

# Agri-Preneurs: A Case Study of Dharmapuri Farmers

T. Nagalakshmi<sup>1</sup>, A. Sudhakar<sup>2</sup>

<sup>1</sup>Faculty, Department of Commerce (PG), Indian Institute of Management and Commerce, Khairatabad, Hyderabad, Andhra Pradesh, India

<sup>2</sup>Professor of Commerce and Registrar, Dr. BRAOU, Jubilee Hills, Hyderabad, Andhra Pradesh, India

**Abstract:** *After independence, the focus of the Government of India was to frame the major policies based on equity along with growth in the agriculture sector. Being an agrarian country, many efforts been made towards economic and social stabilization over the past decades, but not much progress has been achieved in the growth of the agro industrial sector. Farmers lack access to adequate agricultural technology inputs, funding and commercial farming skills have put the quality under the threat. The productivity may be increasing, but better quality not been achieved. With the increase in agricultural production, there is a need to have the proportionate growth in the agro-processing industry. In the recent past most of the farmers are becoming real estate owners by giving their fertile land to edifice industry, because they are unable to meet the expenditure spent on cultivation, high rates of interests taken from landlords, commission agents, banks and financial institutions, few among them committed suicide, the rate of suicide cases was out of control. Government from time to time taking steps to eradicate the effects in agriculture but they confined only to paper. In Dharmapuri, Karimnagar District of Andhra Pradesh farmers came forward to start their own associations to meet their problems without government intervention. This paper focuses on the farmers those who became entrepreneurs to Agri-preneurs, studies about the profile of agricultural entrepreneurs i.e. agri-preneurs and their socio cultural background in Dharmapuri in Andhra Pradesh.*

**Keywords:** Agri-preneurs, Agricultural Entrepreneurs, Association, Government Subsidy

## 1. Background

India's economic reforms that began in 1991 have barely scraped the surface of agricultural policy in the country. This in a context where over 700 million Indians directly depend on agriculture for a living is not just a drag on the economy but also raises fundamental questions on the "inclusiveness" of the economic policies of the country. Many of the government interventions, policy barriers and market distortions in agriculture that came into force between the 1940s and 1960s, continue to exist till this day hindering resource use efficiency even as value addition remains low in the sector. For instance, input subsidies for fertilizer, irrigation, fuel and electricity, that played a useful role in the early days of Green Revolution, have become very large and fiscally unsustainable over time. Increasingly, their continuance has only underwritten unscientific and unsustainable use of fertilizers and water, resulting in large-scale soil degradation and dangerous reduction in the water TABLE in several parts of the country. The environmental degradation in agriculturally important states raises serious questions about the long-run sustainability of agriculture and overall food security of the country. The need to improve resource use efficiency, protect the environment and ensure sustainability of agriculture has become all the more acute due to the rising competition of alternate use of land and water outside agriculture due to the rapid growth of non-agriculture sector and urbanization.

Amidst this situation, rising income levels in the country has driven a diversification of Indian diets with several "high value agricultural commodities" such as dairy products, fruits and vegetables, meat and poultry products, etc., gaining importance in consumer expenditure. Supply of these high value commodities has grown significantly in response to the changing demand patterns despite the constraints faced by the Indian farmers with regard to

input and infrastructure availability and marketing arrangements. Farmers have taken several initiatives to address some of these constraints, and have come up with innovative strategies to deal with the many problems they face such as credit and marketing arrangements, accessing new technologies, etc. These "agripreneurs" have demonstrated that given a fair chance they could transform Indian agriculture to meet the emerging challenges and needs of the country and perhaps the world.

### 1.1 Why Agricultural Entrepreneurship?

Traditionally, agriculture seen as a low-tech industry with limited dynamics dominated by numerous small family firms, which are mostly focused on doing things better rather than doing new things. Over the last decade, this situation has changed dramatically due to economic liberalization, a reduced protection of agricultural markets, and a fast changing, more critical, society. Agricultural companies increasingly have to adapt to the vagaries of the market, changing consumer habits, enhanced environmental regulations, new requirements for product quality, chain management, food safety, sustainability, and so on. These changes have cleared the way for new entrants, innovation, and portfolio entrepreneurship.

