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India Agricultural Equipment Market Outlook to 2017

- High Labor Scarcity and Government Subsidies Driving Agricultural Mechanization

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INDIA AGRICULTURAL EQUIPMENT MARKET SIZE BY VALUE AND VOLUME

.....is considered to be one of the most important sectors in the Indian economy as it contributes around 18.5% to the national GDP and around 15% to the total exports. Moreover, the sector generates employment for around 2/3rd of the national workforce. The Indian agricultural equipment market is also experiencing a rapid growth with expected strong potential for future growth as well. The Indian market of agricultural equipments is estimated of the size of ~ units by sales. The market has grown at a CAGR of ~% from ~ units in FY'2006.....

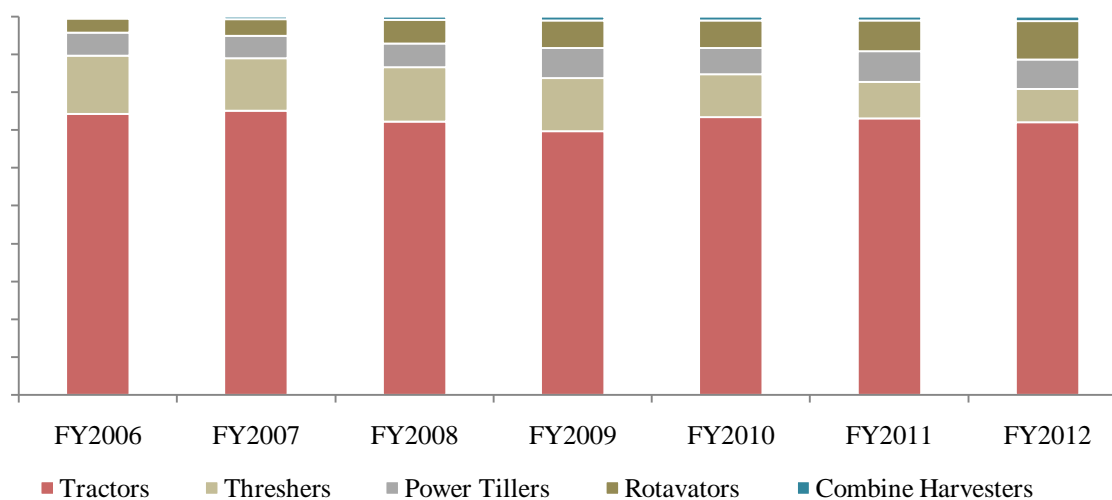
Figure: India Agricultural Equipment Market Size by Sales in Units, FY'2006-FY'2012



INDIA AGRICULTURAL EQUIPMENT MARKET SEGMENTATION BY TYPE OF PRODUCT, FY'2006-FY'2012

.....includes a gamut of agricultural equipments that are manufactured and deployed in different activities across the value chain of the agriculture industry. These include tractors, threshers, power tillers, rotavators and combine harvesters. The tractors account for the largest share in the agricultural equipment market of India representing around ~% of the total market. These are followed by.....

Figure: India Agriculture Equipment Market Segmentation by Product Type in Percentage, FY'2006-FY'2012



INDIA TRACTORS MARKET INTRODUCTION AND SIZE, FY'2006-FY'2012

.....various factors that drive the demand for tractors are agricultural production, farm incomes and amount of land sown and under irrigation. The government policies on agricultural credit, MSP for food grains, replacement demand and custom-hiring opportunities are other peripheral factors that influence the demand for tractors in the market. The tractors market in India is estimated at ~ units annually by sales which have grown with a CAGR of ~% during FY'2006-FY'2012 from ~ units in FY'2006.....

