

## AGRICULTURAL EMPLOYABILITY: A STUDY ON OPPORTUNITIES AND CHALLENGES IN AGROPRENEURSHIP IN INDIA

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Jinendra Kumar Jain\*  
Mohit Agrawal\*\*  
Harshita Jain\*\*\*

### ABSTRACT

*India is mostly a rural nation, with two thirds of the population and seventy percent of the workers living there. 46% of the nation's income is generated in the rural sector. Agriculture has always been the main economic driver and source of employment in rural areas. An key source of economic growth is seen to be the shift in the production and employment from agriculture to more productive non-farm industries. Economic research on rural India has mostly concentrated on shifts in rural employment, as aggregated by the sectors of agriculture and non-agriculture. Due to the country's excessive reliance on agriculture for employment, planning and execution of entrepreneurial initiatives are crucial. The best viable option to provide rural residents with job opportunities seems to be the growth of entrepreneurship in rural industries. Promotion of agriculture entrepreneurship is essential to making agriculture more productive and lucrative for rural residents since entrepreneurship is one of the major forces behind economic growth in any nation. The current research looks at the adoption of a new agricultural model to address basic issues in Indian agriculture, protracted changes in jobs and future opportunities in rural regions, and modern agriculture as productive and job creation. The research also examines how agricultural sector behaviour has changed recently in India. Secondary data have been taken into consideration for analysis in this study. The study's conclusions might be utilised to recommend a course of action for the Indian rural economic growth.*

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**Keywords:** Agricultural Production, Unemployment, Agropreneurship, Agro - Industries, and Sustainable Growth all Pertain to the Rural Livelihoods.

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### Introduction

The Prime Minister Shri Narendra Modi's "Made in India" Plan intends to promote investment, innovation, entrepreneurship, and skill development in the nation. The statement made by Mahatma Gandhi that "India lives in villages" is accurate. Indian society is centred in its villages, which are a true representation of the country. Those who develop industrial and commercial entities in the rural sector of the economy are considered to be rural entrepreneurs. In other words, developing commercial and industrial facilities in rural regions is a form of rural entrepreneurship. With the development of rural areas, entrepreneurship may be quite beneficial. The rural economy continues to be based on agriculture. Overcrowding on the agricultural land and declining farm output are the results of 70% of farms being owned by small and marginal farmers. This causes a large-scale movement of farm workers to urban areas. Due to land constraints and the inability of agriculture to absorb the labour population, rural businesses must be developed in order to address rural unemployment and rural migration to cities. A crucial need for the overall prosperity of the nation is the expansion and development of the rural economy. Lessening the disparity between rural and urban areas is necessary. The rural population's level of living is subpar and has to be raised. Rural entrepreneurship that takes into account the resources at hand could offer a solution to the aforementioned issues. The rural areas of India are no longer backward and undeveloped. Hence, if entrepreneurship is promoted in rural and tribal regions, it might play a significant role in addressing issues like poverty, unemployment, economic inequity, under utilization of rural capacity, low levels of living standards, and the lagging Indian economy. Rural

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\* Professor & Head, Department of Commerce, Dr. Harisingh Gour Vishwavidyalaya, Sagar, M.P., India.  
\*\* Research Scholar, Department of Commerce, Dr. Harisingh Gour Vishwavidyalaya, Sagar, M.P., India.  
\*\*\* Research Scholar, Department of Commerce, Dr. Harisingh Gour Vishwavidyalaya, Sagar, M.P., India.

industrialization is seen to be a useful strategy for quickening the pace of rural development. The encouragement and expansion of rural entrepreneurship have received increased attention from the Indian government. According to the most recent definition provided by the Indian government, "Village industries are defined as any industry located in a rural region, village, or town with a population of 20,000 or less and an investment of Rs. 3 crore in plant and machinery. In the world of entrepreneurship study, rural entrepreneurship is a relatively recent topic. It now serves as one of the main drivers of agriculture and rural economic growth. In light of this, the current research discusses the issues and obstacles to the growth of rural entrepreneurship.

