

AGRI BUSINESS PROSPECTS AND POTENTIAL : CASE FOR UTTARAKHAND

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AGRO CLIMATIC ZONES OF UA

COLD DESERT- NILONG VALLEY



ALPINE ZONE- GANGI



TEMPERATE ZONE- DHANOLTY



SUBTROPICAL ZONE- RISHIKESH



Uttarakhand: Challenges

- Mountain state
- 65% forest area
- 14% area under agri
- 7% irrigated
- Tiny size of holdings, 6-7 parcels
- Wild animal infestation
- High soil erosion (@40 tons per ha per year)
- Low skill set
- Disaggregated value chain
- Low value addition effort

UTTARAKHAND -ADVANTAGE

- Agro climate - most suitable for herbal, medicinal and aromatic plants.
- Organic by default.
- Most suited to develop as seed state.
- Great scope of linkage of agribusiness with tourism sector

WHAT HAVE WE DONE SO FAR

UTTARAKHAND – ADVANTAGE HERBAL

Herbal Sector- State Policies

CULTIVATION

- Registration of Growers (From 10.5.05)
- Prioritization of Species for Cultivation
- Subsidy on Priority Species (From 3.8.05)
- Matching grant against centrally funded projects (From 17.5.04)
- Identification and establishment of Nurseries (From July, 2005)
- Distribution of free planting material.

PROCESSING/ VALUE ADDITION

- Critical Extraction plant in Sela Kui
- Subsidy For Distillation Units (From 25.10.05)

State Policies Contd...

CONSERVATION OF THE WILD

- CDH (Conservation, Development and Harvesting Plan.
- Ban on collection of rare/ endangered species from wild).

MARKETING

- Transit Pass system simplified (From 13.11.06)
- Creation of Herbal Mandis (From 1.9.2004)
- Quality Assessment.

HRD

- Training to farmers.
- Awareness programs

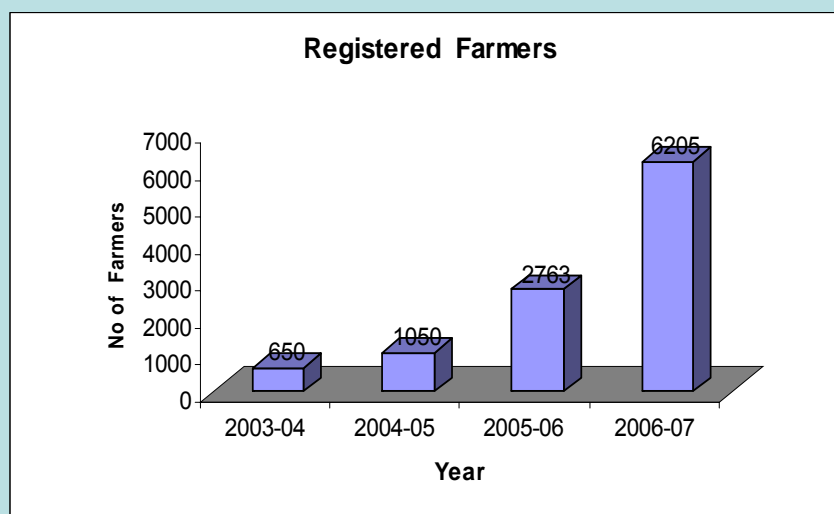
Herbal Sector- Present Status

- Registered Growers (Till 2006- 07)- 6205
- Area under cultivation (in last 4 years)- 1143 ha
- Production of planting material (2006- 07)- 89.50 lacs.
(HRDI- 46.80 lacs+ Bhesaj Sanghs 5.20 lacs + Forest Deptt- 37.50)appropriate for 500 Hect. area)
- Seed Production(2006- 07)- 266 kg. (to produce approximately 50 lakhs plants)
- Production of essential oils (In 2006- 07)- 5406 kg. (value- 16 lakhs)
- No of Aromatic Clusters (Till 2006- 07)- 25 No.
- Distillation Units established (Till 2006- 07)- 22 No.