Figure: India Tractors Market Size by Sales in Units, FY'2006-FY'2012



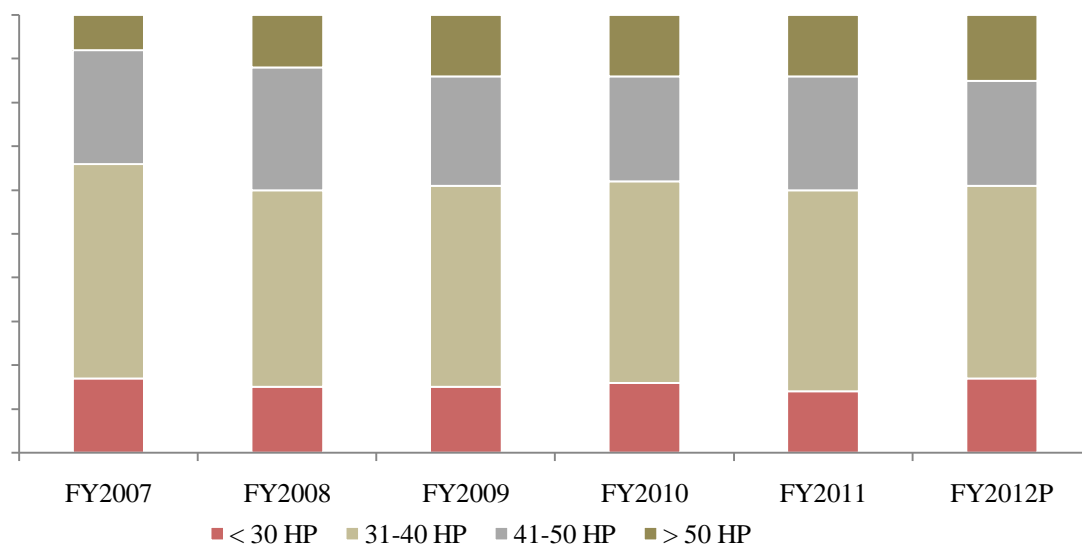
Table: India State-wise Sales of Tractors in Percentage, FY'2006-FY'2012

	FY'2006	FY'2007	FY'2008	FY'2009	FY'2010	FY'2011	FY'2012
Punjab							
Haryana							
Uttar Pradesh							
Bihar							
West Bengal							
Orissa							
Madhya Pradesh							
Chhattisgarh							
Rajasthan							
Maharashtra							
Gujarat							
Andhra Pradesh							
Tamil Nadu							
Karnataka							

INDIA TRACTORS MARKET SEGMENTATION BY HORSEPOWER

.....represents the largest segment by sales in the tractors market in India. This is followed by 41-50 HP segment which accounts for ~% of the total tractors market in India. The > 50 HP segment and < 30 HP segment both represent ~% of the tractors market in India. The share of > 50 HP segment has increased significantly during FY'06-FY'11. While in FY'06, the > 50 HP segment represented just ~% of the market, the share increased to ~% in FY'2011. This reflects a growing preference to.....

Figure: India Tractors Market Segmentation by Horsepower, FY'2007-FY'2012



INDIA POWER TILLERS MARKET INTRODUCTION AND SIZE, FY'2006-FY'2012

.....zero duty in India as the government is encouraging their use among small farmers to enhance their farm productivity. The current market for power tillers in India is estimated at ~ units annually by sales. The market has grown at a CAGR of ~% during FY'2006-FY'2012 from ~ units in a year in FY'2006. Moreover, it grew by more than 35% of y-o-y growth in FY'2009 and FY'2011 reflecting a robust demand and

