

Opportunities in agri-preneurship in India: Need, challenges and future prospects

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India's Economy is principally dominated by Agriculture with more than 60% population dependent on agriculture. It accounts for about 14 % of Gross Domestic Products (GDP) of the country. India being predominantly agricultural, agripreneurs play very vital and important role in the agricultural value chain. They contribute significantly to increase the agricultural GDP by the process of their value addition. An overall growth rate of 7-8% may be contributing for the overall development of economy, but the very meager growth rate in agricultural sector is challenge for rural development in India. Significant growth in manufacturing and service sectors is contributing for the better living conditions and lifestyle of urban population whereas agriculture and allied sectors are still in back foot in providing the better living conditions in rural India. As compare to urban area majority of people living in rural area are unable to creep the benefits of the developmental schemes happening in India. In keeping these imbalances in mind and to achieve balanced economic development, it becomes inevitable to promote agripreneurship for the development of rural area. In order to tap the untapped potential rich and unexplored rural resources, agripreneurship has a huge scope. Though it is sounding very promising and attractive, it is not easy path to walk because of the problems like lack of awareness among the people, lack of entrepreneurial culture, poor infrastructural development, lack of adequate institutional support and government policy. Despite these constraints there are so many avenues open for Agripreneurship development. The major opportunities are in agricultural inputs, farming processes and technology, agriculture output processing and other agriculture allied sectors like dairy development, poultry, horticulture, sericulture and so on. Sustainable value addition is happening through the activities like diversification, value addition, precision farming, high-tech agriculture, global marketing, organic farming etc. There is a huge scope not only increasing living standards of rural India but strengthening the national economy by making it globally competitive.

Agripreneurship : Agripreneurship is the entrepreneurial process taken up in agriculture or the allied sectors. It is

the process of adopting new methods, processes, techniques in agriculture or the allied sectors of agriculture, for better output and economic earnings. Agripreneurship converts agricultural activity into an entrepreneurial activity. By adopting innovative ideas in agriculture and allied sectors an agripreneur who is an innovator, drives the changes in rural economy. An agripreneur job is never easy as he takes risk, adopts innovation, creates new ways of doing things and taps new markets opportunities. Dollinger (2003) defines entrepreneurship in agriculture as the creation of innovative economic organization for the purpose of growth or gain under conditions of risk and uncertainty in agriculture. Sudharani defined agripreneurship as "generally sustainable, community oriented, directly marketed agriculture. Sustainable agriculture denotes a holistic, systems oriented approach to farming that focuses on the interrelationships of social, economic and environmental process".

Agripreneurship development: Why needed : Agriculture frames the foundation of the Indian economy. Thus, India is likewise called as 'agriculture –commanded nation.' Agriculture assumes a vital part in the Indian economy is confirmed by the certainties that it contributes 22 per cent to the aggregate gross residential items, gives business to around 65 per cent of the aggregate work constrain, and contributes 14.7 per cent of aggregate fares of the nation. Over the period of time, the contribution of agricultural sector in GDP in India has declined to 13.7% in 2012-13 from 51.9% in 1950-51. This decline is result of the shift from traditional agricultural economy to industry and service sectors, this performance are very meager if we consider the size of the employment in this sector. In 2013-14, the GDP contribution of agricultural sector has been improved to 18%. More than 50% of people are employed in agricultural sector contributing to only 14 % of GDP. With respect to agricultural production India stands second but as far as export are concerned it is ranked 14th in the world. It is reported that the India's average agricultural production per hectare is only half of the of the world's average (50%), which indicates the need and potential for development of this area. By the

analysis of above figures with reference to the greatest strengths of Indian agricultural sector like 157.35 million hectares of agricultural land, all the 15 major climates and 45 of the 60 soil types in the world, it can be stated that the current performance of agricultural sector in India is not upto the mark. Hence there is a clear need for agripreneurship development. National Agricultural Policy (NAP) announced by the Government of India in July 2000 seeks to actualize vast untapped growth potential of Indian agriculture, strengthen rural infrastructure to support faster agriculture development, promote value addition, accelerate growth of agribusiness, create employment in rural areas, secure a fair standard of living for farmers and agricultural workers and their families, discourage migration to face challenges arising out of economic liberalization and globalization etc. Beside above mentioned arguments agripreneurship is needed to develop because:

- Agricultural and Horticultural products are locally available
- These small scale industries do not require huge infrastructure and complex scientific technologies.
- These small scale Industries are economically viable and ecologically sustainable too.
- These enterprises do not require huge expenditure.
- Agripreneurship development has huge potential of creating new employment opportunities for rural youth.
- Agripreneurship helps in checking migration of rural youth from villages to urban centers and helps in improving living condition of farmers by providing alternative source of income.