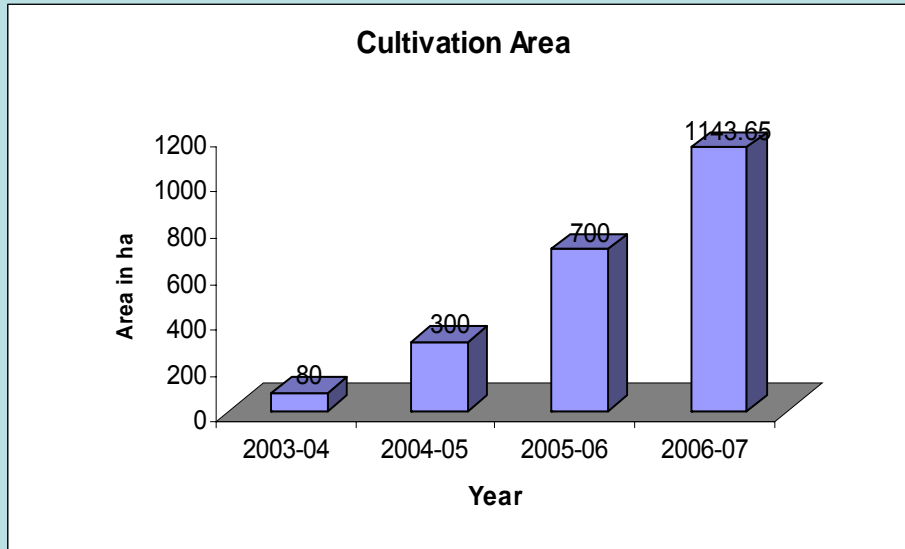
Present Status contd...

- Herbal Mandis established- 3 No.
- Collection from forest areas and sale through Herbal
- Mandis (In 2006- 07)- 22111 Qt.
- Production/ transit from cultivated areas (In 2006-07)- 5074 Qt.
- Quality Testing Lab- 1 at CAP, Selaqui.
- Samples analyzed at CAP (In 2006- 07)- 102
- Herbal Industries/ Pharmacies- 159 (37 with GMP Certification)
- Semi Govt Pharmacies- 4, Export- Rs 25 Cr. (Approx.)

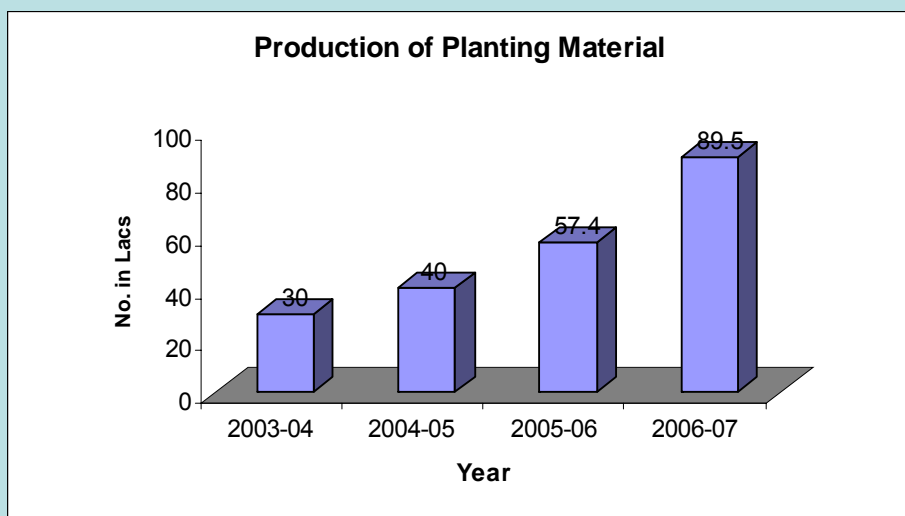
Growth Trends in Uttarakhand 2003-07



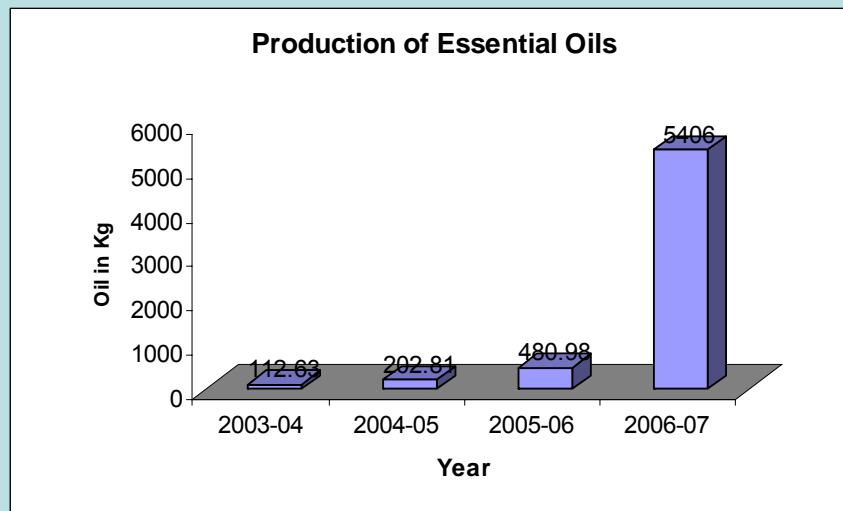
Growth Trends in Uttarakhand 2003-07



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Growth Trends in Uttarakhand 2003-07



