

Agripreneurs Startups -Boost to Economy and their effects on local development: A Case Study Andhra Pradesh

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Abstract:

The world is in a serious alarming stage of food crisis because of global warming and changing climatic conditions. It is the responsibility of every individual to be aware of environmental changes, increased carbon compounds and their own contribution towards protecting the environment. These climatic changes are causing lot of damage to the environment. Studies say that in the near future there is going to be a huge food crisis. Few of the countries in the world are already in the scenario. In this context agribusiness plays a vital role. The present case study explains in detail about the agripreneurs and their contributions who were promoted by ANGRAU Poshan incubator in S.V.Agriculture college ,Tirupati, Andhra Pradesh.

Keywords: Agripreneurs, Agriculture, Economy

Introduction:

India is a country, with culture which lies in agriculture. Agriculture is the back bone of the Indian economy from long back i.e. before Independence. Even though there are lot of changes in the business environment still it is continued with lot of bottle necks. This is one of the thrust area where everyone (corporates, NGOs and Government) needs to work on the revamping the agriculture , agripreneurs and agribusiness. India occupies the 1st place in population which inturn is again agreat challenge for the agriculture sector. There is a bad need for sustainable agriculture,agripreneurs and agribusiness in the present context. There is increasing demand locally and Internationally. The result of changing climatic and environmental issues are going beyond predictions besides. As the changes in technology and emergence of Internet changed the education system and created lot of job opportunities during nineties which lead to the migration people rural to urban and to the other nations.

The traditional family cultivation system is broken down and the similar culture is not continued by the next generations. Hence the result is crisis and cost of food grains are increasing day by day. The cultivation land is converted into concrete jungles which is again a major threat. Agri business is not only viewed as a commercial or economic activity but plays a key role in aspects like health, safety, nutrition, science and government. This resulted in the conversion of agriculture into education. Inculcating entrepreneurial mind set and attitude to give solutions in the agri culture prospective. Agribusiness industry is considered as one of the most emerging & sunrise industry in the developing countries like India. To begin with let us understand few concepts about agripreneur, agripreneurship.

Concept of Agripreneur:

Agripreneur is an entrepreneur whose main business is agri cultural or agri cultural related (Dabson & Markley 2010). Agripreneur can be defined as a business owner who is self employed and seeks to create wealth within the Agricultural Industry (Aleke, Ogiako & Wainwright, (2011).

Concept of Agripreneurship:

The application of entrepreneurial principles to identify, develop and manage viable agricultural enterprises, projects optimally and sustainably the profit and improved livelihood (Mukembo & Edwards 2015). Sudha Rani described agripreneurship as: generally sustainable, community oriented, directly marketed agriculture.

Need of Agripreneurs:

Not only does agriculture solve the problem of food crisis through the introduction of agripreneurship but it also leads to the prevention and conversion of agricultural waste, crop waste, and food waste in a productive manner. Though agriculture is a major contributor to a nation's economy it is affected by various factors like socio economic, political etc. and also factors like conversion of agricultural land into constructions, migration of youth from rural to urban and their pessimistic views towards agriculture. Agripreneurship development has huge potential of creating new employment opportunities for rural young population hence there is a dire need of agripreneurs in the present context. This is the reason the study has been taken up on agripreneurs startups and how it leads to the boost in the economy.

Objectives:

- To understand the role of agripreneurship in the development of economy
- To understand the concept of agripreneurship in India.
- To identify the issues and challenges faced by agripreneurs.
- To understand various agripreneurs success stories

Scope:

The present study covers the real life experiences and challenges faced by agripreneurs.

Challenges faced by agripreneurs:

Developing as agripreneur is not that much easy as getting a job ,even though it is useful to society and nation.Though agripreneurs have idea, generated proto type , taking risk etc but they are facing many challenges in spite of support extended by the governments.

1.Not updated infra structural facilities:

Comparing to urban areas rural areas suffer from lack of (or) week infrastructure facilities in terms of roads, rail, telecom, power, market information etc.

2. Lack of entrepreneurial attitude & Mind set among rural youth:

The present education system and mind set of parents are motivating the youth to get in to jobs rather than becoming an entrepreneur. Hence the percentage of youngsters getting in to job market is more than the percentage of entrepreneurs. There is a bad need of revamping the system to inculcate these entrepreneurial attitudes.

3.Relocation of rural youth to urban and metropolitan cities:

From generations together they would have witnessed that they are not earning well and the income which they are getting is not sufficient for their day to day life hence they are motivated to migrate to urban and metropolitan's cities. Because of fluctuations in climatic conditions and markets, they are unable to earn profits.

4.Unable to compete with corporates those who are in the similar line:

The agripreneur is having restrictions like finances, technology availability, infrastructure and corporate hold.

