

AGRIPRENEURSHIP: A TOOL FOR ECONOMIC DEVELOPMENT OF INDIA IN THE NEW MILLENNIUM

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ABSTRACT

India is an agrarian country. Agriculture remains a key sector of the Indian economy accounting for around 25 percent share in the gross domestic product. Increased number of people and unemployed graduates living in rural areas are migrating to urban areas in search of jobs. But the country is unable to create ample job opportunities along with economic development. Very poor infrastructure and facilities in rural areas aggravated the population pressure on the urban infrastructure. In this situation this paper tries to examine the aspects of taking agricultural entrepreneurship or agripreneurship as a career and the solution of the problem. Also potential of agriculture for local entrepreneurs as a way of success and as a condition of accomplishing the level of well-being which is not explored. In this new millennium the need is combined, and a composite model is based on the basic principal rural employment provider shaping the profile of local entrepreneurs. The study started from underlining the main factors which determine economic development in the rural as well as urban areas. The study tries to explore different avenues related to agriculture and make a predictive model of agricultural entrepreneurship for a sustainable economic development.

Keywords: *Agriculture, Entrepreneurship, Agripreneurship, Rural Developments, Employment*

INTRODUCTION

India is basically an agriculturally based economy. Approximately 70% of the population is living in rural area depending on agriculture and allied sectors for their livelihood. The development of economy through agricultural sector will help India in developing the rural community (Anderson, 1982). If we compare between rural and urban, the major proportion of the population living in rural is unable to get the benefits of the development happening in India. 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 also, 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. Agripreneurship is generally sustainable and community-oriented. Sustainable agriculture denotes a holistic, systems-oriented approach to farming that focuses on the interrelationships of social, economic, and environmental processes. One in every two Indians relies on agriculture for livelihood. Agricultural landscape has changed drastically, since

this intervention, will become a second green revolution, is going to need an entirely new approach and an entirely new set of technology. A period when the productivity of global agriculture increased drastically as a result of new advance. We believe entrepreneurs are the key drivers of tomorrow innovations and integral to create a thriving economy. In agricultural businesses, planning may be even more fundamental because of the inherent ambiguity associated with agricultural production. Large population of India is dependent on agriculture for their source of revenue. But Indian agriculture is low in productivity with large number of disguised unemployment. Entrepreneurial development is a systematic and a controlled development of a person to an entrepreneur. The development of an entrepreneur refers to inculcate the entrepreneurial skills into a common person, providing the desirable knowledge, getting higher the technical, financial, marketing and managerial expertise's, and building the entrepreneurial approach. Entrepreneurial development programmes may be defined as a program designed to help an individual in strengthening his entrepreneurial motive and in acquiring skills and capabilities necessary for playing his entrepreneurial role effectively. Traditionally, agriculture is seen as a low-tech industry with limited dynamics dominated by numerous small family firms, which are mostly paying attention on doing

things better rather than doing new things. Over the last decade, this situation has changed dramatically, due to economic liberalization, reduced shelter of agricultural markets, and a fast changing, more decisive, society. Agricultural companies more progressively have to adapt to the vagaries of the market, varying consumer lifestyle, enhanced ecological regulations, new necessities for product quality, chain management, food security, sustainability, and so on. These alterations have cleared the way for new participator, innovation, and portfolio entrepreneurship.

Objective

1. To compile information relating to Agripreneurship with a specific focus on India.
2. To assess the awareness level regarding the agripreneurial activities that they can undertake.
3. To understand the extent of readiness of the youth for attempting to become agripreneurs in their given situations.
4. To identify the issues and challenges hindering the agripreneurs to emerge in India.
5. To discuss the phenomena and scope of agribusiness scenario in the Indian context.
6. To discuss the various correlation, as a strategic precursor for agribusiness development.

LITERATURE REVIEW

Dollinger (2003) stated that entrepreneurship in agriculture is the creation of innovative economic organization for the purpose of growth or gain under conditions of risk and uncertainty in agriculture. Sudharani (2002) 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.”

