

ICD Pithampur Boosting Export and Import Trade of Madhya Pradesh

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Newsletter

In Central India, there is immense scope of domestic and international trade as this region is based at the heart of country. There are so many manufacturing units are set up in the industrial area of this region. There are also various natural resources of minerals available. This area gifted is with the agricultural inflows also. The commodities like Steels, Scraps, Polymers, Waste Papers, Pulses and Plastic materials can be the potential commodities for domestic & international trade. Madhya Pradesh has witnessed rapid modernization and expansion of marketing systems in agriculture sector in recent past. A network of 241 Mandis or Agriculture produce trading yards, 273 sub-Mandis and over thousand weekly markets provide multiple opportunities in agri-business

M.P. is the leading producer of Soya bean, Pulse, Oil seeds, Gram and Nine Oil seeds. The strength in such agricultural products, its fertile land and available irrigation makes MP a conducive location for being a Food Processing Hub, which can help MP boost exports as well. MP is focused on building exports in light manufacturing sectors i.e. leather products and textiles as these sectors generate employment and have high domestic value addition. Further, MP has a healthy cotton produce wherein product diversification can scale up operations and augment exports.

M.P. Major Export Products

- ✓ Processed & Unprocessed Food
- ✓ Spice & Organic Products
- ✓ Plastic & Packaging Materials
- ✓ Herbal & Pharmaceuticals
- ✓ Textile-Yarn & Fabric
- ✓ Engineering & Machine Tools-

Electrical Equipment's, Fabrications, Casting, Fixtures & Fitting, Power & Transformer Equipment's, Switch Gear & Control Gear Equipment's, Insulations, Condenser & Heat Exchanger are some other products manufactured in M.P region.

The major export companies running successfully in various sectors in the Madhya Pradesh are Sun Pharma, Lupin Ltd, Glenmark Generics Ltd., Suminter, Trident, P&G, Vardhman Yarn, Pratibha Syntex Limited, VE Commercial Vehicles Limited, Dawat Foods Ltd., Sonic Biochem, Kriti Nutrients, Vippy Soya, HEG, Oswal Denim, Saflex International Limited, Cummins Technologies, SRF, Cipla, TATA Exports etc.

As many as 1000 containers are being dispatched from Pithampur and nearby area to Jawaharlal Nehru Port Trust (JNPT), Mumbai every month. Out of this

Container Corporation of India (CONCOR) alone is engaged in dispatching over 2000 containers per month. If Mhow-Manmad new rail line project takes shape then this will help in saving transportation time and costs as well. 425 train transits through Madhya Pradesh, having road connectivity of 10,000kms of state highway and convenient access to major ports such as Kandla port and Jawaharlal Nehru port. Owing to emergence of the region as a major investment zone of the country a bumper export is likely from here in next few years. The state has excellent infrastructure, with 19 industrial development parks, 129 industrial areas, seven food parks, eight integrated development centers, three dry parks, one stone park, IT park, one Special Economic Zone (SEZ) with one apparel and one Pharma park at Indore. The SEZ aims to provide an international, competitive and hassle-free environment for export-oriented production.

Rail Linked Multi Modal Logistics Park at TIHI (25KM west of Indore), near Indore in Madhya Pradesh, is expected to be functional by March 2019. The terminal is expected to handle approx. 35000 TEUs per annum or about 33 rakes per month (inward and outward combined). The proposed site of 33.5 Ha area is along NH-3 (Mumbai-Agra Highway). The Madhya Pradesh Special Economic Zone (SEZ) Policy is being formulated by the State Government for the establishment, implementation and management of SEZ in the State in the light of Special Economic Zone policy 2000 of the Government of India. This policy is the governing policy for issues connected with SEZ. The only Green Field multi product SEZ of India, Indore SEZ was notified

prior to the enactment of the SEZ Act' 2005 and became operational W.E.F. 15.08.2003. This SEZ is spread over an area of more than 1100 hectares of land. Industries of various sectors such as Plastic, Engineering, Pharmaceutical, Metal, Textile & Food processing etc. are in the Zone.

With the Government of India providing a special thrust on pushing exports from the country, it becomes critical for Madhya Pradesh to contribute effectively to propel India to achieve the national export target of US\$ 1 trillion over the next 5 to 7 years. Under a baseline scenario, which assumes that Madhya Pradesh continues to maintain its share in India's merchandise exports (at 1.6%), the State may end up achieving approximately US\$ 10.6 billion of goods exports in seven years' time, i.e. by 2024-25. The State could consider developing a multi-modal cold-chain network which can involve two or more modes of transport for facilitating transportation and storage of perishable and Pharma products. Investment in development of last mile connectivity can also serve as an objective for this proposed multi-modal network. Further, another opportunity for the State in terms of cold storage facilities lies in rectifying the weakness of the locations of these facilities. Only 5% of the total cold storage capacity lies in the eastern part of Madhya Pradesh.

The State needs to initiate steps to not only upscale this capacity to meet future needs but also address the locational biasedness, so as to reduce the overall cost for the exporters. It is well established that higher levels of trade activities give a boost to the economy, create wealth, provide employment and lead to improved

standards of living. Therefore, it is imperative for any country that aspires to benefit from the trade activities and have a larger share of the World trade, to improve its trading environment and facilitate trading.

By

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