Figure: India Power Tillers Market by Sales in Units, FY'2006-FY'2012



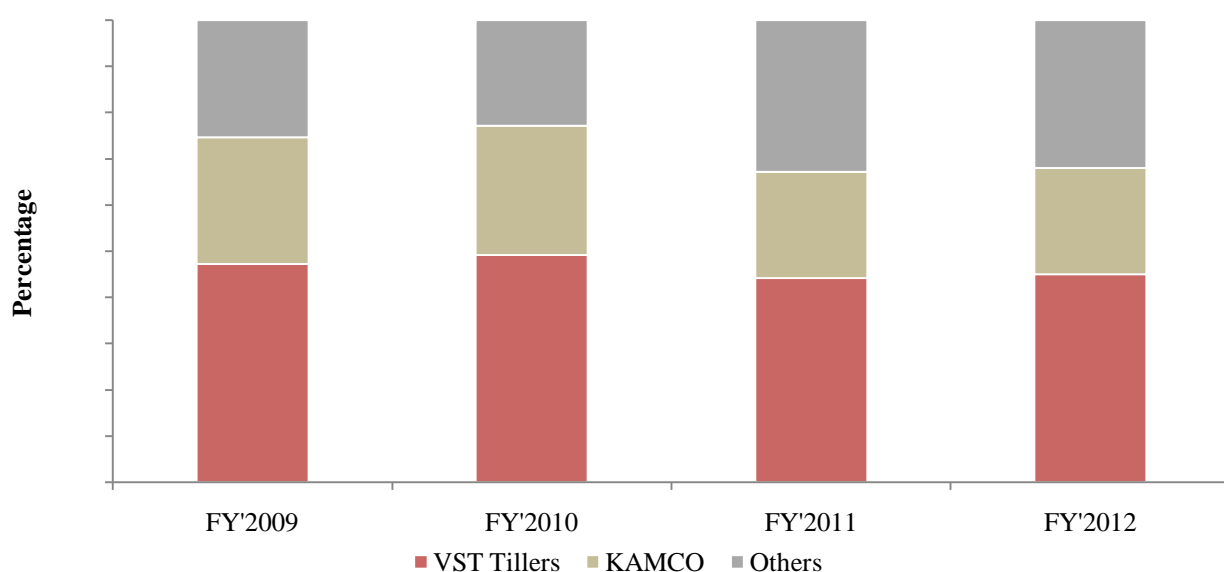
MARKET SHARE OF MAJOR PLAYERS IN INDIA POWER TILLERS MARKET, FY'2009–FY'2012

The power tillers market in India is dominated by two players from south India- VST Tillers and Kerala Agro Machinery Corporation Ltd, KAMCO who have the market shares of ~% and ~% respectively. The rest 32% of the market is served by small players and majorly by importers of Chinese power tillers.

“ The Chinese power tillers have gained significant share in the power tillers market in India in last 3-4 years. ”

The market share of VST Tillers has declined by 2.3% since FY'2006 from ~%.

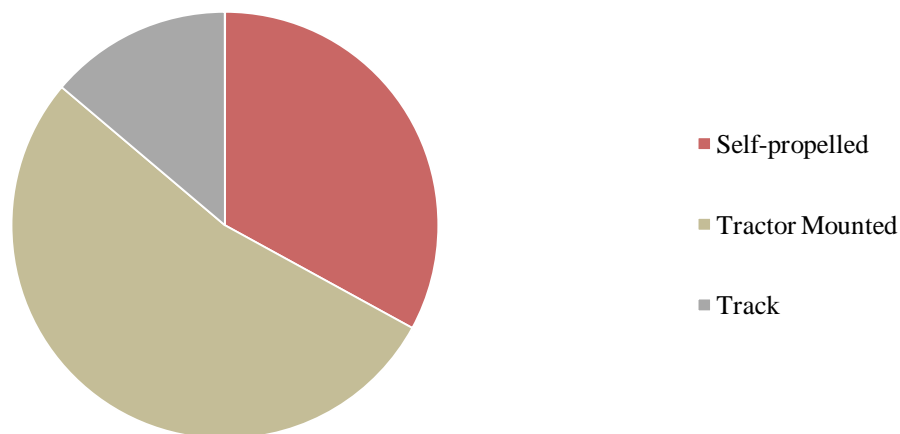
Figure: Market Share of Major Players in India Power Tillers Market in Percentage, FY'2009-FY'2012



INDIA COMBINE HARVESTER MARKET SEGMENTATION, FY'2011

.....track combine harvesters are mostly used in southern states of India, Orissa and parts of West Bengal owing to their capability of moving and working easily in loose soil areas. The self-propelled combine harvesters are majorly in demand from northern and central states of India such as Punjab, Haryana, Uttar Pradesh, Madhya Pradesh and others which have hard soil land.....