### **Agriculture as Driver of Entrepreneurship in Rural Areas**

It is essential to provide a supportive economic environment for rural residents in India given the huge proportion of the population that lives in rural areas. Even though the government is running numerous promotional programmes, people from rural areas are still not transitioning to advanced farming due to a number of reasons, including illiteracy, a lack of facilities, difficulties with their way of life, ignorance of the new farming system, a lack of resources, etc.

### **Concept of Entrepreneurship**

Being an entrepreneur is the act of starting any type of business so that you may work for yourself. Variable combinations of socioeconomic, psychological, cultural, and other variables influence entrepreneurship: Caste/religion, Family History, Education Level, Perception, Work History, Migratory Character, Entrepreneurship Entrance, Kind of Business, Investment Capacity, and Aspiration.

### **Entrepreneurship in Agriculture**

It is essential to seize the chances to foster agricultural entrepreneurship, which in turn may address the current issues connected to agricultural productivity and profitability, given the rising rural unemployment rate and the agricultural sector's sluggish growth. A person or organisation that has the legal rights to use or exploit assets such as land essential to carrying out agriculture, forestry, or combined activities operations is referred to as a "agricultural entrepreneur." Agri-entrepreneurs are those who are creating jobs by leveraging agriculture as a business, to put it simply.

### **Objectives**

- To determine India's agricultural growth
- To learn about the business opportunities in agriculture.
- To research Indian government programmes for rural entrepreneurs.
- To identify obstacles facing agricultural businesses

### **Review of Literature**

**Gavian et al. (2002).** In their research, that SMEs are perfectly positioned to respond to the growing demand by creating jobs.

**Sherief, (2005)** concentrating on rural entrepreneurship's contributing components will aid in its development. In this study, it was discovered that fostering entrepreneurship in rural areas is crucial for increasing economic growth.

**Mehta, (2011),** In this investigation, he discovered that several MNCs with Indian roots are opening up commercial opportunities in rural India. The report will assist the various organisations in developing plans and strategies to boost rural entrepreneurship in India. Due to the fact that most farmers have access to a variety of important resources, such as land, buildings, machinery, labour, systems, and so on, the Indian rural business sector may become a fundamental force in the global economy in horticulture as a result.

**Sharma, Swati, Vyas and Divya (2011).** showed how many social, economical, political, and environmental problems in rural areas of developing countries like India create difficulties for deteriorating rural generation, growing starvation, and loss of livelihood. This has resulted in a significant impact on domestic generation, way of life, and other things. By encouraging entrepreneurship in rural India, it is possible to comprehend these problems to a certain extent.

### **Research Gap**

There are no such studies found to study the employment Opportunities and Challenges in Agropreneurship in India, despite the fact that it was discovered after reviewing various types of literature from pertinent subject areas that the agriculture sector plays a very important role in the economic development in this digital era.

### Research Methodology

All informational data was obtained from journals, publications, webpages, newspapers, magazines, etc. The purpose of this essay is to shed light on the growth, potential, and opportunities of agricultural entrepreneurial activity in India.