Innovation- Agripreneurs:

In the process of economic development, converting nation of job seekers to job givers innovation plays a very important role. Even Govt of India is putting lot of efforts in make in India to promote innovation and entrepreneurship. The start ups are in the areas of agro processing, disease management through using AI, IOT and computer vision, farm mechanization , waste to wealth , dairy etc.

Women Agripreneurs :

Even though India is having more women population than men according the recent news, but not playing a major role in all fields of Industries. It can be in the job market or innovation entrepreneurship or in any filed or sector for that matter.

Government Initiatives to support agripreneurs:

Central Sector Scheme of Agri-Clinics and Agri-Business Centres (AC&ABC) was launched on 9th April, 2002 with an objective to supplement the efforts of public extension by facilitating qualified Agricultural professionals to set up Agri-ventures that can deliver value-added extension advisory services to farmers at their door step, besides providing self-employment opportunities to Agripreneurs. National Institute of Agricultural Extension Management (MANAGE) is the Nodal Implementing Agency for training these agricultural professionals and offering handholding support to establish Agriventures in partnership with 108 Nodal Training Institutions (NTIs)spread across the country. Those trained under this scheme are eligible for startup loansfrom Scheduled Banks and subsidy from NABARD(National Bank for Agriculture and Rural Development).Agricultural Technology Management Agencies (ATMAs) at district level are mandated to make use of the services of established Agripreneurs in providing value-added extension services to farmers on Public Private Partnership mode.

At present, more than 16,000 Agri-ventures have been established by Agripreneurs trained under this Scheme. Many success stories of Agripreneurs have been reported from different Sectors and States signifying their growing importance in Agricultural Extension and their national presence.

The stake holders are State Agricultural Universities, Banks, NABARD, KrishiVigyanKendras (KVKs) and ATMAs about the potential of AC&ABC Scheme are strengthening Agricultural Extension. MANAGE - Centre for Innovation and

Agripreneurship (MANAGE - CIA) is a section 8 registered company with a vision to promote agri-startups and enhance the agri-entrepreneurial ecosystem by strengthening incubation support services to agri-startups and agripreneurs to innovate, patent, produce and scale-up startups and agribusiness.

The programs offered by them are:

Incubation Program Provides incubation and business support services - capacity building, mentoring, infrastructure and advocacy services to agri-startups and agripreneurs
 Membership Program Membership program offers capacity building, ideation camps, technical information, professional networking opportunities for the aspirants who are interested to setup agri-startups or agri-business
 KrishiVikas Program for scouting innovative and ingenious startups from agriculture and allied sectors with the opportunity of collaborating with the institutions, mentors, partners, and investors.

RashtriyaKrishiVikasYojana – Remunerative Approaches for Agriculture and Allied Sectors Rejuvenation (RKVY – RAFTAAR) is an initiative of Ministry of Agriculture and Farmers Welfare, Govt. of India, aimed at strengthening infrastructure in Agriculture and allied sectors to promote Agripreneurship and Agribusiness by facilitating financial aid and nurturing a system of innovation and incubation. MANAGE-CIA, is a Centre of Excellence (CoE) in Agri-Business Incubation and Knowledge Partner for strengthening, handholding and demonstrating best practices to the RKVY-RAFTAAR Agribusiness Incubators (R-ABIs). Under this a project funded by RKVY-RAFTAAR, ANGRAU Agri Innovations and Entrepreneurship Development (AIED) Cell was established during June 2019.

Agri Innovations and Entrepreneurship Development (AIED) Cell is a new developing project started functioning at Regional Agricultural Research Station, Tirupati, ANGRAU which is supported and funded by RKVY-RAFTAAR to promote innovation, entrepreneurship and business creation in agriculture and allied sectors. R-ABI's ANGRAU Poshan Incubator facilities to build a strong and dynamic AgriStartup eco system , by establishing a network between Agripreneurs , mentors, investors, academicians, funding agencies , research laboratories, industry experts and other key partners.

Here we are quoting few success stories of agripreneurs who have grown up by themselves and with the support of above organizations.

Success Stories:**At RKVY RAFTAAR, ANGRAU Poshan Incubator, ANGRAU- Tirupati level:**