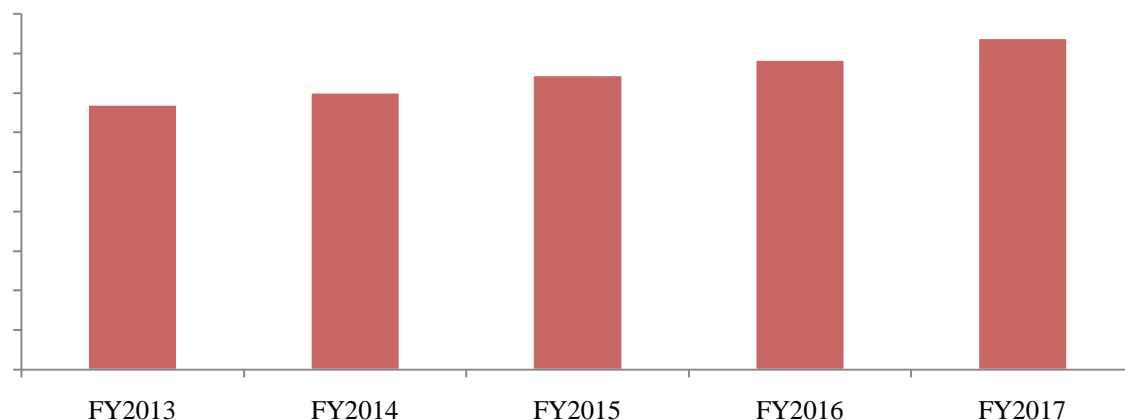
Figure: India Combine Harvester Market Segmentation by Self Propelled, Tractor-Mounted and Track Type in Percentage, FY'2011



INDIA THRESHER MARKET FUTURE OUTLOOK/PROJECTIONS, FY'2013-FY'2017

.....threshers market is estimated at a CAGR of ~% during FY'2013-FY'2017 where the market is expected to reach ~ units annually by sales in FY'2017 from ~ units in a year in FY'2013. The growth of this market will be primarily driven by growing trend of the adoption of machinery to improve the scale and output of farm operations among the farmers.....

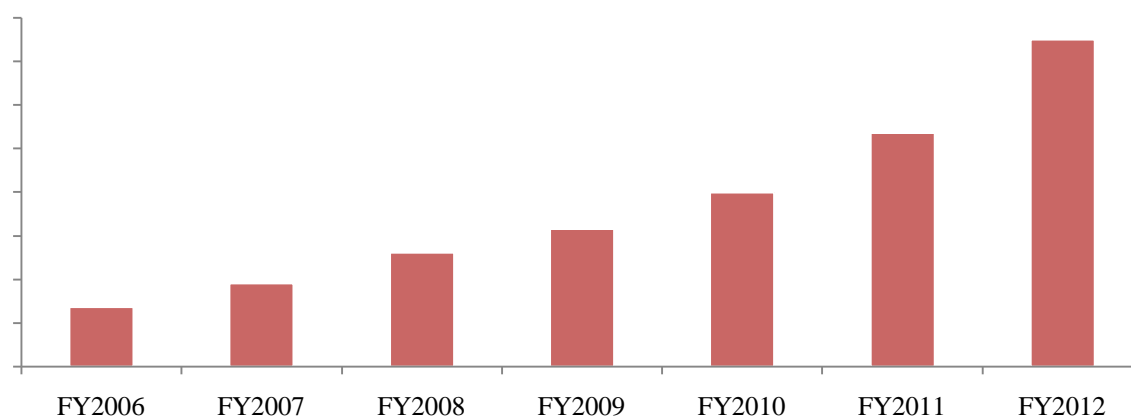
Figure: India Thresher Market by Sales in Units, FY'2013-FY'2017



INDIA ROTAVATORS MARKET INTRODUCTION AND SIZE, FY'2006-FY'2012

.....rotavators on the other hand has combined the functionality of harrows and cultivators. These equipments save considerable amount of fuel and accomplish soil pulverization in short time. As a result, the wear and tear of tractors is also reduced. The seedbed preparation is also done smoothly as the soil is left perfectly leveled. The current market size of the rotavators in India is estimated at ~ units annually by sales which have grown at a CAGR of ~% during FY'2006-FY'2012 from ~ units in FY'2006.

Figure: India Rotavators Market by Sales in Units, FY'2006-FY'2012



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