elevator, thresher |
| Sneha Enterprise | Ahmedabad | Groundnut processing machinery |
| Shree Siddhpura Engineering Works | Rajkot | Groundnut processing machinery |
| Sadguru Agro Exim | Junagadh | Groundnut processing machinery |
| Jagdish Industries | Rajkot | Groundnut decorticator plant |

Others include Forsberg Agritech Pvt Ltd., Fowler Westrup India Pvt Ltd., Harvest Sortmac Shosha Pvt Ltd., International Food Machinery Corp., Sahyog Steel Fabrication, etc.

Rajkot, Ahmedabad, Junagadh and Vadodara are the key locations, in Gujarat, for sourcing machinery related to groundnut processing.



★ Machinery manufacturers/ suppliers

Key considerations

Tackling aflatoxin in groundnut: The permitted level of aflatoxin in groundnut for human consumption, according to international standards, is 4 parts per billion (ppb) in the European Union and 20 ppb in the US. Indian groundnut exports have faced restrictions from importing countries (Vietnam and Indonesia) in recent past, due to high levels of aflatoxin.

APEDA's recognized laboratory for testing Aflatoxin levels in groundnuts (in Gujarat)

SGS India Pvt. Ltd, Ahmedabad (recognized upto 25.04.2018)

Project Financials

- ▶ Seed cost and labour form the major input cost components in groundnut cultivation in India.
- ▶ Seed cost varies from 35%-47% for irrigated crop and 26%-37% for rain-fed crop.
- ▶ Human labour varies from 23% to 25%. Bullock labour is another important item costing about 15-20%. The total labour cost varies anywhere between 44-50% in India.

Source: *Ikisan*

Cost of cultivation of groundnuts: Gujarat

| Cost element | Amount (INR per acre) | Share of various sub-items in the Paid Out Costs (%) |
|--|-----------------------|--|
| 1. Seeds/Seeds treatment | 2,417 | Seeds/Seeds treatment 34.20% |
| 2. Irrigation | 291 | Hired labor 33.08% |
| 3. Hired labor | 2,338 | Manure and fertilizers 17.84% |
| 4. Family labor (Imputed) | 1,558 | Irrigation 4.12% |
| 5. Machine and Bullock labor | 217 | Machine and Bullock labor 3.07% |
| 6. Manure and fertilizers | 1,261 | Pesticides 2.83% |
| 7. Pesticides | 200 | Interest on working capital 2.83% |
| 8. Depreciation | 143 | Depreciation 2.02% |
| 9. Interest on working capital | 200 | Total 100% |
| 10. Cost A (all the above excluding family labor) | 7,067 | Detail of marketing cost ~INR/quintal (%) |
| 11. Cost C (Cost A + rent for leased in land + interest on fixed capital and rental value of owned land) | 12,824 | Transport 41 (51) |
| 12. Average yield (quintal per acre) | 7.8 | Cost of gunny bags 26 (32) |
| 13. Average selling price (per quintal) | 1,975 | Unloading, weighing and cleaning 9 (12) |
| 14. Gross value of output | 15,405 | Loading 3 (3) |
| 15. Marketing cost | 375 | Misc. 1 (2) |
| 16. Gross value of output (at farm gate) | 15,030 | Total 100% |
| 17. Profit at Cost A | 7,963 | |
| 18. Profit at Cost C | 2,206 | |

Net income from cultivation of groundnuts: Gujarat

INR per acre

| Gross income (Gross value of output) | Cost of cultivation (Cost A) | Net income (Profit at Cost A) |
|--------------------------------------|------------------------------|-------------------------------|
| 15,030 | 7,067 | 7,963 |

Source: Commodity specific study: Groundnut, NABARD

Basic details of sample HPS units used for analysis

| S. no | Particulars | Unit 1 | Unit 2 | Unit 3 | Unit 4 |
|-------|-----------------------------------|--------|--------|--------|--------|
| 1 | Year of establishment of the unit | 1997 | 1999 | 1991 | 1990 |
| 2 | Shelling capacity (MT/annum) | 6,000 | 1,420 | 4,000 | 4,000 |
| 3 | Processing capacity (MT/annum) | 3,600 | 887.5 | 2,500 | 2,500 |
| 4 | Storage capacity (MT) | 500 | 24 | 200 | 100 |
| 5 | Capacity utilization (%) | 67 | 61 | 83 | 42 |

