

## Agriclinics and Agribusiness Centers Scheme: Attracting and providing opportunities to agripreneurs

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### Abstract

Agriclinics and Agribusiness Centers (ACABC) which is a subsidy based credit linked scheme for setting up agriventures by agriculture graduates launched by the government of India to strengthen the technology transfer, public extension system and employment generation in rural areas and has proved in a healthier way. Different agriventures started by agripruners under the scheme has increased awareness among farmers on scientific ways of farming. The agriclinics centers have been successful in imparting knowledge to the farmers about the new and scientific methods of farming, thus leading to an increase in the production per hectare, cropping intensity and income from allied business in agriculture. Southern region has been the forerunner by employing around 50% of the total employment generated while North East region is deficient in establishments of agriventures. There is need to make efforts by government to focus on north eastern states and on the ventures which are having untapped potential. ACABC scheme and ventures started under the same are way for attracting and retaining youth in agriculture (ARYA).

Agriculture plays a vital role in India's economy. Over 58 per cent of the rural households depend on agriculture as their principal means of livelihood. Agriculture, along with fisheries and forestry, is one of the largest contributors to the Gross Domestic Product (GDP). As per estimates by the Central Statistics Office (CSO), the share of agriculture and allied sectors (including agriculture, livestock, forestry and fishery) was 15.35 per cent of the Gross Value Added (GVA) during 2015-16 at 2011-12 prices with the growth rate of 4.0 per cent (Anonymous, 2016). The growing population of India is dependent on agriculture for their livelihood but there is lot of concern about engaging youth in agriculture, in many ways, young people are not very much interested in continuing in agriculture because they don't see much prospects in the future of agriculture, they also don't see it is an active profession in long run (Gandhi *et al.*, 2001). Recently, Indian Council of Agricultural Research (ICAR) has recommended a proposal on "attracting and retaining rural youth in agriculture (ARYA) to the planning commission of India which has agreed and included in 12<sup>th</sup> five year plan in order to tap the youth potential in farming and also prevent their migration to urban areas. Under such conditions, the only way of attracting youth to agriculture is to turn farming into a profitable venture, but also to increase the farmer's income in manifolds *i.e.* better farming by every farmer. In this context, agriclinics and

agribusiness centers (ACABC) which is a subsidy based credit linked scheme for setting up agriventures by agriculture graduates launched by the government of India to strengthen the technology transfer, public extension system and employment generation in rural areas has proved in a healthier way.

**Origin and objectives of Agriclinic and Agribusiness Centre Scheme :** Government of India constituted a steering committee on agriculture and allied sectors under the chairmanship of Prof. M.S. Swaminathan. The committee suggested creation of agriclinics and agribusiness centers managed by agri-graduates so as to provide consultancy services to the farming community in rural areas (Karjagi *et al.*, 2006). In India, there is need for revitalization of extension system in the country to address these issues, providing value added extension services to the farmer through additional qualified main power and adequate infrastructure (Shekara *et al.*, 2011). Parimaladevi *et al.* (2006) reported that trained agricultural graduates have positive and favorable attitude towards self employment and to starting of agribusiness/agrventure in rural areas. ACABC's provides agricultural advisory services to farmers through technically trained "agripreneurs". The scheme was implemented with following objectives:

– To supplement extension activity carried out by government agency.

- To make available supplementary sources of input supply and services to needy farmers.
- To provide gainful employment to agriculture graduates in new emerging areas

The general information about agriclinics and agribusiness center scheme (ACABC) is given in Table 1.

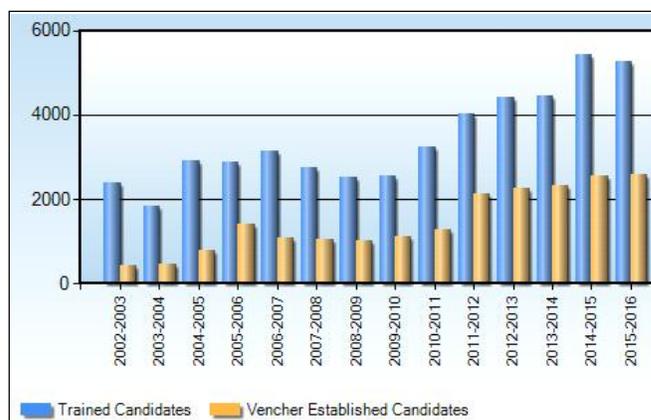
So it can be seen from information depicted in Table 1 that, the scheme provides platform to rural youth having their academic qualification in life science graduates, diploma holder in agriculture and allied fields in addition to agriculture graduates. Considering the financial aspects of the ACABC scheme, it provides more opportunities for women in agriculture and for upliftment of socio-economically backward class with farming background. In this way, it also playing key role for empowerment of women and weaker section in agriculture.