### Growth in Agriculture in India

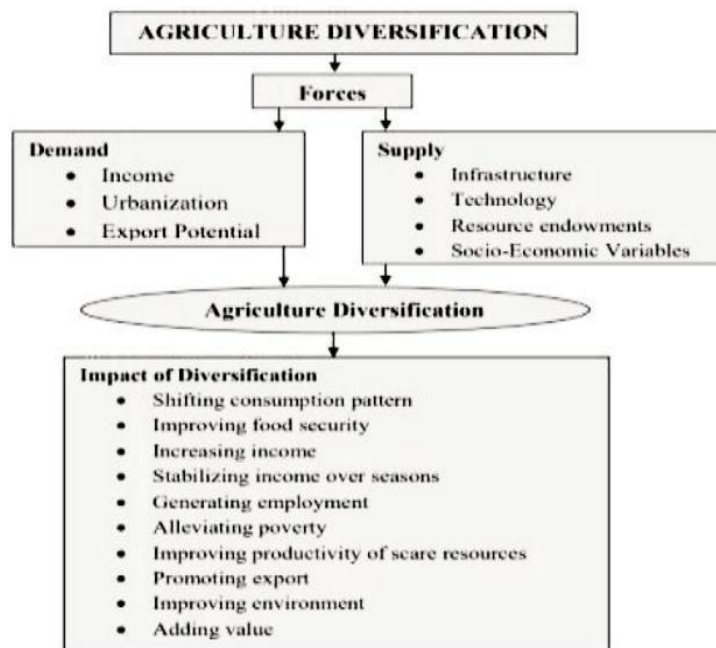
In terms of available arable land, India ranks tenth in the world. India has all 15 of the world's major climates, with 20 agri-climatic areas. Moreover, 46 of the world's 60 soil types are found in this nation. Agriculture and related industries are expected to grow their Gross Value Added (GVA) by 3.3 percent in 2022–2023\*\*. India benefits from a favourable geographic position for exporting processed goods as well as closeness to countries that import food. Food grain output is anticipated to reach a record 323.55 million tonnes for the 2021–22 crop year. The government of India plans to produce 328 million tonnes of food grains in 2022–2023. India ranks first in the production of spices, pulses, milk, tea, cashews, and jute and second in the production of wheat, rice, fruits, vegetables, sugarcane, cotton, and oilseeds. India presently ranks as the fourth largest agrochemical producer in the world. India, with its 512 million cattle, has the highest population. India is one of the biggest producers of agricultural machinery, including tractors, harvesters, and tillers. Almost one-third of the world's total tractor production is produced in India.

### Entrepreneurial Opportunity

Agriculture Offers Entrepreneurship Opportunities Nowadays, there are many factors that have significantly increased the potential for entrepreneurship in India, including easy access to technology, the emergence of microfinance, liberalised government regulations, awareness and training programmes on the agri and allied sectors, and finally a shift in the mindset of highly qualified individuals to pursue self-employment in the agricultural sector. Agriculture offers several opportunities for business, including dairying, goat and rabbit husbandry, floristry, fishing, prawn farming, sheep and lamb raising, vegetable cultivation, nursery farming and farm forestry are the potential fields for agricultural entrepreneurship.

### Diversification

A shift in agricultural practises away from conventionally grown crops and towards more profitable crops including oilseeds, pulses, fodder crops, horticulture, medicinal and aromatic plants, floriculture, etc. constitutes agricultural diversification. Moreover, it contains small-scale agro-based companies as well as livestock and fishing businesses. The employment prospects, best use of resources, and profitability all rise with diversification.



Source: Researchgate.net

In the figure shown, the significance of agricultural diversification is discussed in terms of the following forces:

- **Organic Farming**

Organic agriculture holds a lot of potential for India; this method was first created for small farms, with farmlands that did not span more than 1 acre. Farming is mostly labor-intensive and requires less equipment for farms less than 10 acres. Also, because organic farming does not require the added expense of synthetic fertilisers used in traditional agricultural methods, costs tend to be lower overall. Clean, high-quality goods are the consequence of organic farming. Given the situation of Indian agriculture today, organic farming appears to provide several opportunities for improving farmer conditions. Organic farming is becoming increasingly important, especially on the global market. Agro-based entrepreneurs have excellent commercial potential in this field. Although the area used for organic farming is growing, it cannot keep up with the demand for organic food.

- **Floriculture**

Floriculture is the practice of growing fresh flowers, containerized flowering and leaf plants, and bedding plants in greenhouse or field. There are thousands of species of flowers and plants that are produced for their economic value. Crops like roses, freesia, alstromeria, and snapdragons are examples of cut flowers. African violets, orchids, cyclamen, and potmums are a few popular flowering potted plants that are offered year-round (potted Chrysanthemums). Our customs place a high value on certain seasonal flowering plants, such as poinsettias for Christmas and Easter lilies for Easter.