Cost of export of HPS groundnut

| Cost element | Amount (INR per MT) | |
|--|---------------------|--|
| 1. Fixed cost | 158 | |
| ▪ Depreciation on land and building | 38 | |
| ▪ Depreciation on equipment | 19 | |
| ▪ Interest on fixed capital | 41 | |
| ▪ Wages to permanent labor | 60 | |
| 2. Operational (Working cost) | 27,061 | |
| ▪ Cost of raw material | 22,000 | Raw material: The sample units procured the raw material from Mangrol, Keshod, Junagadh, Kutch through brokers at INR 22 per kg. |
| ▪ Transport charges | 450 | |
| ▪ Electricity | 28 | Packing: The processed groundnut is packed in 50 kg gunny bags which are available locally. |
| ▪ Packing and labelling cost | 345 | |
| ▪ Repairs and maintenance | 19 | Storage: The groundnut kernels are stored in godowns/ covered sheds. |
| ▪ Labor | 220 | |
| ▪ Brokerage | 94 | Transportation: Mode of transportation of both raw material and processed goods is truck (tarpaulin closed). Finished products are sold to parties through agents to places like Rajkot, Bharuch, Ahmedabad, etc. |
| ▪ Container, material cost and loading charges | 2,350 | |
| ▪ Phytosanitary and central excise fee | 1,350 | |
| ▪ Other expenses | 205 | |
| 3. Total cost (Fixed + Operational) | 27,219 | |
| 4. Gross price realized FOB (including income derived from husk and split) | 33,428 | |
| 5. Net price realized | 6,209 | |

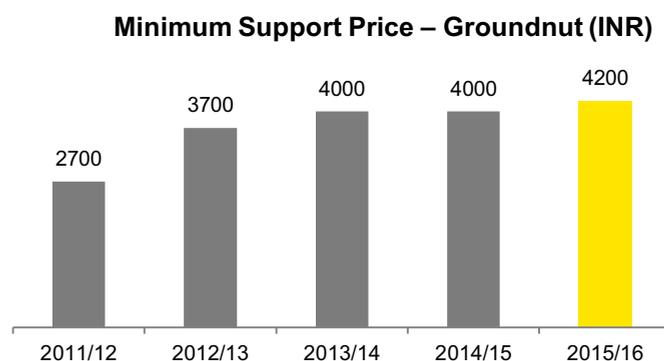
The average capital cost for setting up a HPS unit with various machines - openers, conveyors, sorting/grading machine, trays, filters, bore well, weighing machine, civil works, etc. is INR 8.35 lakhs. The average price realized after meeting all the costs (for export of HPS groundnut) is INR 27,219 per MT. The net price realised is INR 6,209 per MT (for the sample units).

Approvals

- ▶ **Compulsory registration abolished, March 2015:** The Union Commerce Ministry has abolished the compulsory registration for groundnut shelling units to export to countries outside the European Union. The move is expected to increase shipments from India. Till now, exporters had to buy groundnuts from the shelling units registered with the Agricultural and Processed Food Products Export Development Authority (APEDA); the shelling units had to get themselves registered through the Indian Oilseed and Produce Export Promotion Council.
- ▶ **Import of groundnut seeds** is allowed without licence subject to the New Policy on Seed Development, 1988 and in accordance with import permit granted under PQ Order, 2003.
- ▶ Before export, the authorized laboratories analyse groundnuts and groundnut products for **determination of aflatoxin levels**. In case the levels are higher than the prescribed limit, the groundnuts shall not qualify for that particular category export.

Incentives/ Initiatives from Government of India

- ▶ **Increase in Minimum Support Price (MSP):** To boost the production of pulses and oilseeds, the Centre announced massive increases in MSP. The MSP of groundnut was increased by INR 190 a quintal to INR 4,220 a quintal in June 2016.