Opportunities for agripreneurship development:

From very beginning to till now India has been considered an agrarian economy. There are several mechanisms worked in the Agripreneurship like forward and backward linkages with secondary and tertiary sectors *i.e.* manufacturing and service sectors. Opportunities in agriculture and allied sectors can be identified at different phases of agriculture process. Basically, the agripreneurial opportunities are at Input stage, Farming stage, Value chain, output processing and marketing stage and related services. Presently the scope and potential of Agripreneurial opportunities is increasing as a result of globalization and more interconnected world market. There are many potential opportunities for entrepreneurs. Agriculture process needs so many kinds of inputs like seeds, fertilizers, pesticides and innovative and localized farm technology. So above mentioned areas creates agripreneurial opportunities in the areas of developing and

producing these inputs. There are very promising opportunities for entrepreneurial process in the areas like bio-pesticides, bio-fertilizers, vermicomposting, testing and amending soil etc. The increasing focus on organic farming is opening still more opportunities. There is a lot of scope for R&D with respect to seed development. Even these varieties of seeds are expected to serve even in unfavorable climatic conditions. For realizing maximum revenue and improving living conditions of our farming community, productivity of the crops should be improved which is possible with good management practices along with good quality of inputs. India is able to record only 50% of the average world production per hectare. Further, there is a lot scope in the area of agro tech products. There is a gradual shift happening from the usage of chemical intensive fertilizers and pesticides to natural manure and pesticides. This gradual shift is again opening up huge potential and opportunities for production and marketing of bio-pesticides, eco-friendly agrochemicals and natural manures. At the stage of farming, the chief objective is to maximize the output and leveraging the advantage of seasons. There is an opportunity to go innovative with regard to balance use of fertilizers and pesticides, agrochemicals, adopting multiple cropping and crop rotation to protect and preserves and enhance the quality of soil, using the agri-tech machines to reduce the cost of cultivation and drudgery of labor etc. In the post-harvest stage, the opportunities are felt in the areas of value chain, output processing and marketing. The changes happening in supply chain management of agriculture produce are opening doors for new businesses. Agri products processing units are booming up. There are opportunities in the area of distribution and logistics. To specify, for agripreneurship development, there are opportunities in the areas of farming vegetables, fruits, food grains, pulses, oil seeds etc., developing greenhouse concept, herbal plantation, dairy and poultry development, animal husbandry, grading and packaging of agri products, establishing food processing units, establishing cold storages, sericulture, horticulture and many more.

Areas of agripreneurship :

Beekeeping: There is an immense scope of honey production and bee-keeping in the country due to its wide area of flora and fauna. This is such a growing venture where even as illiterate and resource poor men/women can start their own with no land required.

Animal Husbandry : India ranks 1st in milk and milk product production. Livestock management and cattle rearing has been the part of our day to day life. Rearing

of improved breed and their proper's management can give a good return to the farmers.

Fruit and vegetable preservation: Another major small industry which can be started very easily is production of various fruits and vegetables preserved items viz., Potato chips, Potato fingers, Potato pappad, Mango and Litchi Squashes, Jam, Jelly Marmalade, Mixed vegetable, Tomato pickles, Tomato sauce, Ketchup etc.

Horticulture based enterprises: India is major producer of vegetables viz., Potato, Onion, Eggplant, and Cauliflower. Bihar is known for its Shahi Litchi, other fruits grow are Mango, Guava, Citrus, Banana, Papaya, Ber, Pineapple and Makhana. Flavor of its Spices, red Chilli and Coriander spreads all over the country.

Besides above mentioned enterprise there several others which has huge potential to develop as agrienterprises like fisheries, Custom hiring, Agrilclinic etc.

Challenges for agripreneurship development :

Despite huge potential and prospects of agripreneurship development in the country there are some important challenges in the process of agripreneurship development which needs to be taken care very seriously and timely: They are as following:

Inadequate infrastructural facilities: For any kind of development, infrastructure is a pre requisite. In rural India, the infrastructural facilities are very poor and inadequate particularly with respect to the facilities like transportation, communication, power and marketing networks.

Lack of entrepreneurial culture among people : In India, in many areas very poor entrepreneurial culture has been identified. Lack of education and awareness is causing a gap in the development of entrepreneurial culture among rural people.

Migration of skilled and talented workforce from rural area to urban : People from rural area are migrating to urban area because of very poor infrastructure and facilities in rural areas. This migration is creating a gap in the rural talent. It is because of lack of employment, skill, specialization and platforms to use their talent. Even Skilled, educated and trained in some specific areas are seeking jobs with different areas in urban sector. Also, rural youth are attracted to urban lifestyle seeking better career opportunity.