### 1.2 Concept of Agripreneur

Agripreneur defined as "entrepreneur whose main business is agriculture or agriculture-related"

Agriculture + Entrepreneur = Agripreneur

### 1.3 Concept of Agripreneurship

Agripreneurship defined 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 processes”.*

## 2. Introduction

Agriculture all over the world is going through a phase of transition. In this changing scenario, agriculture is taking new shape and expanding its scope beyond the limits of mere crop cultivation and animal husbandry for livelihood of rural population. Activities like diversification, value addition, precision farming, high-tech agriculture, Agripreneurship, global marketing, organic farming etc. are gradually getting due attention of people involved on redefining agriculture. Agripreneurship is an employment strategy that can lead to economic self-sufficiency of rural people. Agripreneurship development through training is a key elements for the promotion of Micro, Small and Medium Enterprises (MSMEs), particularly, the first generation agripreneurs. These can result in improved performance of an individual that can contribute to employment generation, poverty reduction and Human Resource Development. To promote economic development in post-liberalization-reform India, central and state Governments are pursuing growth and development policies that encourage entrepreneurship and self-employment. To improve the effectiveness of these policies, it is important to understand how regional factors influence on individual's decision to transition from employment to self-employment. Occupational transition from salaried employment to self-employment is an important issue in developed economies. To make a real economic difference, however, a substantial number of individuals must make the transition from employment to self-employment.

### 2.1 Objectives

1. To know about the concept of Agri-preneur and Agripreneurship
2. To study about the profile of agripreneurs in Dharmapuri, Andhra Pradesh, India.

### 2.2 Methodology

The present study proposes to make use of both primary and secondary sources of data. The primary data collected through well-defined structured questionnaire, aimed to analyze the concept of Agri-preneur and Agripreneurship and the profile of agripreneurs in Dharmapuri, Andhra Pradesh, India. The secondary data collected from Journals, Newspapers, Magazines and Internet sources. The present study aims at studying the concept of Agri-preneur, Agripreneurship and profile of agripreneurs, the study include in its scope Dharmapuri village only in Andhra Pradesh, India. For which 100 agripreneurs selected adhering to the principle of random sampling. The data analysis for each variable in the questionnaire made with the help of Excel diagrams and TABLEs. The survey conducted over a period of 4 months from April to July 2013.

## 3. Agripreneurs World Wide

In China, Cargill is collaborating with the Coca-Cola Company and the World Wildlife Fund to help smallholder corn farmers improve their livelihoods through training and information in techniques to improve yields, conserve water, improve crop storage, protect wetlands, and reduce the environmental impact of agriculture in Jilin Province. Only in its first year, the project has already reached 6,000 farmers. Their experience shows that the private sector – including some 450 million smallholder farmers and entrepreneurs in the global food chain – can be an engine to alleviate hunger and poverty. However, there are preconditions for lasting success. Among the most critical are policy frameworks that enable smallholder farmers to evolve into commercially viable businesses – policies that include property rights, markets and trade, infrastructure and investment and risk management. There is ample and compelling evidence that investing in agricultural intensification is among the most effective means to reduce global poverty and hunger and save the environment. Doing it all right requires the public and private sectors to work together to implement policies and make investments that motivate farmers at every level to increase production responsibly and that enable food to move more freely from areas of surplus to areas of deficit.