**Key factors for joining the training programme under the scheme of Agriclinc and Agribusiness center :**

According to Karjagi *et al.* (2007) following are the major factors contributing for joining the training programme –

- Unemployment problem in government and private sector.
- Non-remunerative yields from present farming.

- Self motivation for own business
- Free specialized training
- Better institutional linkage (training, credit and marketing)
- Access to credit facilities
- Improved market outlets
- Better price expectation from the activity undertaken
- Increasing cost requirements



**Fig. 1 : Year-wise progress report of Agriclinc and Agribusiness Center scheme since year 2002 – 03 to 2015-16**

**Table 1 : General information of Agriclinc and Agribusiness Centers (ACABC) Scheme**

Sr. No.	Particulars	Remarks
1.	Recommendation of ACABC scheme	M.S. Swaminathan committee
2.	Date of announcement of scheme	28 <sup>th</sup> February 2001
3.	Date of launching of scheme	9 <sup>th</sup> April 2002
4.	Eligibility criteria	<ul style="list-style-type: none"> <li>- Graduates and above in agriculture and allied fields.</li> <li>- Diploma (with at least 50% marks) in Agriculture and allied fields.</li> <li>- Biological science graduates with post graduation in agriculture and allied subjects.</li> <li>- Agriculture related courses at intermediate (+2) level, with at least 55 % marks.</li> </ul>
5.	Implementing agencies	MANAGE, NABARD, Department of Agriculture, Nodal Training Institutes (NTIs) and Commercial Banks
6.	Total number of NTIs in India	147
7.	Total number of candidates trained under the scheme	49031
8.	Total number of agriventures established under the scheme (upto year 2016)	21000
9.	Availing loan upto project cost (Maximum)	20.00 Lakhs
10.	Subsidy from NABARD	44% for SC/ST/Women candidates and 36% for other candidates
11.	Training duration	60 Days (Residential)

– Efficient utilization of resource base (education, financial, knowledge, contacts, land etc.)

### Present state wise status of Agriclincs and Agribusiness Centers scheme upto year 2016 :

The present state-wise status of scheme is shown in Table 2. From the data it is observed that, 49031 candidates were trained since start of the scheme in all 32 states and union territories of India with the help of nodal institutes (NIs). Maximum numbers of candidates (11241) were trained from Maharashtra followed by Uttar Pradesh (10156) and Tamil Nadu (5798) while scheme could not yield effective results in training candidates from North-

Eastern states and union territories of the country like Sikkim, Meghalaya, Tripura, Delhi, Chandigarh etc.

Also the number of ventures established by agripreneurs after completion of training was high (5310) in Maharashtra followed by Uttar Pradesh (5214). The total number of ventures established under scheme is 21000. In context of setting up of Agriventures southern states performed well than the seven sister states and union territories. In case of number of projects sanctioned by banks Uttar Pradesh proved better (626 projects) for providing better financial support to newly established agriventures followed by Maharashtra (421) among all

**Table 2 : Present state-wise status of Agriclincs and Agribusiness Centers scheme upto 2016**

Sr. No.	Name of the State	No. of candidates trained	No. of ventures established	No. of projects sanctioned by Banks
1.	Maharashtra	11241	5310	421
2.	Uttar Pradesh	10156	5214	626
3.	Tamil Nadu	5798	2967	267
4.	Bihar	3424	1246	102
5.	Karnataka	3196	1302	297
6.	Rajasthan	2834	1024	68
7.	Madhya Pradesh	1513	576	73
8.	Gujarat	1401	557	49
9.	Jammu and Kashmir	1333	176	7
10.	Telangana	1034	363	38
11.	West Bengal	890	253	12
12.	Andhra Pradesh	846	321	31
13.	Assam	632	206	93
14.	Jharkand	632	163	6
15.	Haryana	614	207	38
16.	Punjab	566	212	20
17.	Chattisgarh	543	1	20
18.	Orissa	521	106	7
19.	Manipur	437	128	20
20.	Himachal Pradesh	418	108	42
21.	Uttaranchal	417	140	16
22.	Kerala	185	51	18
23.	Nagaland	174	21	1
24.	Pondicherry	126	77	14
25.	Mizoram	34	1	-
26.	Arunachal Pradesh	32	3	2
27.	Delhi	27	3	-
28.	Meghalaya	11	3	1
29.	Sikkim	9	1	-
30.	Goa	9	4	2
31.	Chandigarh	3	1	-
32.	Tripura	2	1	1
	Total	49031	21000	

