

Challenges and Opportunities for Agri-Entrepreneurship in Vidharbha after Covid -19.

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Abstract

Surprisingly 62 percent of the Vidharbha population lives in rural areas, where agriculture and allied activities are the most important stay of their lives. The economic growth of any state largely depends on the growth of rural areas and the standard of living of its rural crowd rural entrepreneur is one of the most important inputs for the economic growth of a Vidharbha region. The rural entrepreneur uses limited resources in a well-organized way so that it increases profits and decreases costs. Due to illiteracy, greater parts of rural people are unaware of technical knowledge. Marketing skills etc. deficiency of finance and raw materials are the main problems faced by agri- entrepreneurs.

It becomes very difficult for agri- entrepreneurs to establish industries in rural areas after Covid-19. In the current situation Encouragement of agri-entrepreneurship is a key to developing rural areas and backward towns. The government measures and supports agri-entrepreneurship, and the shift of agri-entrepreneurship towards digitization, innovative ideas, and new market solutions. This paper attempts to find out the Challenges and opportunities for the Agri- Entrepreneurs after Covid -19.

Keywords: - Agri-Preneurship, Rural Entrepreneurship, Rural area, Rural development, Covid-19.

1. Introduction

Maharashtra is a state of villages. About two-thirds of Maharashtra's population is living in rural areas. The severe second covid -19 wave in the country has further added to rural distress with about 5.6 million job losses among the salaried class in rural India. The job losses in the salaried jobs in rural India are estimated to be 4.5 times that of urban India in the last few months. This imbalance in our economy with urban-rural dichotomy needs a sharp correction. There is a need to develop agri base industries to solve the problem of rural unemployment and rural

migration to cities. The growth and development of the rural economy is an essential precondition to the development of the State as a whole. The gap between rural and urban disparities should be narrowed. The standard of living of the rural people should be increased. Traditional farmers who are unaware of scientific agriculture and effective agri management systems are unable to cope with delaying monsoons, drought, crop debts, fake seeds, and shortage of fertilizer, and as a result, resort to committing Suicide.

Entrepreneurship in the rural Sector provides an answer to the above problems. Maharashtra's rural sector is no longer primitive and isolated. Therefore, entrepreneurship in the rural and tribal areas looms large to solve the problems of poverty, unemployment, and backwardness of the Maharashtra economy after covid-19. Rural industrialization is viewed as an effective means of accelerating the process of rural development. The government of Maharashtra has been continuously assigning increasing importance and support to the promotion and growth of agri entrepreneurship. Yet there are several problems faced by entrepreneurs after covid -19.

Meaning of Agri- Entrepreneurs:

Agri- Entrepreneurs are those who carry out entrepreneurial activities by establishing agri-business sectors, especially agriculture, horticulture, floriculture, sericulture, animal husbandry and veterinary, fishery, etc. units in the rural sector of the economy. In other words, establishing agri-business units in rural areas refers to Agrl- entrepreneurship. In simple words, Agrl- entrepreneurship implies entrepreneurship emerging in rural areas. Thus, we can say, entrepreneurship precedes industrialization. Rural industries and business organizations in rural areas are generally associated with agriculture and allied activities to agriculture.

2.1 Entrepreneurial Opportunities in Agri-entrepreneurship after Covid -19:-

The Following are Agri-business opportunities available in rural areas after Covid-19.

1. Farm-gate value-creators: - Farm-gate value addition is a huge opportunity in waiting. Farmers are leaving too much on the table (*err. in the fields*) for others to make money by selling crops as commodities rather than products or brands. The opportunity to value-add through simple processes like sorting, grading, packing, milling, extraction, pulverization, dehydration, cooling, and freezing can remunerate farmers 30-50% over and above farm gate price.

2. Micro-warehousing Management Services:-

A significant part of India's warehousing capacity is dominated by large warehouses, typically catering to traders and processors. The majority of farmers with few tons of harvested produce find it difficult to get a warehouse and thus end up selling the produce, immediately post-harvest when prices are usually at the lowest.