S. Surjitsingh, an organic farmer turned his dream into reality by mainly growing maize, wheat and sugarcane in his 30-acre farm land. Yield from different crops was not satisfactory due to poor soil health. He contacted the department of agriculture and discussed his problem with the block official. With the guidance of the department of agriculture of Hoshiarpur, he installed the first vermiculture unit in district Hoshiarpur in the year 2003. With technical guidance from the department of agriculture, S. Surjit Singh became the first commercial producer of Vermicomposting and now, he is selling his produce all over Punjab and Himachal Pradesh. He also started organic farming of agricultural commodities in his farm, which fetch him, a good profit. After seeing the performance of this project, the planning commission, government of India finally sanctioned a grant of Rs 4.59 crores for the promotion of Vermiculture in rural areas of the district under Rashtriya Sam Vikas Yojana.

### 3.1 Legislation

The draft policy frame works for Agricultural Extension (2001) envisages a multi-agency, pluralistic extension system for the future. Such an extension system expected to harness special strength and vigor of different agencies to address extension needs to diverse varied class and categories of farmers and farming systems. Draft policy stated the need, to recognize and accept other players, apart from public system, such as farmers organizations, farmers cooperatives agree-graduates, etc. which are expected to play an increasing role in agricultural extension in the future.

National Agricultural Policy (NAP) announced by the Government of India in July 2000. Seeks to actualize vast untapped growth potential of Indian agriculture,

strengthen rural infrastructure to support faster agriculture development, promote value addition, accelerate growth of agribusiness, create employment in rural areas, secure a fair standard of living for farmers and agricultural workers and their families, discourage migration to face challenges arising out of economic liberalization and globalization, etc.

National Agricultural Policy (NAP), among other things, accord a very high priority to application of frontier sciences like bio-technology, pre and post harvest technologies, adequate and timely supply of quality inputs (seeds, fertilizers, plant protection chemicals, bio-pesticides and control agents, agriculture machinery, strengthening and revitalizing research and extension linkages). Broad based extension system, development of human resources through capacity building and skill up gradation of public extension functionaries and other extension functionaries.

### 3.2 Agri-clinics and Agri-business Training Centre (AATC)

The Government of India sponsored Agriclincs and Agribusiness Centre Scheme caters to the needs of the unemployed Agri-graduates and provides them the necessary training to set up their own Agri-ventures. In collaboration with MANAGE Hyderabad, so far 14 batches were conducted; 461 students were trained and 206 success stories have been recorded from April 2002 to 2005.

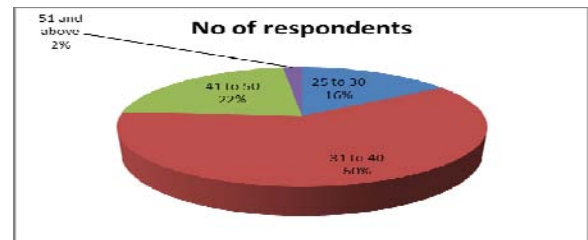
The AATC promotes networking among the young agripreneurs. It was actively involved in promoting and establishing national and state level associations of Agri-professionals. Because of its proactive role, the Agripreneurs Association of India at the national level and the state chapters such as the Maharashtra Agripreneurs Association of India (MAAI), Andhra Pradesh Agripreneurs Association of India (APAAI) and Agripreneurs Association of Goa (AAG) launched and these associations conduct taluka level Agri-exhibitions, seminars and workshops at taluka and village levels. The prominent event of MAAI was the Krishi Kranti Agricultural Exhibition and Seminar organized in memory of Hon'ble Shri. Appasahebji Pawar at Baramati in February 2005, which was presided over by Shri. Sharadchandraji Pawar, Union Minister for Agriculture, Food, Cooperation and Public Distribution. On seeing the success of such associations, the Ministry of Agriculture, Government of India directed all the agricultural universities to promote such associations for professional networking. The AATC conducts institutional and state level interfaces between the trainees and other stakeholders frequently.

For the first time in the country, the AATC in collaboration with MANAGE, Hyderabad has conducted short-term training programmes on Agritourism in October 2003, and actively promotes Agritourism in the State. So far, two such national level training programmes been conducted and the trainees in Maharashtra and Goa have established six Agritourism units.

