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### A Case Study of Agricultural Machinery Business Firms ACI Motors on Rice Transplanting and Harvesting, *BANGLADESH*

The 6<sup>th</sup>Regional Forum on Sustainable Agricultural Mechanization in Asia and the Pacific **"Enabling Environment for the Private Sector"** 

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# **GOVT. SUBSIDIES FOR AGRI-MACHINERY**

30 to 70% price subsidy/Development Assistance for marginal farmers (highest for *Haor* area farmers)

Applicable for 7 types of machinery includingreaper, combined harvester, & rice transplanter.

National level technical committee selects companies eligible to supply machinery.

Priority lists of farmers or groups prepared at upazila level and allocations disbursed accordingly.

## **Subsidy/Development Assistance**



**Power Thresher** 

#### Reaper (Rice & Wheat)

#### **Rice Transplanter**



#### **Pawer Tiller Operated Seeder**

**Foot pump** 





## Business Model for Packaged Mechanization Services





Fig. 01: Complete Farm Mechanization Solution

### STATUS OF AGRI-MECHANIZATION



#### Status of Rice Transplanting in Bangladesh

- Out of 5.50 million hectares of irrigated crop area about
  4.62 million hectares are covered by manual transplanting (BBS, 2018).
- 2. However, manual transplanting of rice seedlings is expensive because of higher labour requirement (300-350 man-hrs/ha) and drudgery.
- 3. Gradual industrialization and migration of rural worker to urban areas causing a shortage of farm worker as a result hike of wage of workers in transplanting time.
- 4. Mechanical transplanting has been considered the most promising option as it saves labor, ensures timely transplanting and attains optimum plant density that contributes to higher productivity.

# **Table 01:** Cost Comparison between Manual Transplanting and<br/>Mechanical Transplanting

Manual Transplanting Cost per hectare		Mechanical Transplanting Cost per hectare)		
Activity	Cost in BDT	Activity	Cost in BDT	
Seed (100 kg @100 BDT/kg)	10000.00	Seed (100 kg @100 BDT/kg)	10000.00	
Land Preparation for seedling raising (single pass by PT)	1200.00	Land Preparation for seedling raising	2550.00	
Land preparation (3-4 pass by PT or 2 Pass by Tractor)	4800.00	Land preparation (2 pass by PT or 1 Pass by Tractor)	2400.00	
Labour cost (Seedlings uprooting to transplanting) (50 Labor required 8 hrs@500.00)	25000.00	Transplanting Fuel-600.00; Operator- 750.00; Labor-500.00; Depreciation-200.00	2050.00	
Total	41000.00	Total	17000.00	

- □ Manual transplanting total cost/ha BDT 41,000.00 (Fig. 03),
- Mechanical transplanting total cost/ha BDT17,000.00 (Fig. 04) (1USD = BDT 82).
- □ Cost Saving: 58%
- □ Time Saving: 75% and
- □ Labor Saving: 90%.
- Mechanical transplanting 100 kg (rice) more production over traditional transplanting.



Fig. 03: Manual Uprooting Seedlings and Manual transplanting System



Fig. 04: Manual Seedling Raising Technique and Mechanical Transplanting system

# **Table 02:** Cost Comparison between Manual Harvesting andMechanical Harvesting

Manual Harvesting Cost per hectare		Mechanical Harvesting Cost per hectare			
Activity	Cost in BDT	Activity		Cost in BDT	
Labour cost	12500.00	Fuel-	2100.00	5500.00	
(25 Labor required @500.00)		(30 Lit @ BDT. 70)			
(200 man-hr, ha <sup>-1</sup> )		Operator- 1	1800.00		
		Labor - 1	900.00		
		(300.00+150.00) per hr(total 6			
		hr).			
		Depreciation-	400.00		
		Maintenance & othe	rs: 300.00		
Total	12500.00	Total		5500.00	

- Manual harvesting total cost/ha BDT 12,500.00
- Mechanical harvesting total cost/ha BDT 5,500.00
- Cost Saving: 56% and
- Labor Saving: 92%.



Fig. 05: Manual Harvesting System



Fig. 06: Mechanical Harvesting system

## **Cost Saved**

- 1. Considering 500 mechanical harvester and capacity of each combine harvester is 160 ha per year
- 2. Total saving by using 500 (five hundred) mechanical harvester per year is 560.00 million BDT over manual harvesting.
- 3. Area coverage by 500 combine harvester 80,000 ha per year and it only 1% of the total cultivable land of Bangladesh.
- As per mechanization roadmap, the targets of mechanical transplanting are 20%, 40% and 80% by 2021, 2031 and 2041 respectively And
- 5. Targets of mechanical harvesting are 30%, 60% and 80% by 2021, 2031 and 2041 respectively (MoA, 2016).

## Challenges

The major problems faced during the study on rice mechanical transplanting and harvesting are:

- 1. Farmers do not know the proper way of seedling raising technique.
- 2. Farmers have insufficient knowledge about new agricultural technologies as well as advanced technologies available in the country.
- 3. The farmers are reluctant to adapt new technologies as they thought that modern technologies won't bring any major changes in the agriculture sector.
- 4. High cost of the modern machines.

### **Future Plan**

- 1. Special agricultural subsidy program to be continued for small and marginal farmers and potential entrepreneurs.
- 2. Educate farmers about the benefits of transplanter and harvester.
- 3. Formation of beneficiary groups for seedling raising technique.
- 4. Training on operation, repair & maintenance and seedling raising technique and after sales service for repair and maintenance to be provided at least for 2-3 years.
- 5. Establish sustainable market by providing training on transplanter and harvester.
- 6. Government of Bangladesh may encourage the private sectors to invest in seedling raising technique, transplanting and harvesting machinery.

# THANK YOU...