Decentralized, affordable, and accessible warehousing for farmers coupled with the option for post-harvest financing is key to improving farmer income. It will also have a soothing effect on the volatility of commodity prices, to the benefit of farmers as well as MSMEs who are usually at the receiving end of price shocks.

3. Digital soil doctors:- For a sustainable agri supply chain, the supply chain paradigm has to shift from "farm-to-fork" to a "soil-to-stomach" continuum, with soil at the centerpiece. Indian soil health needs immediate attention to meet productivity challenges. For sure, India needs more soil labs than path labs.

Soil diagnosis usually done with innovative techniques (sensors, IoT devices, proprietary algorithms) can take soil labs to farmer fields. This can drive accurate and timely correction in NPK ratio and other micronutrients to keep soil healthy. Rural youth can become soil doctors by training them using portable kits developed by the likes of Krishitantra, Sense Grass, Nordetect, and EasyKrishi. They can buy, rent, lease, or even work on revenue share models.

4. Drone entrepreneurs: Drones are usually used as a symbol of new-age innovations in many reports published on the subject of agri-tech. The irony is that drone applications in Indian agriculture are still negligible. It's time to propagate the use of drones in

agriculture for data collection, pesticide spraying, weed detection, crop health monitoring, etc. Drone applications in agriculture present at least a few billion dollars in opportunities but the number of operating players is very limited. For mainstream drone use, we need to train rural youth in flying drones. The certified drone entrepreneurs can in turn be employed by government agencies, agrochemical companies, banks, etc. Let rural youth learn, earn and fly!!

5. Mobile picking stations

Farm pick-up of agri produce is still not common. Farmers go to the nearest market yard to sell the produce. Farmers incur the logistics cost and usually end up selling in the mandi at the prevailing price (as the cost of bringing production back to the village is prohibitive). Farm pick-up models are the need of the hour and typically require developing real-time communication channels with farmers, estimation of farm produce, harvest schedule, route scheduling, and price forecasting. With the government easing regulations for GIS mapping, rural roads can be mapped with much more accuracy; making farm pick-up solutions more feasible.

6. Water management specialists

Efficient use of water for irrigation is going to be key to the sustainability of Indian agriculture. Indian agriculture's ability to pass the "water stress test" depends on the adoption of solutions for conserving water. Fortunately, there are enough tech tools using sensors, IoT, and satellite imagery – developed by startups (like Agsmartic, Fasal, SoilSense, Yuktix, Cultivate, SatSure, Satyukt, etc) to estimate surface and root zone moisture and accordingly advice farmers on scheduling irrigation.

7. Cooling as a Service (CAAS) Farm-level cooling solutions are needed for perishable products including vegetables, fruits, fisheries, flowers, and milk amongst others. The fisheries sector was a major victim of last year's lockdown as the fishermen could not get ice for iceboxes in time, which are used for storage and transportation of their catch. The affordable and distributed cold stores at the point of collection are the need of the hour be it bulk milk coolers, or cold rooms for vegetables, fruits, eggs, and meat products. The investment could range from few thousand to a few lakh rupees with a payback period of 2-3 years.

8. Pollination as a Service (PAAS): Bees play a critical role in cross-pollination in the majority of

horticulture, oilseeds, fodder, and pulses crops. However, the density of the bee population in Indian farms is declining; blame it on climate change or the use of pesticides. There is an opportunity to promote PAAS not just for making honey but also to build bee boxes for renting (rentals vary from USD 10-20 for the pollination period – typically 3 months) per bee box. A trained beekeeper can easily maintain up to 500 bee boxes. A beekeeper with even 100 boxes can earn about USD 750 per season in addition to income from the sale of honey.

9. Sericulture Industry: like Silkworm Rearing Technology, Silk Yam Production, Handloom and Textile garment Design, Exports, etc

10. Fishery Industry: like Scientific and Commercial Production, Integrated and Intensive Farming. Carp Hatchery, Ornamental Fish, Fish Feed.

11. Other Agro base Industries: Mass Production of Bio-Pesticides, Bio-Fertilizers production, and Marketing. Mushroom production and Marketing, Vermin Compost, Bee Keeping, and Honey Marketing. Etc.