Investment Opportunities in Herbal Sector

- Huge gap between demand and supply
- Value Addition in grading, sorting, packing & labeling
- Product research and market research for high end products
- Certification for GCP, GHP, GMP & Active ingredients
- Wellness & Herbal Tourism

UTTARAKHAND - ADVANTAGE ORGANIC

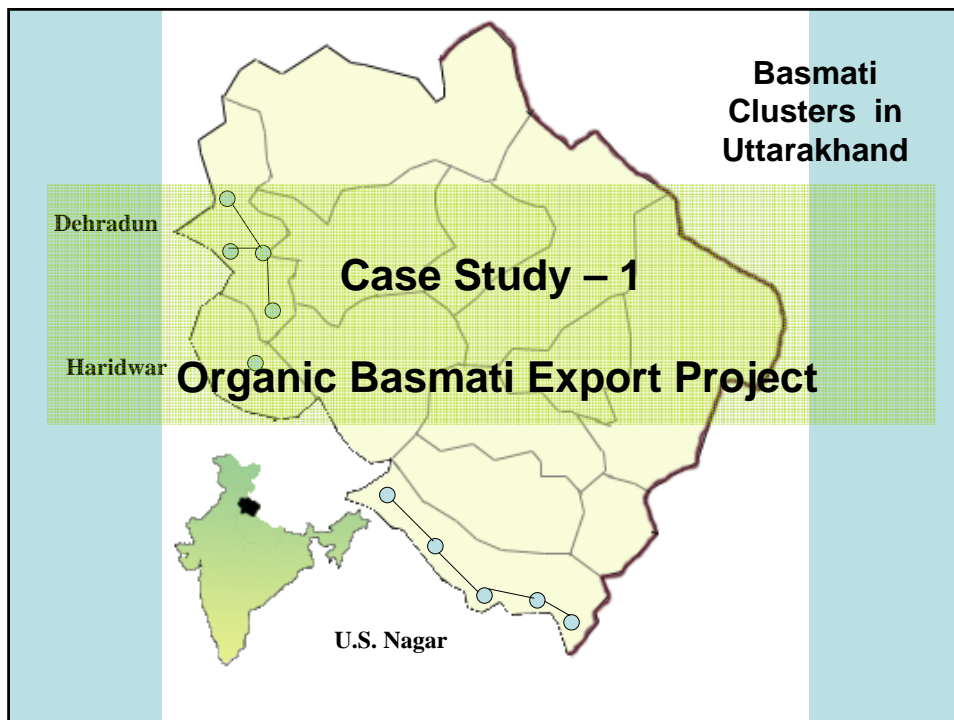
Organic Sector- Present Status

- Uttarakhand State Organic Certification Agency is the first and only such state agency to obtain ISO9001:2000 and ISO 65 accreditation from DET NORKSE VERITAS of Netherlands.
- Its area of operation includes nine other states besides Uttarakhand.
- 284 SHG's and 13 FIG's established and linked with organic trade
- Organic Uttaranchal termed success story.
(Source :- MTR of 10th plan by Planning Commission)

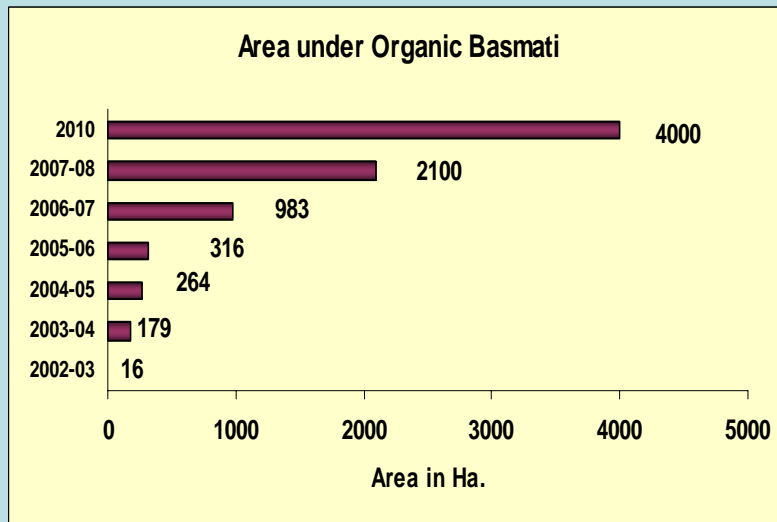
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Organic Sector- Present Status