Gray (2002) on the other hand defines an entrepreneur as an individual who manages a business with the intention of expanding the business and with the leadership and managerial skills necessary for achieving those goals. In the face of growing unemployment and poverty in rural areas and slow growth of agriculture there is need of entrepreneurship in agriculture for more productivity and profitability of agriculture. The Agripreneurship program is necessary to develop entrepreneurs and management workforce to cater agricultural Industry across the world (Kular & Brar, 2011).

Bairwa *et al.*, (2014), stated that Agriculture and allied sectors are considered to be mainstay of the Indian economy because these are important sources of raw materials for industries and they demand for many industrial products particularly fertilizers, pesticides, agriculture implements and a variety of consumer goods.

Need of Agripreneurship

1. Agricultural and Horticultural products are locally available.
2. These small-scale industries do not require huge infrastructure and complex scientific technologies.
3. These small-scale Industries are economically viable and ecologically sustainable too.
4. These enterprises do not require huge expenditure.
5. Agripreneurship development has huge potential of creating new employment opportunities for rural youth.
6. 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.
7. Availability of land for agricultural purposes.
8. Requirement of funds for agricultural activities.
9. Requirement of literate and educated population.
10. Both backward and forward inducements and linkages of agricultural development for industrial development.

Role of Agripreneurship in National Economy

1. Agripreneurship plays various roles in the growth and development of national economy through entrepreneurship development which increases the income level and employment opportunities in rural as well as urban areas.
2. Agripreneurship also play following role in the economic system, it helps in inducing productivity gains by smallholder farmers and integrating them into local, national and international markets.
3. It helps in reducing food costs, supply uncertainties and improving the diets of the rural and urban poor in the country.
4. It also generates growth, increasing and diversifying income, and providing entrepreneurial opportunities in both rural and urban areas.

Agripreneurship: Types of Enterprises

1. **Farm Level Producers:** At the individual family point every family is to be treated as venture, to

enhance the production by making best use of the technology, possessions and demand in the market.

- 2. Service Providers:** For optimizing agriculture by every family business, there are diverse types of services requisite at the village level. These include the input borrowing and distribution, hiring of equipment like tractors, sprayers, seed drills, threshers, harvesters `dryers and scientific services such as setting up of irrigation amenities, weed curb, plant security, yielding, threshing, conveyance, warehouse, etc related opportunities exist in the livestock husbandry sector for providing breeding, immunization, disease diagnostic and treatment services, apart from allocation of cattle feed, mineral combination, forage grains, etc.
- 3. Input Producers:** There are many flourishing enterprises, which need critical inputs. A few such inputs which can be produced by the home entrepreneurs at the village level are biopesticides, soil amendments, biofertilizers, vermicompost, plants of diverse species of vegetables, fruits, ornamentals, root media for raising plants in pots, production of cattle feed concentrate, agricultural tools, irrigation accessories, mineral mixture and complete feed. There are good openings to support, fishery, sericulture and poultry as well, during sponsorship of critical service amenities in rural areas.
- 4. Processing and Marketing of Farm Produce:** Well-organized management of post-production processes requires higher level of knowledge as well as investment. Such venture can be handled by People's Organizations', either in the form of cooperatives, service joint stock companies or societies. The most successful instances are the dairy cooperatives sugar cooperatives, and fruit growers' cooperatives in lots of States. However, the success of such undertaking is exclusively dependent on the reliability and ability of the leaders involved. Such undertaking needs good specialized support for running the activities as a competitive trade and to contend well with other players in the market, mainly the retail traders and intermediates.

Development of Agripreneurship in India

India has been considered an agrarian economy till today (Misra & Puri, 2005). 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 agricultural 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 create 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 a mending 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 unfavourable 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 alongwith good quality of inputs. India can record only 50% of the average world production per hectare. Further, there is a lot of 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 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 about balance use of fertilizers and pesticides, agrochemicals, adopting multiple cropping and crop rotation to protect and preserve and enhance the quality of soil, using the agri-tech machines to reduce the cost of cultivation and drudgery of labour 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 production are opening doors for new businesses. Agriproducts processing units are booming up. There are opportunities in the area of distribution and logistics (Pandey, 2013). 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. To identify the issues and challenges hindering the farmers from emerging as agripreneurs (Alex, 2011).

