

## SCOPE AND CHALLENGES OF ENTREPRENEURSHIP IN AGRICULTURE IN INDIA

---

Anupama Verma\*  
P. Shrivastava\*\*

### ABSTRACT

*Entrepreneurship and agriculture are closely related. Agriculture is an industry that affects the entire population of the earth. And, indeed, agricultural entrepreneurs will always be in demand. The youngest country in the world, India, where more than 65 percent of the population is under 35 years of age, while more than 50 percent of the population is under 25 years of age, agricultural education, research, and dissemination should be based on the principle of innovation, inspiration, and illumination so that we can guide the whole society. The growing trend towards locally developed foods provides attractive start-up opportunities for those wishing to make their living through agriculture, even if they have the capital needed to break into the commoditised part of the industry. Even though land prices can be challenging, the low need for high technology equipment in this type of operation often makes it possible for properly prepared and experienced individuals to break into this business, run their own operations, and develop their marketing plans. It is also a big challenge for our country with great potential that the youth should be trained with modern skills so that the youth are not able to run after the job and make others fit for the job. This paper focuses on agricultural development strategies and constraints that must be overcome in order to provide solutions. The 21st century is constantly changing the market scenario. With the development of high-tech business models and the introduction of new technologies, many talented youngsters with creative ideas and willingness to work have been attracted to agricultural entrepreneurship. These entrepreneurs and start-ups can generate a fair and valuable contacts in the agricultural value chain and accelerate and efficient delivery of products, technologies, and services to both farmers and customers. To encourage this new venture, schemes like Skill Development, Start-up India, Mudra Yojana, Raftaar are at uppermost.*

**Keywords:** Entrepreneurship, Innovation, Strategies, Agri-preneurship.

### Introduction

An entrepreneur plays an important role in the economic growth of a country. He collects and exploits natural and human resources through innovation and provides a lot of employment among the people or brings stability to the economy. In the last few years, many educated youths, who have new ideas and enthusiasm to work, have been attracted to high-tech business models and introduced new types of technologies by elevating agriculture from its traditional form. These entrepreneurs and start-ups can provide endangered contacts in the agricultural value chain and accelerate and efficient delivery of products, technologies, and services to both farmers and customers. Entrepreneurial actions and initiatives affect the industrial sector, agricultural sector, technical sector, internal and external trade, employment levels, and overall impact on society and nation's economy. There are various types of development in an economy i.e. human development, infrastructure development, social development, industrial development, and economic development. An entrepreneur plays his role as a catalytic agent in the process of economic development. In recent times, the role of an entrepreneur has been appreciating

---

\* Assistant Professor (English), Institute of Agri Business Management, JNKVV, Jabalpur, M.P., India.  
\*\* Assistant Professor (Ag. Extn.) & Assistant Registrar-Legal, JNKVV, Jabalpur, M.P., India.

day by day. The Government of India and its partner agencies have come up with a series of promotional and development schemes for entrepreneurship, marketing, and export growth aimed at involving more and more people into entrepreneurship. Thus, an entrepreneur makes all efforts that will help in economic growth, employment generation, social stability, earning foreign exchange, export promotion and import substitution, development of special economic zones, earning foreign exchange, regional development can accelerate the pace of balancing and maintaining economic stability. Joseph A. Schumpeter states.

"The rate of economic progress of a nation depends on its rate of innovation which in turn depends on the distribution of entrepreneurial talent in the population."

The entrepreneur is always ready to take advantage of all favorable opportunities. He/she identifies and produces opportunities and starts offering new services in the overseas market. We can say that an innovator is a creative person because creativity is a prerequisite for innovation and can be developed in anyone where there is a concern for excellence. As a result of the entrepreneur's resource mobilization activities, the country's available resources are better utilized, resulting in a faster rate of economic growth.