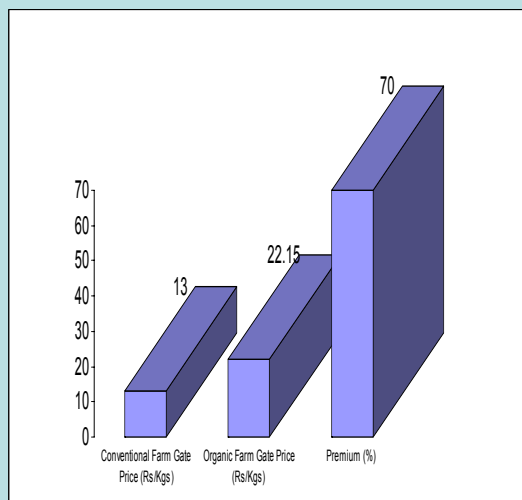
- Establishment of State Training Centre for Organic Farming & **three centers of excellence**
- Research :-
 1. Bio-control agents Pant-1, 2, 3 & 4 and Pantgrama-I & II developed.
 2. **Nine Microbial inocula & bio pesticides** recommended for Uttarakhand after extensive bio- efficacy and toxicity testing.
 3. **Packages of organic agronomic practices** developed for Rajma, French Bean, Basmati, Chick Pea, Lentil & Wheat.
 4. Development of process for making enriched composts.



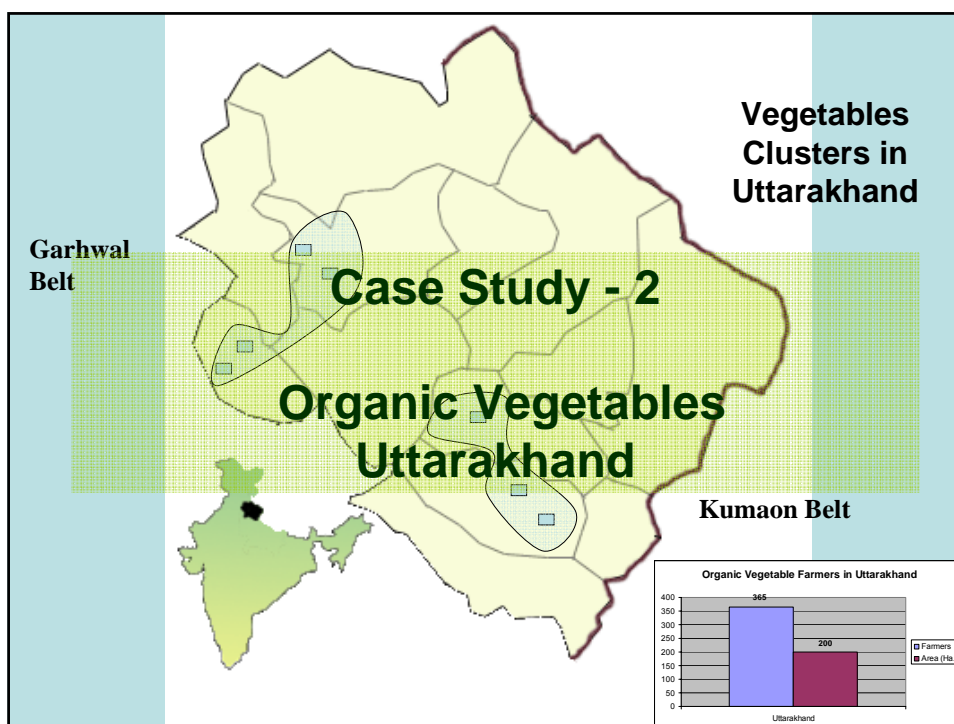
Organic Basmati Development



Premium Realized by Farmers for Basmati Paddy



Year	Conventional Farm Gate Price (Rs/Kgs)	Organic Farm Gate Price (Rs/Kgs)	Premium (%)
2006-07	13	22.15	70%