Areas of Entrepreneurship Development in Agriculture

1. **Agro Produce processing units-** These units do not manufacture any new product. They merely process the agricultural products e.g. Rice mills, Dal mills, decorticating mills etc.
2. **Agro Produce manufacturing units-** These units produce entirely new products based on the agricultural products as the main raw material. e.g. Sugar factories, Bakery, Straw board units etc.
3. **Agro-inputs manufacturing units-** These units produce goods either for mechanization of agriculture or for increasing manufacturing plants, e.g. Fertilizer production units, food processing units, agricultural implements etc.
4. **Agro service centers-** These include the workshops and service centre for repairing and serving the agricultural implement used in agriculture.
5. **Miscellaneous areas-** Besides the above-mentioned areas, the following areas may prove to be encouraging to establish agri-enterprises such as setting up of Apiaries, feed processing units, seed processing units, mushroom production units, commercial vermin-compost units, goat rearing farmers club, organic vegetable and fruits retail outlet, bamboo plantation and Jatropha cultivation (Man, Lau & Chan, 2002).

Agripreneurship for Women Empowerment **Women-Agripreneurship: a way forward**

Agripreneurship among women is a major agenda of government for better balancing in the society and women empowerment.

1. **Land ownership:** The foremost thing needed to be done is land entitlement on the name of female members of the household, so that women will become self-sustained, independent in decision making and most importantly to get easy access to benefit from banks and many other schemes which demands a land ownership.
2. **Agricultural cooperatives:** In many developing countries, women work individually, often isolated, in the informal economy, operating at a low level of activity and reaping marginal income. Joining forces in small-scale cooperative can provide them with the economic, social and political leverage they need (Anyon, 1980).

3. **SHG: Self-help groups (SHG):** SHGs are small voluntary associations of people preferably from the same socio-economic background based on the concept of solving common problems through self-help and mutual help. This existing concept of SHG can be rejuvenated with the focus on empowerment of women through agripreneurship.
4. **MSME in agriculture:** Micro, small and medium-sized enterprises in agriculture sector can play a crucial way to promote women's economic empowerment while fighting against poverty and gender inequity. They have been identified as engines of growth by many governments, and their promotion has led to creation of new jobs for developing countries and to drive innovation and economic dynamism (Drucker, 1985).
5. **ICT tools:** Nowadays ICT tools have been popularized and have multifarious uses such as medium to inform, aware, educate, dissemination of new technologies, assessment of new technologies, audience poll, platform for discussion among experts and farmers, information on market i.e. market price, market demands, weather forecasting etc. Mobile phone is one of easy assessable ICT tool also being used by most of the rural population.
6. **Policy implications:** In the current decade number of policies emphasized on entrepreneurship in agriculture like DEDS (Dairy Entrepreneurship Development Scheme).
7. Agri Udaan etc. emphasizing entrepreneurship in agricultural and allied sectors.

Barriers of Entrepreneurship Development

1. Most of the farmers, agriculture is largely a means of livelihood. In the lack of adequate information, capital, technology and connectivity with the market, it is difficult for the uneducated small owner to turn their farming into an enterprise.
2. Before promoting diverse services by self-employed people, there is a need to create consciousness among the farmers, who are the customers, about the benefits of these services.
3. For promotion of services, the present performance of providing free service by the Government organizations should be discontinued. In fact, lots of farmers, mainly the politically associated leaders are of the feeling that the government is accountable for providing extension and technical advisory services to the farmers.
4. The self-employed technicians need regular back up services in the form of technical and business

information, contact with the marketing agencies, suppliers of critical inputs and equipment and research stations who are involved in the development of modern technologies.

5. There are several legal restrictions and obstacles, which come in the progress of agri-business, promoted by the People's Organizations and Cooperatives. Private traders engaged in such business tend to ignore these rules and disturb the fair-trade environment.
6. People's Organizations often hesitate in taking the risk of making heavy investments and adoption of modern technologies, which in turn affect the profitability. With low profitability and outdated technologies, farmer members lose interest in their own enterprises as well as in that of their leaders.