Agriculture workers are steadily realizing that they cannot rely totally on the government for everything. There is a need for self-determination. Furthermore, in light of the changing global agricultural environment as a result of the WTO round of negotiations, conventional farming patterns and over-reliance on traditional crops will no longer suffice. In agriculture and related industries, there are numerous opportunities to encourage entrepreneurship. Agriculture, dairy farming, beekeeping, mushroom farming, fisheries, and other allied sectors have a lot of potential for agricultural production. Besides, Farmers should also look for related cottage industries such as tomato sauce and squash production, fruit jam production, and jaggery production. This will benefit both the area and the person. Farmers' disposable income can be significantly increased, and they can become financially independent. Contrary to accepted belief, there are a large number of agri-development sectors. Entrepreneurship and agriculture are closely related. Agriculture is an industry that is worldwide and affects the entire population of the earth. And, indeed, agricultural entrepreneurs will always be needed. The youngest country in the world, India, where more than 65 percent of the population is under 35 years of age, while more than 50 percent of the population is under 25 years of age, facing a big challenge that the youth should be trained with modern skills so that the part of population should not run after the job rather they should be creator of job opportunities. Today there is a lot of discussion about skill development and entrepreneurship and youths are being encouraged towards entrepreneurship with schemes like Skill Development, Start-up India, Mudra Yojana, Raftaar. Today we are in the 21st century where changes are seen in the appearance of the market every day. Some of the potential areas of agricultural entrepreneurship can be as follows:

#### **Honey Agribusiness**

In the initial phase, you can start with five colony (five boxes), a box costs about four thousand rupees, then if you take five such boxes, then it will cost twenty thousand rupees. To increase their number, they can be divided from time to time. If properly done by partition, 20000 thousand boxes can be prepared in a year. Under the National Agricultural Development Scheme, 40 to 50 percent of the grant is given from the Department of Horticulture. Farmers are also given training related to this. The farmers do not have to increase the economic expenditure for this either.

#### **Mushroom Farming**

Mushroom production and marketing have a lot of potentials. Mushrooms are used in our country as both food and medicine due to their high nutritional value, which includes protein, carbohydrates, mineral salts, and vitamins. Agricultural universities and other educational organizations organize training programs for farmers during the year to promote mushroom cultivation.

#### **Food Processing**

The food processing industry refers to activities in which primary agricultural products are processed and added to. For example, the processing of dairy products, milk, fruits and vegetables, packaged food, and beverages come under the food processing industry. In western countries, the food processing industry in India is also an important component in generating employment, increasing the income of farmers, providing timely products to the consumers, and meeting the food requirements of the country. It is being seen in as a potential industry, this area will not only be helpful in the development of the agricultural sector but will also prove to be beneficial in terms of nutrition.

**Micro Irrigation System**

Manufacturing and trading of micro-irrigation systems are also possible on a small scale and hence huge opportunities.

**Agro-Eco Tourism**

The development of ornamental gardens, forest areas, and agri-expo can promote agro-eco tourism.

**Organic Fertilizer Production and Marketing**

Bio-fertilizer production and marketing can be taken very easily with minimal investment.

**Cultivation of Medicinal Plants**

The cultivation of medicinal plants provides a good entrepreneurial opportunity for the people. The reason behind this is the increasing craze of herbal medicines and the creation of such medicines by pharmaceutical companies. For this, they will need raw materials in the form of medicinal plant products. Such producers can meet this demand.

**Herbs and Spices**

You can apply herbs or parts of plants for medicine or the taste of food. Herbs have aromatic properties that your potential customers can use for medicinal, culinary purposes, or perfumes. Being a herb farmer allows you to supply raw materials (your herbs) to doctors from various industries, such as those practicing pharmaceutical, cosmetic, and even herbal medicine.

**Cyber Extension**

The cyber extension is regarded as the use of ICTs for agricultural and rural extension. Cyber presence in rural areas is almost negligible. Collaboration among workers, institutions, and farmers at the ultimate pace can produce a novelty on the development of the agricultural sector. Agriculture Cyber extensions can be developed to transfer the technology of scientific agriculture to the farmers in order to enable them to utilize the knowledge for a better economy.