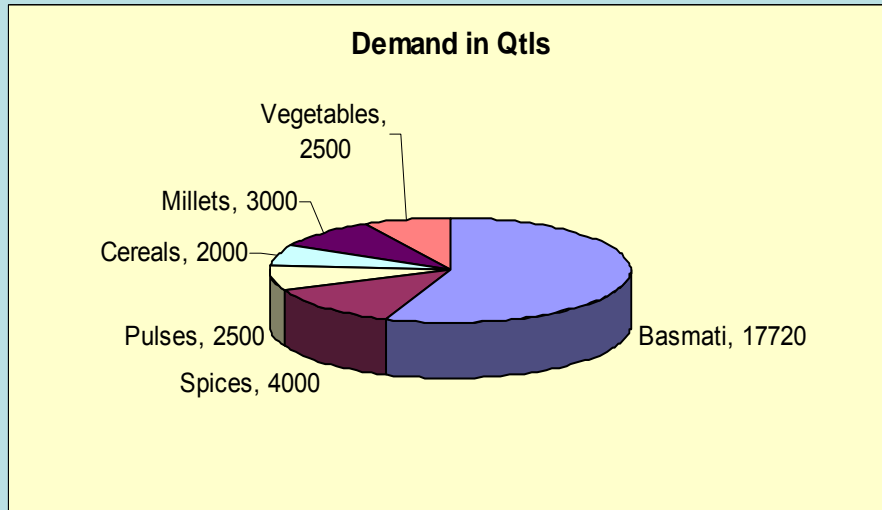
Interventions

Developing pilots on Organic vegetable & Fruit production

- Technology dissemination, training and demonstration.
- Availability of inputs (Critical Period Management).
- Capacity Building of farmers , forming federations.
- Value added Centers-2
- Buyer Seller Meet.
- Market tie up with four agencies
- Organic apple juicing unit
With private partner



Profile of Organic Commodities



Investment Opportunities in Organic

Value Addition Services :

- Food Processing
- Packaging
- Product Designing

Infrastructure Support for Value Chain

Alignment:

- Warehousing for Organic
- Showrooms/ Market Centre
- Common facility centers

Uttarakhand – Advantage Seed

New Initiatives

Core Valley Seed Production Programme

- Annual Seed Replacement Rate in hill areas is only 3 to 4 percent. Targeted 8%
- 31 Valleys identified in ten hill districts for seed production.
- District-wise Seed requirement have been worked out for different crops.
- Seed production programme have been finalized with target of producing 18000 Qtls. of certified seed in kharif 2007.

Realising VISION of SEED State

Vision for Agri Renewal

- Aggregation of holding through clusters/FIGs
- Soil health focus: demand for range of agri inputs
- Crop rotation textured for soil health, soil stability
- Seed replacement for enhanced productivity
- Value addition to guarantee better returns
- Certification systems for standardisation
- Micro irrigation for tiny holding & moisture conservation regime
- Improved Market Access through Sector Reform

OVERALL INITIATIVES UNDERTAKEN

HRD initiatives:

- Extension workers/para vets/certification professionals
- Farmers Schools for farmer to farmer extension
- ETC for skill enhancement private sector participation initiated
- IT initiatives through Agri portal KVK helpline/ radio TV programme

Institutional Interventions:

- PACs to double as Insurance agency
- IFFCO Tokio already functional

Weather Insurance

- Weather stations in each KVK
- Forecasting information flow
- Physical infrastructure for risk mitigation: anti hail nets

Institutions promoting agribusiness

- Commodity boards - 13 for livestock, organic commodities, sheep & wool, bamboo & bio-fuel, medicinal plants,
- Social venture capital company
- Micro finance Institution
- Self Reliant cooperative Act to enable aggregation of farmers & produce

Contd...

Institutions promoting agribusiness

- Agri export zones -3
- Premium central and state research institutions
- Agri products market center of SHG federation in every district. APMC under SARAS
- Proactive State policies

PRIORITY ISSUES OF STATE

Value chain integration -

- Pre-harvest infrastructure – Seed, soil health clinic, micro-irrigation systems
- Post-harvest infrastructure - Warehousing, CFC, value addition infrastructure.
- Bio fertilizer and bio pesticide along with certified bio available ingredients
- Human Resource Development for services support in informal sector

Contd...

PRIORITY ISSUES OF STATE contd...

- Quality certification mechanism -Organics, fair trade, forest, - certification systems
- Biotechnology and IPR issues
- APMC Act

THANK YOU