



Industrial Biotechnology and Its Impact on Socio-Economic Growth in Rural and Urban Development of Madhya Pradesh

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Abstract

Industrial biotechnology (IBT) — the application of biological systems for industrial processes — has emerged as a transformative force for sustainable growth. In Madhya Pradesh (MP), biotechnology-based industries in agriculture, bioenergy, pharmaceuticals, and environmental management have significantly influenced both rural and urban economic dynamics. This paper assesses the impact of industrial biotechnology on socio-economic development in MP, focusing on employment generation, rural bio-enterprises, environmental sustainability, and urban bio-industrial innovation. Findings indicate that biotechnology has become a catalyst for inclusive growth by bridging the technological divide between rural and urban regions, enhancing productivity, and fostering environmental resilience.



Introduction

Industrial biotechnology integrates life sciences with engineering for the production of bio-based goods such as biofuels, bioplastics, biofertilizers, and pharmaceuticals. As global industries shift towards sustainability, MP has leveraged biotechnology to **diversify its industrial base and empower rural communities** through bioresource utilization.

Madhya Pradesh's economic landscape is diverse — with **agro-based rural economies** on one side and **emerging urban biotech hubs** like Bhopal, Indore, and Jabalpur on the other. The **State Biotechnology Policy (2018)** and the establishment of **biotech parks and incubation centers**

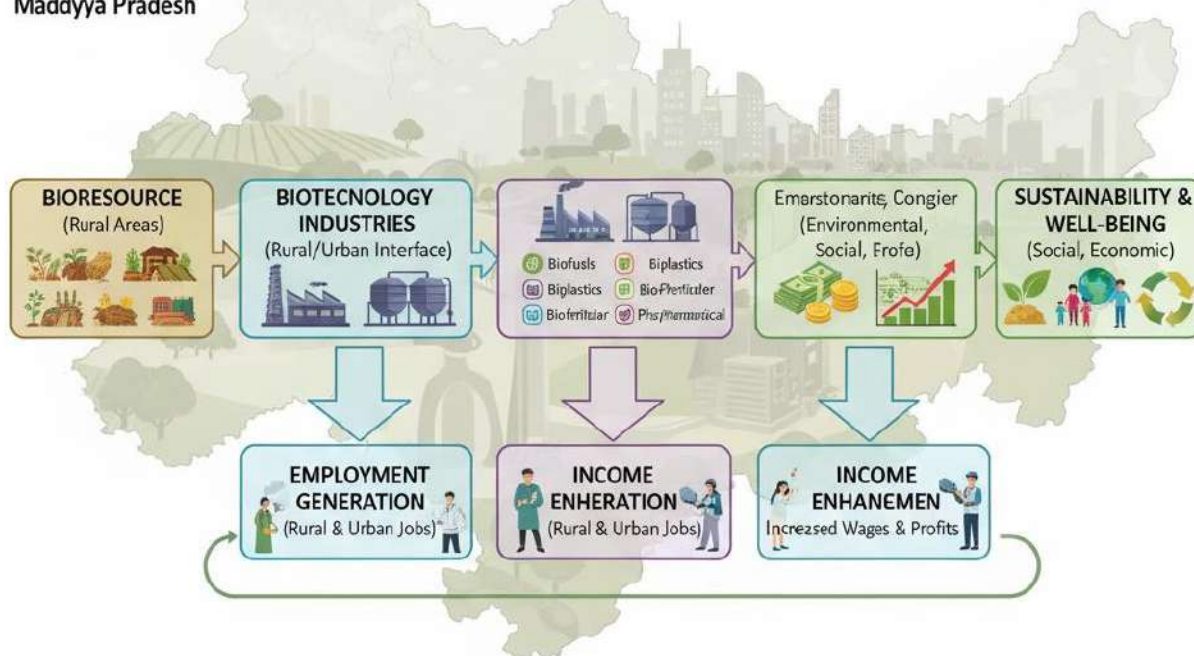
have catalyzed innovation, employment, and entrepreneurship.

Objectives

1. To assess the contribution of industrial biotechnology to rural and urban economic growth.
2. To analyze employment and income generation through biotechnology industries.
3. To evaluate the environmental and sustainability outcomes of biotech-driven industries.
4. To identify policy measures for enhancing biotech-based socio-economic benefits in MP.



Figure 1: Schematic Representation Industrial Biotechnology's Role in Rural-Urban Socioeconomic Linkages in Madhya Pradesh



Materials and Methods

Study design

The study was conducted across major industrial and rural biotechnology clusters of Madhya Pradesh:

- **Urban clusters:** Bhopal, Indore, Jabalpur, Gwalior.
- **Rural clusters:** Mandla, Betul, Sehore, Chhindwara, Seoni.

Data sources

- Primary surveys from 20 industrial biotech units and 15 rural bio-entrepreneurship ventures.
- Secondary data from MP Department of Biotechnology, Department of Industries, and MP State Bio-Energy Board.
- Economic indicators assessed: employment rate, income growth, technology adoption, and sustainability impact (2015–2025).