1. **Mr. Babu Rao Damarisingi, a farmer and Mechanic** by profession and hails from Vijayanagaram Dist of Andhra Pradesh , India. Being a Farmer he has seen increasing labour cost and less availability of agricultural labour, which pushed him to work on mechanizing the Agricultural tasks with his Innovation. His Innovation is “Multipurpose Drum Seeder for Sowing & Intercultivation”. This Seeder can be used in sowing 24 different variety of crops and very easy to handle both manually and tractor drawn. Multipurpose drum seeder drills out soil, sow the seed and cover the seed with soil and sprays fertilizer after covering the seed in single pass in both Wet and Dry lands. It will maintain the seed to seed distance, also the seed wastage is minimum and labour requirement is decreased. For his contribution to farming community, Mr. Babu Rao has been awarded with many State & National Awards. He got trained at ANGRAU Agribusiness Incubator in the year 2019, under Agripreneurship Orientation Programme with his Innovation. During the training for Two months, he got mentoring support to refine the model, Business expansion, Market Understanding etc. Currently he is operating in Andhrapradesh & Telangana, with nearly 800+ farmers getting directly benefited out of his innovative machinery
2. **Mr. G. Vinayabhushan Reddy, a farmer from Guntur dist.** Of Andhra Pradesh, India, has developed Multipurpose Milling and destoner machine for Rice and Millets. He observed that farmers are suffering in spending a lot of money in milling different types of Rice & Millets from different machines, which is a time taking process. With the multipurpose Milling Machine we can mill all types of Rice and Millets, within less time. Also the power consumption is low comparatively. He is trained and mentored at ANGRAU Agribusiness Incubator during 2020 and also got funding support from Ministry of Agriculture & Farmers Welfare. Currently he is operating in Andhrapradesh, serving more than 25,000 farmers with his Innovation and could able to make 10laks revenue by selling & renting his machine. Rice being the staple food in India, has a huge demand for Milling & processing before it goes for consumption. The same with Millets, the consumption of Millets have increased tremendously in last three years. Hence he could see a huge GAP in the existing market and a big demand for his Innovation.

3. **Mrs. Asha Latha, an educated housewife from Hyderabad**, Telanga State, India , Planned to Cultivate Exotic fruits & Berries in Andhra Pradesh & Telangana and then prepare some healthy Cookies, Jam & Muesli. Also by seeing the increased demand in consumption of Vitamin rich foods, she made up her business model to do contractual farming with tribal farmers and educating farmers to harvest in between main seasons of Kharif and Rabi, as it takes 3 months to harvest these fruits/berries by avoiding the use chemical based industrial fertilizers/pesticides to promote traditional harvesting methods empowered by modern technology. She is trained and Incubated at ANGRAU Agribusiness Incubator and also financial assistance in the form of Seed Stage Grant in Aid. She aims at providing employment to Locals & Females along with providing a secondary income source for Farmers. She made revenue of 50.00lakhs of rupees and build collaborations with farmers for Contractual Farming. She has received several awards from Telangana State Government and premier institutes like NIMSME etc.

4. **Dr. C.A.Y. BanuPriya,Hyderabad, Telangana**, India, a Serial entrepreneur working on Low Glycemic Food Soup products with no added starch from external sources. She prepares the product with its natural starch content or remove the starch and make the product glycemic index to 45% Vegan nature with high fiber components. She says, there is a less choice of products available with less glycemic index score and also increased consumption of junk foods, there is a huge need for developing tasty and healthy food alternatives. She came up with twenty Soup Formulas assuring 1.2 gm to 2 gm fiber per serving , DE starched fortified millets, High fiber powder, Salad seasoning, water flavoring, beverage masala etc. Her Startup BR Medical Research and Software Solutions (OPC) Private Limited develops Diabetic Food Products and E commerce of connecting two business units (Storage, Medical device mould, and cold storage mapping) . She is an incubate of ANGRAU Agribusiness Incubator and got the Mentoring assistance, Network connect assistance & Financial assistance.

Suggestions:

With the usage of different areas of agriprenuership like: usage of precision forming, crop monitoring services, sensors and application of analytics can improve the crop productivity, reduce the cost, reduce the crop wastages and finally improves the farmers income which in turn cans lead to the economic development of the nation.

Establishment of more number of incubation centres at mandal level can be of great use to the formers problems and finding out a solutions at grass root level because it will vary in geographic , environmental aspects.

Discussion&Conclusions:

Like any entraprenuer, the agriprenuer also will go through all the steps in the process of entrepreneurship starting from opportunity identification to profit making, also the agriprenurship takes the different forms like

- agro produce manufacturing units(Sugar & bakery units)
- agro produce processing units(Millets)
- agro inputs manufacturing units (fertilizers& food processing)
- agro service centres (service centres for repairing agro based tools & equipment)
- other agri enterprises (apiaries, mushroom units, seri culture units etc)

The range of services in agriprenurship include

- Crop advice or consultation
- Agricultural input sales
- Market linkages
- Credit facilities

The ultimate objective of the concept of agriprenurship is the focus on sustainable agriculture which connects a holistic approach having a balance between the usage of national resources and the maintenance of eco system as well. With the development in agriprenurship –services the farmer will become multi handed by getting help from multiple directions which leads to development of regional economies resulting in reduction of rural poverty & food scarcity. From above studies it may be concluded that the concepts of agriprenurship, crop intensification and sustainable agriculture must go hand in hand leading to growth and economy of Indian economy.

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