Source : MANAGE, 2016

32 states and union territories where scheme is implemented. Analysis of the zonal variations in the disbursal of the loans indicates that it was only in the Southern region that 62% of the ventures set up could avail the finance through financial institutions. All other regions fared poorly, with North and East having only 10% of the projects financed through bank loans. In North East, only 25% of the projects could secure bank loan. In accordance to Global Agrisystem (2010), the agripreneurs were of the opinion that banks take a very poor view of these ventures and thus the agripreneurs have been discouraged from starting such ventures, wherever they cannot obtain bank funding. Complex nature of land holding / ownership pattern in some states further complicates

the funding in terms of providing collateral. Even NIs in the North East region are feeling discouraged about continuing the training programme because of this lack of co-operation of the banks in providing financial assistance to the trained graduates (Global Agrisystem, 2010, Karjagi *et al.*, 2009). In states like Uttar Pradesh, Maharashtra, Karnataka it can also be correlated with the fact that all the loans have been applied for in nationalized banks which further suggests that nationalized banks are more pro active in sanctioning the loans and provide the loans easily. Also trainees are quite aware of these banks due to their easy accessibility and spread. Also participation of some cooperative banks from these regions is observed as supportive factor for establishment of ventures.

**Table 3 : Overview of projects established under Agriclincs and Agribusiness Scheme upto year 2016**

Sr. No.	Project description	No. of ventures established
1.	Agri-Clinics	3229
2.	Agri-Clinics and Agribusiness Centres	6771
3.	Agro-Eco Tourism	11
4.	Animal Feed Unit	47
5.	Bio-fertilizer production and Marketing	103
6.	Contract Farming	66
7.	Cultivation of Medicinal Plants	112
8.	Direct Marketing	168
9.	Farm Machinery Unit	712
10.	Fisheries Development	350
11.	Floriculture	108
12.	Horticulture Clinic	170
13.	Landscaping + Nursery	113
14.	Nursery	506
15.	Organic Production/ Food Chain	89
16.	Pesticides Production and Marketing	40
17.	Value Addition	280
18.	Fishery clinic	15
19.	Seed Processing and Marketing	337
20.	Soil Testing Laboratory	102
21.	Tissue Culture Unit	28
22.	Vegetable Production and Marketing	250
23.	Vermicomposting / Organic manure	495
24.	Veterinary Clinics	875
25.	Crop Production	197
26.	Dairy/Poultry/Piggary/Goatary	5492
27.	Rural Godown	49
28.	Production and Marketing of Bio-Control Agents	19
29.	Agriculture Journalism	16
30.	Sericulture	49
31.	Mashroom Cultivation	100
32.	Apiary	101
	Total	21000

Source : MANAGE, 2016

**Project wise progress of Agrilclinic and Agribusiness Centre Scheme :** It can be observed from Table 3 that, establishment of 21000 different 32 types of projects was achieved nationwide through ACABC scheme. But the top performing ventures are Agri-Clinics and Agribusiness Centres (6771), Dairy/Poultry/Piggary/Goatary (5942), Agri-Clinics (3229), Veterinary Clinics (875), Farm Machinery Unit (712), Nursery (506), Vermicomposting / Organic manure (495). The other projects were chosen by the agripreneurs with less interest due to lack of suitable environment, less product demand and scope and (Bairwa *et al.*, 2014).

**Benefits to the farmers and employment generation through the scheme :** The mid-term evaluation of ACABC scheme conducted by Global Agrisystem in 2010 reported that, the major benefit to the farmers availing the services of agrilclinics centers is the increased awareness among farmers on scientific ways of farming. The agrilclinics centers have been successful in imparting knowledge to the farmers about the new and scientific methods of farming, thus leading to an increase in the production per hectare and the cropping intensity. The overall scenario reflects that around 43% of the agripreneurs have responded that their advice has resulted in income enhancement of the farmers and this has resulted from their timely advice and transfer of technology. In case of employment generation, Southern region has been the forerunner by employing around 50% of the total employment generated. Rest of the zones has fared well except for North East where the employment generation has been to the tune of around 3 per cent. This impact is the ripple effect of the agriventures established in the zones. Since the numbers have not been encouraging in the North East in terms of agriventures established so has their contribution to the employment generation. Further highest number of women workforce that has been employed is in South amounting to 35 per cent of the total employment in South. Similarly of the total employment generated in South more than 50 per cent belongs to Schedule caste and tribe. Other zones have also fared well in generating employment within different categories.

**Conclusion :** From the above findings, it can be concluded that continuation of ACABC scheme with some improvement is required to attract and provide opportunities for agricultural students to set up agriventures and for effective paid extension services. Also more emphasis should be given for encouragement of youth from North East region to start up agribusiness. Availing the loan

facilities should be made expedient for which involvement of cooperative and private banks will be helpful. Though MANAGE, NABARD and Ministry of Agriculture has launched and contributed very effective in appreciable manner but still involvement of states is negligible and not up to satisfactory level. These gaps should meet out and coordinated efforts should be done for encouraging youth in agriculture. In present situation there is utmost need of programmes like ACABC scheme to attract and retain youth in agriculture which are providing services to farmers for better farming.

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