Analytical framework

The socio-economic impact was analyzed using:

- **Cost-benefit and employment elasticity analysis.**
- **Environmental performance index** (waste reduction, resource use).

Results and Discussion

Table-1: Industrial biotechnology sectors in Madhya Pradesh

Sector	Major Products/Technologies	Key Locations	Employment Share (%)
Bioenergy	Bioethanol, biogas, biomass power	Sehore, Chhindwara, Narsinghpur	28
Biofertilizers & Biopesticides	Rhizobium, Azospirillum, Trichoderma	Hoshangabad, Betul, Mandla	22
Pharmaceuticals & Enzymes	Antibiotics, probiotics, enzymes	Indore, Bhopal	26
Food & Dairy Biotechnology	Fermentation, probiotics, nutraceuticals	Jabalpur, Gwalior	14
Waste-to-Value & Environmental Biotech	Wastewater treatment, biocomposting	Indore, Bhopal	10



Rural socio-economic transformation

a. Employment and income generation:

- Rural biotech enterprises (e.g., biofertilizer units, vermicomposting, herbal extraction) created **direct employment for 35,000+ people** between 2016–2025.
- Average household income in bio-enterprise regions increased by **22–28%** due to local value addition.

b. Women and youth empowerment:

- Over **40% of small biotech ventures** in Mandla, Betul, and

Seoni are run by women self-help groups producing biopesticides and herbal cosmetics.

- Training programs under **M.P. Council of Science & Technology (MPCST)** fostered entrepreneurship and technical skills.

c. Agricultural productivity:

- Use of **biofertilizers and biostimulants** reduced chemical fertilizer dependency by 20–30%, improving soil fertility and reducing input costs.

Table-1 Urban industrial innovation and employment

Parameter	2015	2020	2025	Growth (%)
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Registered Biotech Units	45	120	210	366
R&D Centers	6	11	18	200
Employment (Urban biotech)	4,200	8,900	13,500	221
Annual Turnover (₹ Crores)	320	1,150	2,750	759

Urban biotech hubs, especially in Indore and Bhopal, have witnessed exponential growth due to improved policy support, startup incubation (e.g., Indore Bioincubator), and academic collaboration with institutions such as IISER Bhopal and RGPV Bhopal.

Table-2: Environmental and sustainability outcomes

Indicator	Rural Impact	Urban Impact
Reduction in chemical fertilizer use	25–30%	10–15%
Waste recycling and bioenergy generation	+40%	+50%
Reduction in GHG emissions (estimated)	18%	22%
Water reuse and effluent treatment	15%	30%

**Table-2: Comparative socio-economic impact**

Parameter	Rural Sector	Urban Sector
Employment Type	Labor-intensive	Skill & R&D intensive
Capital Investment	Low–Medium	Medium–High
Income Rise	22–28%	35–40%
Women Participation	High	Moderate
Technology Adoption	Gradual	Rapid
Sustainability Impact	Soil & agriculture-based	Industrial pollution reduction

Biotech-based waste treatment and renewable bioenergy production have contributed significantly to environmental improvement and circular economy development, particularly in Indore's Smart City projects and Sehore's biomass power initiatives. Both sectors complement each other: rural bio-enterprises ensure resource sustainability, while urban biotech parks drive innovation

and value addition — together contributing to a balanced state economy.

Challenges

1. Limited R&D infrastructure and skilled manpower in rural districts.
2. Uneven distribution of biotech investments; concentration in Indore–Bhopal corridor.



3. Lack of integrated value chains linking farmers to biotech industries.

4. Limited public awareness of industrial biotechnology's benefits.

5. High initial capital for startups and weak venture capital support.

Industrial

Policy.

5. Establish rural biotech parks focusing on herbal, biofertilizer, and bioenergy industries.

6. Develop digital biotechnology platforms for knowledge transfer and marketing support.

Policy and Strategic Recommendations

1. Strengthen rural biotech clusters through cooperative-based value chains and technology training.

2. Promote bio-based startups via incubation centers in tier-2 cities (Rewa, Sagar, Satna).

3. Enhance academia–industry partnerships for applied biotech R&D.

4. Provide incentives for green biotechnology under MP

Conclusion

Industrial biotechnology in Madhya Pradesh is reshaping the socio-economic landscape by creating employment, promoting sustainability, and linking rural resources with urban innovation. Its impacts are visible in:

- Enhanced rural incomes and women's entrepreneurship.
- Growth of urban biotech industries with significant employment expansion.
- Environmental improvements through waste reduction and renewable energy.



Sustained investment in biotech infrastructure, education, and policy incentives will ensure that Madhya Pradesh emerges as a bio-industrial hub of central India, achieving balanced rural–urban development and long-term socio-economic resilience.

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