Major floriculture hubs have formed in Maharashtra, Karnataka, Andhra Pradesh, Haryana, Tamil Nadu, Rajasthan, and West Ben

- **Fruits & Vegetable Seed**

Fruits and vegetable seed are thought to be a high development industry in India. Most seeds may often be kept in appropriate circumstances for 2 to 3 years without losing their viability. Thus, always purchase from reputable seed companies. High yielding, expensive seeds should germinate at a rate of 90%. Aeration, temperature, and sufficient moisture are all necessary for seed germination. The ideal temperature for different fruit and vegetable seeds varies significantly. In low temperatures, some seeds do not germinate, but at high temperatures, others do. Typically, germination thrives between 400 and 600 °F.

Among some of the frequent seeds grown in India are beetroot seeds, cabbage seeds, cauliflower seeds, fruit seeds, onion seeds, pea seeds, pomegranate seeds, radish seeds, tamarind seeds.

Major agricultural regions now include Maharashtra, Karnataka, Andhra Pradesh, Tamil Nadu, West Bengal, Uttar Pradesh, and Orissa.

### **Government Schemes for Rural Entrepreneur In India**

The Department of Agricultural Research and Education (DARE), Ministry of Agriculture and Farmers Welfare, Government of India, is where the independent Indian Council of Agricultural Research (ICAR) is housed.

The Council is the top organisation for organising, directing, and supervising agricultural research and education nationwide, encompassing horticulture, fisheries, and animal sciences. This is one of the greatest national agricultural systems in the world with 101 ICAR institutions and 71 agricultural universities dispersed around the nation.

There are several programmes available to support new businesses and provide farmers with agri-entrepreneur training. The primary programmes used in India to encourage entrepreneurship in agriculture are listed below:

- **AGRI-UDAAN Programme:** The government is starting a new initiative called AGRI-UDAAN that will mentor startups and assist them in making connections with possible investors in an effort to encourage innovation and entrepreneurship in the agricultural sector.
- **Training Programme:** The Plan of Agri-clinics and Agri-Business centres launched by the Ministry of Agriculture, Government of India, is being implemented by the National Institute of Agricultural Extension Management (MANAGE), Hyderabad. The Plan intends to enhance the supply of inputs and services while accelerating the process of technology

transfer in agriculture by enhancing the current extension network. Postgraduates and Agri-graduates. Agri-Clinics and Agri-Business Centers can be established by diploma holders in agriculture and related sectors, who is also capable of providing farmers skilled or consulting extension services. The programme mentions the accessibility of superior farming methods for farmers as well as the increased likelihood of rural farmers finding independent employment.

- **Institutional Support for Agri-business:** In order to fully focus on the rural sector, including agriculture, small-scale and cottage industries, and agro-based businesses, RBI established NABARD in July 1982. Since its founding, NABARD has been in charge of overseeing all RBI initiatives related to rural development and agricultural activity.
- **Panchayatmandi (Agri-Mandi):** The idea of self-governance has advanced to the point that local markets and fairs are used to promote agricultural products. Reduced influence of intermediaries and traders is the goal of panchayat mandi. This is only achievable if the District Panchayat functions efficiently in collaboration with the state marketing boards and the APMC (Agriculture produce market committee).
- **State Agricultural Marketing Banks (SAMB):** To actively control markets for food crops and oilseeds in larger marketplaces of towns and cities, state agricultural marketing banks have been established.
- **NCOSAMB (The national council for state marketing board):** An agricultural nation like India requires training facilities with sophisticated infrastructure all over the place. For the purpose of establishing such training institutions, the Indian government offers funding to the states. The organisation in charge of coordinating these training programmes is NCOSAMB.
- **State Trading Corporation (STC):** Established in 1956 and controlled by the Indian government, the state trading corporation of India Ltd. is a leading international trading business with extensive experience in managing massive international commerce.