12. Animal Husbandry and Veterinary Business: Dairy Processing and Chilling, Meat Processing, Broiler and Egg Production and Marketing Livestock Feed, Livestock Vaccine Drug Production, etc.

13. Engineering and Services: like agriculture equipment, tractors, pumpers repairs, etc.

2.2 Advantages of Agri-entrepreneurship to Rural Areas:-

1. It reduces migration to the rural population: Most people migrated from rural areas to urban areas in search of a job. Agri- entrepreneurship can help to ne g gap and disparities in income between rural and urban people. It can help to stop the migration of people from rural to urban areas.

2. Reduce the burden of agriculture: As the agricultural output will be utilized directly so the burden of the farmers regarding the selling of goods will be reduced thereby having a sound system of producing and selling the goods immediately.

3. Generate employment opportunities for rural youth: Agri- entrepreneurship is labor intensive and it provides a clear solution to the rising problem of unemployment. Development of industrial units in rural areas through Agri- entrepreneurship has a high potential Tor employment generation and income creation.

4. Check on social evils: As there will the development of the major economic region of the state will result in employment, hence it can decrease social evils like poverty, growth of slums, crime, pollution in cities, etc.

5. Encouragement of artistic work: India has a rich and flourished culture that has been carried on by generations together. The historic culture will see a boom with the addition of agri preneurs which will be carried again for years together.

6. Awaken the rural youth: Agri- entrepreneurship can awaken the rural youth and expose them to various opportunities to adopt entrepreneurship as an Occupation.

7. Increment in the standard of living: Agri entrepreneurship will also help to increase the literacy rate of the rural population. Their education and self-employment will grow the community, thus increasing their standard of living

8. Unbiased regional growth: Agri- entrepreneurship can dispel the concentration of industrial units in urban areas and promote regional development in an unbiased way.

3.1 Major Problems face by Agri-Entrepreneurship after Covid-19:-

Agri- entrepreneurs are playing a very important role in the development of the rural economy after covid-19. They face various problems in day-to-day work. As the thorns are part of roses, similarly every successful business has its kind of problems. Some of the major problems faced by Agri- entrepreneurs after covid-19 are as under.

1. Insufficient Funds: This is a major problem faced by every Agri – entrepreneur in Vidharbha. Money is the lifeblood of every business without it we cannot start the business. After Covid-19 most, most entrepreneurs fail to get external funds from financial institutions due to the absence of security and low credit score due to covid-19 period. More over unascertained financial policy of the government also creates hurdles for the Agri – entrepreneurs starting from their establishment to their survival in the industry. The business loan procedure of financial institutions is very time-consuming which in the end delays and creates disappointment for the agri entrepreneurs. These problems create a stumbling block for agri entrepreneurs as capital is the heart of any business.

2. Lack of Infrastructural Facilities: Infrastructural facilities boost the sales and production of any business organization. Thereby increasing the profits of the organization. It also facilitates the performance of any activity in the business. A fundamental infrastructure is needed so that the economic activities of the business can be carried forward at least at an introductory level of the business firm. In India, as we know that these basic facilities such as rails, roads, electricity, etc. in rural areas are not that well organized, and this impairs the growth of the businesses here. There are two key parts of the firms, which get affected directly by the infrastructure the availability of agri resources and the efficiency and mobility of the laborers.

3. Low Financial Risk Bearing Capacity: Risk in businesses is a fact cause it is the uncertainty of the success of the product, especially the agri-based products. Huge capital is indulged in such kinds of products, for most of the agri entrepreneurs this amount is nearly the maximum of what they have or they can arrange from any of the sources so therein is a low financial risk-bearing capacity. The result of this is that agri entrepreneurs are not able to take risks in terms of new product development or changes in the existing product.

4. Problem of Marketing: It is said that production is directly proportional to consumption (sales). It means the production of any product depends upon a factor which is commonly known as sales. The sales are encouraged by marketing. The major marketing problems faced by

5. Enslavement of Agent/Middle chain: The major dependence of agri partnership for selling the products is on the middle chain which includes agents, wholesalers, retailers, etc. out of which the most important is agents. Agents play a vital role in marketing the products of the agripreneurs. They tend to exploit the agripreneurs by the captivating maximum amount of profit from them.