Poor technologies and equipment : Information helps people to explore the opportunities analyzing the situation and make appropriate decisions at right time. Lack of information is a big gap in agripreneurship development. Lack of Information Technology and knowledge on farm equipment and farm enterprise will have an adverse impact on the development of Agripreneurship. It happens due to

poor technological facilities and equipment creating challenge for information support for agripreneurship development which is very critical for smooth growth of this sector.

Problems in marketing of agricultural products : Production has no value unless it is sold and consumed. Lack of proper transportation, warehousing facilities, lack of facility to promote the agri-products, lack of market information, destabilized prices for agriculture products, uneven demand, influence of local mediators and many more are creating a lot of trouble for farmers in the process of marketing their products.

Inadequate institutional measure and Government Policies: Though there are number of Govt. policies, the implementation is felt not appropriate because of the problems like corruption and bureaucracy. Because of illiteracy and ignorance, the rural people are unable to get the information of the policies of the Government and get the benefit. Critically speaking, the support from the Government in agriculture sector is much less than the support extended to industry and service sectors development.

Some important suggestions for promoting agripreneurship in India :

- There is an urgent need for promoting entrepreneurial culture among the people in rural areas and to create a vibrant environment for the rural development
- Identifying promising agricultural and allied areas of business to promote entrepreneurial activity
- Providing area specific technical training programmes to develop the required technical competency among the potential entrepreneurs
- Promoting the establishment of forum and platform where organization concerned with entrepreneurial development in agriculture.
- Establishing developmental fund to support the start-up process of agripreneurship to establish agricultural incubation centers
- Extending support in terms of providing financial and marketing support
- Entrepreneurial education and training to the potential rural youth
- Improving infrastructural setup in rural areas
- Identification of important and specific areas of agripreneurship development across the stages of value chain of the agricultural process and designing appropriate strategies for the promotion.

Expedted outcome from agripreneurship :

Social and economic benefits: Agripreneurs standard of living is increased with socio-economic empowerment. They are recognized with social status and prestige. They can afford quality and quantity of nutritious food, better education, and medical facilities to their families. It is a promising sector to build resources and mobilize local resources for community development as a whole.

Net income : The process of value chain and agro processing multiplies the net income into many times than conventional method of marketing after produce.

Sustainability : Agripreneurs continue to learn and embrace sustainable farming methods, business opportunities through the cycle of agribusiness and overcome risks associated with agribusiness. They always seek for more sustainable development of their enterprises.

Employment generation: The most pressing advantage of agripreneurship development is huge employment opportunities for rural youth and farmers. Therefore it helps in enhancing rural income and improving living standard of rural people.

Reduce rate of migration of rural people to urban centers: Agripreneurship development creates lot of employment in rural areas itself, thus provide people their standard livelihood in villages only. This reduces the rate of migration of rural people particularly rural youth from villages to urban centers consequently reduce the population pressure on urban infrastructure.

Providing urban amenities in rural areas: The agripreneurial ventures will not grow alone but the supporting resource infrastructure will grow which will create urban like setup and facilities for local inhabitant in rural areas.

Besides above visible impact agripreneurship also helps in reducing unemployment and underemployment thus helps in alleviating poverty. Agripreneurship helps in checking migration of skilled and talented rural youth and workforce from rural to urban areas thus reducing population pressure on major urban center and also create opportunity within villages itself.

Conclusion : From the last many years country is constantly struggling with the problems of unemployment, underemployment, especially amongst the rural populace and unfortunately we have failed in addressing these problems very effectively. Considering that two-thirds of the Indian population is employed (either directly or indirectly) in the agriculture sector, providing viable and sustainable business opportunities in Indian agribusiness is imperative for generating employment in the country. With Industrialization attaining a plateau, the opportunities of value addition in farm produce has the potential to not only address the issues of employment but also carry

forward the development agenda of the country in a more sustainable manner by balancing the growth requirement with the inherent strengths of the country. It is believed that agripreneurship development will help the economy to leverage the identified strengths and to achieve tremendous growth in primary sector and to contribute for rural development. It helps the economy to achieve self-sustainability in food production. Further, it helps in achieving balanced economic growth. Agripreneurship Development is going to give excellent results at rural level. In this context, it is widely believed that sustainable agribusiness ventures can promote job-led economic growth in rural areas through harnessing science and technology for environmentally sustainable and socio-economic viable economic opportunities. Agripreneurship in sustainable agriculture like natural farming, organic farming, eco-friendly agriculture etc. has the potential to transform the face of rural India, the prime driver of our economy. Agriculture can be better positioned as a more profitable economic activity by integrating the same with processing, packaging and storage activities. So, there is a dire need of making suitable policies and frameworks with action plans for achieving the target of agripreneurship development with establishment of several support systems to incubate the agripreneurs in rural India.

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