**Dairy Product**

The successful implementation of the Amul model has made India the largest milk producer in the world, which includes works for milk production and its processing for retail sale. There are employment opportunities in the government and non-government sectors under this industry. Dr. Kurien showed through Anand Milk Union Ltd. how millions of unorganized milk women association can be turned into successful entrepreneurs. Dairy, if taken in a more organized manner with effective local branding and real quality assurance can lead to a lot of income.

**Farm Machinery Unit**

There is a serious need for customized agricultural machinery equipment. For example in the hills, traditional agricultural implements do not work due to the terrain. Here we need small, easy, and strong farm machinery and equipment. Such units can be established by new agricultural engineering graduates.

**Fisheries Development**

Fisheries provide good opportunities in both domestic and export sectors. In this direction, entrepreneurial efforts can be highly useful.

**Floriculture Marketing**

Floriculture is set to become the next big thing in India. Development in the region will be unprecedented if efforts are still to continue. Floriculture marketing offers vast opportunities for entrepreneurial exploration. Flower shops, wholesale trade, and electronic retailing, and so on; the possibilities are unlimited.

There have been many instances where entrepreneurial efforts in floriculture have brought amazing results. One such example is the 'n' petals of ferns. N 'Petals of Ferns started as a small flower shop in the Greater Kailash area of New Delhi. With its entrepreneurial efforts and effective branding strategy, it became the first branded online chain of corporate and wedding floral decorators.

Its presence on the Internet made it even more versatile. Today it accounts for about 10% of India's total floriculture trade, an extraordinary feat, considering the journey from a normal florist to a big player at the national level. At an international floriculture conference held in Bangalore recently, an entrepreneur showcased his online flower-retail portal called Phoolwal (dot) com.

### **Organic Production / Food Chain**

The food processing industry is already raising large sums of money in India. Organic food is ready to enter the market. The forerunners will be the biggest beneficiaries. In very simple terms, organic foods will be naturally or organically processed foods. It is a part of our ethnic culture. Therefore to create entrepreneurship areas in these areas will require exploration at the local level.

### **Poultry Farming**

Apart from analyzing the poultry business, organizing the location, gathering information about the type of chickens, and where the chickens are, the land should be decided before starting this business on the basis of how many chickens you want to hold. It's crucial to pay attention to how their food is presented and how they market themselves. NABARD provides appropriate loans for the establishment of poultry farms in exchange for proper training, and several banks also provide loans for poultry farming at reasonable rates. This business can be easily accessed with a little information and at a low cost.

### **Cultivation of Staple Food**

One of the most profitable agribusinesses is the cultivation of staple foods in agribusiness. Crops such as rice, potatoes, wheat, and corn are staple foods, as they are often eaten. The cultivation of staple foods on a large or medium scale basis enables you to meet the needs of the people of your area. The fact is that these foods are consumed by a lot of people all over the world and which you can also export to other countries.

### **Vegetable Farming**

Vegetables are a big part of our daily diet. You use vegetables in your soups, salads, sauces, and sandwiches and they are in high demand due to their high nutritional benefits and the importance of preparing healthy meals. Vegetable farming requires little capital, as you can start a vegetable plantation in your home and sell your crop in your neighborhood as well.

Recognizing the role of entrepreneurs for economic growth and development, many curriculum programs at the university and college level have incorporated entrepreneurship as a subject to develop the entrepreneurial skills of students.

### **Problems Faced by Entrepreneurs**

Entrepreneurs envisage a creative idea and extend the idea into a business plan, obtaining resources such as land, labor, capital, and producing goods and services with cooperation and support from external sources that can affect the success of innovation. According to Schumpeter, the economic environment is full of uncertainty, and entrepreneurial activity is critical in this sense since growth is an unsatisfactory process that leads to self-determination. To maintain control over the factors of production, the entrepreneur often mobilizes capital sources. Entrepreneurs need credit, as Schumpeter correctly noted, because credit encourages economic growth, which results in the delivery of new products.