Challenges for Agripreneurship Development in India There are some important challenges in the process of agripreneurship development which are as follows:

1. **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 (Gandhi, Kumar & Marsh, 2000).
2. **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 (Ghosh, 2011).
3. **Migration of Skilled and Talented Workforce from Rural Area to Urban:** People from rural areas are migrating to urban areas 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.
4. **Poor Technologies and Equipment:** Information helps people to explore the opportunities analyzing the situation and make appropriate decisions at right time.
5. **Lack of Information:** It 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.

6. **Lack of Proper Transportation,** warehousing facilities, lack of facility to promote the agri-products, lack of marketing formation, 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.
7. **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.
8. **Problems in Marketing of Agricultural Products:** Production has no value unless it is sold and consumed. The marketing of agricultural products has become difficult for the farmer because of so many problems.
9. **High costs of Physical Logistics:** Indian villages are poorly connected by any mode of transportation. Farmers are facing problems in moving their products to nearby markets. They are unable to store their product, because of lack of warehouse facilities. It is becoming a high cost factor for the former to move the product to the market. Not only in the context of transporting the agricultural output, even to get the agricultural inputs like seeds, fertilizers and pesticides.

DISCUSSION

The study finds a strong need of agripreneurship from the valid (10 number of) points from the above texts. The study compile information on basic types of agri-entrepreneurship, development of agripreneurship in India alongwith its barriers like skill deficiency. Inadequate infrastructural facility is the top of the various challenges, next comes the lack of entrepreneurial culture among people and migration of skilled and talented workforce from rural area to urban. Dairy and poultry sector have significant contribution to India's GDP alongwith its pet care market in India show a high CAGR growth during in last 6 years (Chand, 2019) gives a clue of opportunities in this allied sector.

RECOMMENDATION

1. 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.
2. Providing area specific technical training programmes to develop the required technical competency among the potential entrepreneurs.
3. Promoting the establishment of forum and platform where organization concerned with entrepreneurial development in agriculture.
4. Establishing developmental fund to support the start-up process of agripreneurship to establish agricultural incubation centers.
5. Extending support in terms of providing financial and marketing support Entrepreneurial education and training to the potential rural youth.
6. 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.
7. Promoting entrepreneurial culture among the people in rural areas and to create a vibrant environment for the development of rural areas.
8. Providing entrepreneurial education and training to the potential rural youth improving the infrastructural facilities in rural areas, so that entrepreneurial activity can be initiated.
9. Identifying the trust areas for agripreneurial development across the stages of value chain of the agricultural process and designing appropriate strategies for the promotion.
10. Identifying promising agriculture allied areas of business to promote entrepreneurial activity.
11. Providing area specific technical training programs to develop the required technical competency among the potential entrepreneurs.
12. Establishing area specific entrepreneurial development organizations to facilitate focused efforts for the development of identified areas.
13. Establishing development fund, to support the start-up processes of Agripreneurship.
14. Establishing agricultural incubation centers.
15. Extending support in terms of providing financial and marketing support.

CONCLUSION

The agriculture sector has a large potential to contribute

to the national income while at the same time providing direct employment and income to the numerically larger and vulnerable section of the society. Agripreneurship is not only an opportunity but also a necessity for improving the production and profitability in agriculture sector. 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 also helps in achieving balanced economic growth in India. The government has to make policies for focused Agripreneurship Development and establish developmental organizations to support the process. Agripreneurship Development is going to give excellent results at rural level and macro level also. 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 Agri-preneurship 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. So, there is a direct need of making suitable policies and frameworks with action plans for achieving the target of agripreneurship. Agripreneurship is the need of hours to make agriculture a more attractive and profitable venture. There is a great scope for entrepreneurship in agriculture and this potentiality can be tapped only by effective management of agri-elements such as soil, seed, water and market needs. An individual with risk bearing capacity and a quest for latest knowledge in agriculture sector can prove to be a right agripreneurs. The agriculture sector has a large potential to contribute to the national income while at the same time providing direct employment and income to the numerically larger and vulnerable section of the society. Agripreneurship is not only an opportunity but also a necessity for improving the production and profitability in agriculture and allied sector in the country.

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