6. Meeting the Legal Formalities: Various legal formalities have to be fulfilled by the agripreneurs before setting up a business and after starting the business. They find it tremendously complicated to act by them due to certain reasons out of which the foremost is illiteracy. This causes them to ignore the various rules and regulations making it difficult for them to survive in the competition.

7. Ignorant about the Government Policies: Most of the agri entrepreneurs are ignorant about the

government policies the basic reason being illiteracy and unawareness. The government has not yet declared policies for the development of agri-entrepreneurship. But still, there are various other industrial policies. These policies have been declared both at micro and macro levels from time to time in India.

8. Acquisition of Raw Materials: Raw material is an essential part of agribusiness inferior or no raw material results in inferior or no output. There are various systems developed only for the purchase of raw materials so that they can be made available and of good quality. A special satellite system known as GIS i.e. geographic information system is made so that accessibility of raw material can be traced out.

9. Lack of skilled and Managerial Manpower: Rural areas also suffer from rural-urban migration mainly male migration. This results in the denudation of educated and skilled manpower in rural areas. Turnover rates are also high in this case. The lack of skilled and managerial manpower in rural areas is mainly due to the absence of suitable educational institutions in rural areas. Moreover, people even those otherwise belonging to rural areas do not want to go back to rural areas to work due to various problems the rural areas suffer from. This is the basis for why most entrepreneurs in rural areas are unable to find skilled workers. They have to be provided with on-the-job training and their training is generally a serious problem for entrepreneurs as they are mostly uneducated and they have not to be taught in the local language which they understand easily.

10. Lack of Interaction with Successful Entrepreneurs: The lack of interaction with successful entrepreneurs is also one of the problems in agri entrepreneurship in Vidharbha. Successful entrepreneurs always play the role of models in society for agri entrepreneurs who have the ability of entrepreneurial activities and lead to undertaking economic activities to prove their ability. But unfortunately, there is no sufficient provision of such type of interaction to inculcate knowledge and provide experiences for successful agri entrepreneurs. Many experts argue that this is a main obstacle in the growth of Agri entrepreneurs.

3.2 Remedies Suggested for Solving these Problems;

- Financial institutions and banks must create special cells for providing easy finance to Agri entrepreneurs.
- Agri entrepreneurs should be provided finance at Concessional rates of interest and on easy repayment.
- Training Is essential for the development of entrepreneurship. It enables agri entrepreneurs to undertake the venture successfully as it imparts the required skills to run the enterprise. With help of local education Institutes, the Government should provide Training to Agri entrepreneurs.
- Proper encouragement and assistance should be provided to Agri entrepreneurs for setting up co-operatives markets.
- Government and Local Bodies should provide special infrastructure facilities to Agri entrepreneurs.
- Govt. should arrange a special rural industrial expo for agri entrepreneurs and also felicitate top ranker Agri entrepreneurs.

4. Conclusions:

- After Covid-19 Agri-entrepreneur is playing a very important role in the economic progress of every rural region. In Vidarbha, 65% population is living in rural areas and they are dependent on the agriculture business. Agri entrepreneurship is the answer to the deletion of rural poverty in Maharashtra. Therefore, there should be more stress on integrated agri-entrepreneurship development programs. There is a need for efficient support organizations to supervise the activities of small enterprises. Forecast of future demand, the introduction of modern technologies, cost Control, and business expansions are the important areas, where entrepreneurs need usual support. Suitable legal support may also be required to protect the traders engaged in unfair trade practices. As the thorn is part of roses, similarly every flourishing business has its kind of problems. Some of the major problems faced by agri entrepreneurs are as under. Insufficient funds, Lack of infrastructural facilities, Problems of Marketing, High Infrastructural, and

Distribution Costs, Enslavement of Agen/Middle chain, Need for Standardization of Products, etc. are major problems of agri-entrepreneurship development in Vidhrbha. Agri entrepreneurship is not only an opportunity but also a necessity for improving the production and profitability in agriculture and allied sector after covid-19.

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