Source: Department of Agriculture, Cooperation & Farmers' Welfare
Annual Report – 2015-16

- ▶ **Creation of national common market in agricultural products:**
 - ▶ The Indian Central Government earmarked, at the beginning of June'16, a fund of US\$31.2 million for a program aimed at supporting the State Governments to reform the wholesale marketing system, in order to break traders' oligopoly and help create a national common market in agricultural products.
 - ▶ The program is to be implemented over three years starting 2015-16. 50 regulated wholesale markets (mandis) to be initially reformed across 10 states, including groundnut mandis. (such as Rajkot, Shahabad, Bikaner, Saurashtra, etc.)
 - ▶ The reforms should positively affect the groundnut wholesale markets. They will have to switch to modern practices such as a single trading licence for the entire region, single-point levy of market fee (mandi tax) and electronic auction for price discovery.

Incentives/ Initiatives from Government of India

- ▶ **Financial assistance on distribution of seeds, under NMOOP (National Mission on Oilseeds and Oil Palm) policy:** 50% of the cost or INR12/- per kg whichever is less is provided for varieties/composites of oil seeds which are not older than 10 years. Hybrids: 50% of the cost with a ceiling of INR 25/- per kg of hybrids, which are not older than 10 years.
- ▶ **National Agricultural Insurance Scheme:** Groundnut is one of the 26 crops covered under the scheme. 10 % subsidy in the premium amount is available to small and marginal farmers under National Agricultural Insurance Scheme.
- ▶ **Seed Village Programme:** In order to upgrade the quality of farmer saved seeds which is about 60-65% of the total seeds used for crop production programme, following interventions are made :
 - 60% assistance for oilseeds is provided for distribution of foundation/certified seeds required for one acre area per farmer.
 - Farmers' Trainings : Financial assistance of INR15,000 per group (50-150 farmers each group) is provided for farmers training on seed production and post harvest seed technology (INR 0.15 lakh)
 - Seed treating/dressing drums : Financial assistance for treating seeds produced in the Seed Village is available @ 3500 per seed treating drum of 20Kg capacity and INR 5,000 per drum of 40Kg capacity.
 - Seed Storage bins: To encourage farmers to develop storage capacity of appropriate quality, financial assistance will be given to farmers for purchasing Seed Storage bins.

Incentives/ Initiatives from Government of Gujarat

Comprehensive Agro Business Policy – 2016 - 2021

- ▶ Capital Subsidy on investment to agro and food processing industries
- ▶ Assistance of Back Ended Interest Subsidy on the Term Loan
- ▶ Freight Subsidy will be available to Micro, Small and Medium Enterprises (MSME)
- ▶ Assistance in Sample Testing
- ▶ Assistance for 'Quality Certification Mark'
- ▶ Financial Assistance for Skill Enhancement
- ▶ Reimbursement of VAT and Sales Tax
- ▶ Encouragement in Electricity Rate and Duty
- ▶ Refund on Registration Fee and Stamp Duty

PROPOSED: The Government of Gujarat is proposing to establish Agri Export Zones (AEZ) for Groundnut, and few other agricultural products. The main objective of AEZ is to provide higher returns to the farmers by enhancing their accessibility to export and extending their capacity to produce export specific quality products.

APEDA – Agricultural & Processed Food Products Export Development Authority

<http://apeda.gov.in/apedawebsite/>

Directorate of Groundnut Research

<http://www.dgr.org.in/>

Seednet

<http://seednet.gov.in/>

NABARD

<https://www.nabard.org/English/Home.aspx>

Gujarat State Seed Corporation Ltd.

<http://www.gurabini.com/>

Agriculture and Co-operation Department

www.agri.gujarat.gov.in/index.htm

Gujarat Industrial Development Corporation

www.gidc.gov.in/

Industries Commissionerate

www.ic.gujarat.gov.in

This project profile is based on preliminary study to facilitate prospective entrepreneurs to assess a prima facie scope. It is, however, advisable to get a detailed feasibility study prepared before taking a final investment decision.

For further details:

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INDUSTRIAL EXTENSION BUREAU
(A GOVT. OF GUJARAT ORGANISATION)
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