- **Challenges in Agriculture Entrepreneurship**

Despite the fact that there are several programmes for agricultural and rural development available to farmers. But, there are still certain issues that must be addressed, and all relevant parties, including the federal, state, local, and corporate leaders, must come up with answers. The following are some fundamental difficulties that have been highlighted:

- **Financial Challenges**
  - **Lack of Finance:** One of the main issues is the lack of financing accessible to agricultural enterprises. Loans from zamindari or regional rural banks are the main sources of funding in rural regions, however their interest rates are often quite high.
  - **Absence of Infrastructure:** Despite government attempts, the expansion of agribusinesses is not particularly healthy due to a lack of appropriate and suitable infrastructure.
  - **Risk Element:-** Agribusiness owners are less capable of carrying risk because they lack funding and outside assistance.
- **Marketing Challenges**
  - **Competition:** Standardization and competition from large-scale entities are the two main issues that marketers must deal with.
  - **Mediators (Distribution Channel):** Agricultural businesses that reap significant profits rely largely on distribution channels for the marketing of their goods.
- **Management Challenges**
  - **Lack of Advance Technology:** In rural places, information technology is not extremely prevalent. legal requirements Due to their illiteracy and ignorance, agribusiness owners find it incredibly difficult to comply with the different regulatory requirements to get licences.
  - **Lack of Modern Machinery:** The development of supporting equipment and tools provides the foundation for agricultural expansion. Farmers in India lack the ability to cultivate their land with sophisticated technology, which causes agriculture to proceed more slowly.

### Finding

Agriculture and related industries are contributing gross values that are growing at a decent rate. Mangoes and bananas, along with potatoes and brinjal, are among the most popular fruits and vegetables produced in India, which ranks second globally.

India ranks well in the promotion of the international floriculture commerce. With the creation of hybrid fruit and vegetable seeds, there are several opportunities for agropreneurship in the areas of diversification, organic farming, and floriculture.

In addition to giving players in this sector enough subsidies, the government has a number of programmes to support new businesses in the agropreneurship sector, including the agri-udaan programme, the state agricultural marketing bank, and NCOSAMB. After conducting this study, it was also discovered that there are a number of hurdles, including financial, marketing, and managerial challenges, that must be overcome in order to make a significant contribution to the industry.

### Conclusion

Due to the unique circumstances of the agriculture sector, agricultural entrepreneurship has both similarities to and differences from "generic" entrepreneurship. Entrepreneurs will naturally take advantage of the abundance of available human resources with higher industrial and entrepreneurial education disciplines. It is obvious that there is a large amount of room for entrepreneurship in the agricultural sector. Nevertheless, only those who are skilled in managing agri-related factors and have the ability to take calculated risks will be able to fully realise this potential. The agricultural industry has a significant potential to boost national GDP while also directly employing and supporting a broader and more disadvantaged segment of society. In order to increase the sector's productivity and profitability, agriculture entrepreneurship is both a chance and a requirement. The demand for flowers has increased both nationally and internationally, which has led to a boom in floriculture output and the market.

The two best export destinations for flowers from India are the USA and the UK, but the domestic market is incredibly fragmented, which encourages the emergence of several groups. The stakeholders' grasp of the flower industry is improved by their understanding of the primary markets on both a brick-and-mortar and an online basis. For Indian agriculture to be revitalised, a move from "agriculture" to "agropreneurship" is necessary. With the demand for value-added products consistently rising, agricultural entrepreneurship is inevitably going to grow even while the GDP share of pure agriculture may be on the decline. Agribusiness is also the solution to ending rural poverty in India. Hence, integrated rural development projects should receive more attention. The issue is that the majority of young people in rural areas do not see entrepreneurship as a career option. In order to encourage rural adolescents to choose agri-based entrepreneurship as a career, the required support must be provided through training and maintaining support networks. Government should provide assistance in this regard and there should be an effective, regulated market.

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