- **Business Selection:** For business selection, first of all, the market has to study whether the customer will like his product or service in the market, how much demand will be there, what will be the cost, whether it will be profitable or not. This is called a probability study and is presented as a probability report or project report. Based on this, the most profitable business is selected.
- **Selection of the nature of the enterprise:** For this, the entrepreneur has the option of a sole proprietorship, partnership, or joint capital company, etc. from which it is relatively difficult to choose the appropriate business organization. If a company organization is suitable for large-scale businesses, then a sole proprietorship or partnership will be more suitable for small and medium-scale businesses.

Arranging finance has always been a problem for the entrepreneur. No business can be started without capital. The entrepreneur needs capital to buy permanent property, land and machines, equipment, etc. Money is also required for the day-to-day expenses of a business.

After determining how much capital is required, the entrepreneur has to arrange finance from various sources. There are many financial institutions such as IFCI. Etc. who are providing initial capital or venture capital funds for good entrepreneurial work.

- **Site Determination:** A predicament for the entrepreneur is to settle on the site of the business unit. It depends on many rudiments such as accessibility of raw supplies, transport services, electricity and water supply, and proximity to the market. The government offers several

incentives in the form of tax, exemption on electricity and water bills, etc. to units established in backward areas or underdeveloped areas. Therefore, before setting up a business unit, the entrepreneur has to consider all these things.

- **Unit Size:** The size of the business is affected due to many reasons such as technical, financial, and marketing. When entrepreneurs feel that they can sell the offered products and services in the market, and can raise enough capital, then they can start their activities on a large scale. Generally, entrepreneurs can start their work on a small scale and gradually increase it.
- **Machine and Agricultural Tools:** The selection of machines, equipment, and methods is a susceptible problem before starting any new endeavour. Many factors influence this, including resource availability, product selection, and manufacturing process design. However, productivity should be prioritized. It's crucial to consider the availability of repair and maintenance services, as well as extra capital and after-sales support.
- **Appropriate Manpower:** If the size of the business is large, then enterprises have to find qualified people suitable for different fields of work. He has to identify the right person for each task and motivate them to work in the organization. It is not easy. It requires a lot of stamina and encouragement. In this way, before starting a new business, the entrepreneur has to find solutions for many problems. Success is ensured if proper selection and arrangement are made.

There are various types of development in an economy i.e. human development, infrastructure development, social development, industrial development, and economic development. We can say an entrepreneur plays his role as a catalytic agent in the process of economic development as in the era; the role of an entrepreneur has been appreciating day by day.

#### References

1. Adhikary Manas Mohan, Enterprise and Entrepreneurship for Agri-Business Management and Planning, Daya Publishing House, 2014.
2. Altvorst, et al., Sustainable Agricultural Entrepreneurship, Sustainable Agricultural Entrepreneurship Publication, 2011.
3. Carter, S. (1999) Multiple Business Ownership in the Farm Sector: Assessing the Enterprise and Employment Contributions of Farmers in Cambridgeshire. *Journal of Rural Studies* 15(4)
4. Kular IK, Brar AS. Transforming Indian Agriculture through Agripreneurs. *Indian Journal of Marketing*. 2011; 42(3).
5. Saini JS, Bhatia BS. Impact of entrepreneurship, Development Programs. *Journal of Entrepreneurship*. 1996; 5(1).
6. Shakti Rajan Paniigrahy, Baljeet Singh, Agri- Entrepreneurship, Scientific Publishers(India), Jodhpur 2017.
7. [http://www.scribd.com/doc/26661470/Agri-Entrepreneurship in-India](http://www.scribd.com/doc/26661470/Agri-Entrepreneurship-in-India).