## 4. Data Analysis and Interpretation

**Table 1: Age of the Respondents**

Age	No of respondents	Percentage
25 to 30	16	16%
31 to 40	60	60%
41 to 50	22	22%
51 and above	2	2%
Total	100	100%

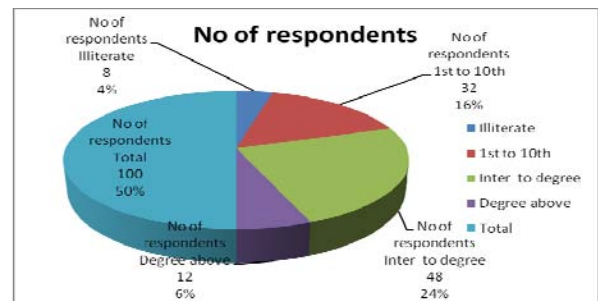


**Figure 1: Age Of The Respondents**

The above figure shows that 60% of the total 100 respondents belong to the age group of 31-40 years, 22% falls within the age group of 41-50, 16% of the agripreneurs age group is 25-30 years and remaining 2% respondents age group is above 51 years.

**Table 2: Educational Qualifications**

Qualification	No of respondents	Percentage
Illiterate	8	8%
1 <sup>st</sup> to 10 <sup>th</sup>	32	32%
Inter to degree	48	48%
Degree above	12	12%
Total	100	100%



**Figure 2: Educational Qualifications**

The above figure shows that majority of the agripreneurs i.e., 48% are completed their secondary educated with graduation, 32% of the agripreneurs completed their 10<sup>th</sup> class. 12% of the agripreneurs are postgraduates, only 8% of the respondents are illiterates, it is observed that apart from 8% 92% literacy rate is there in Dharmapuri village.

**Table 3: Agriculture Land Holding**

Agriculture field	No of respondents	Percentage
Small (Less than 2hec)	26	26%
Medium (2 to 8 hec)	52	52%
Large (more than 8 hec)	22	22%
Total	100	100%

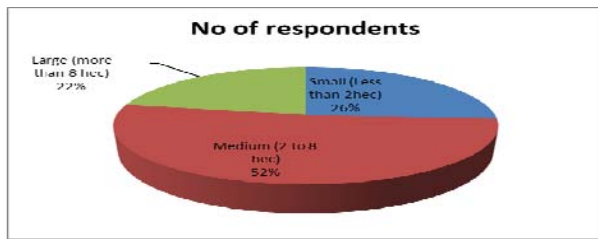


Figure 3: Agriculture Land Holding

The above figure shows that 22% of the agripreneurs are having large land holding with more than 8 hectares, 52% of the agripreneurs having medium land holding with above 2 hectares and below 8 hectares, followed by 26% with small land holding i.e. below 2 hectares.

Table 4: Annual Income

Annual income	No of respondents	Percentage
Less than 1 lakh	28	28%
1-3 lakh	44	44%
More than 3 lakh	28	28%
Total	100	100%

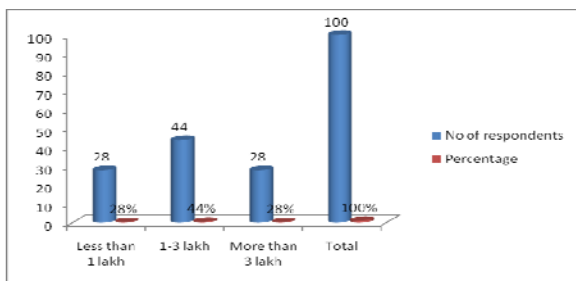


Figure 4: Annual Income

The figure shows that annual income of majority of the agripreneurs are 44% with 1-3 lack, followed by 28% with less than 1 lack and more than 3 lakhs

Table 5: Family Size

Family size	No of respondents	Percentage
Small family	36	36%
Joint family	46	46%
Large family	18	18%
Total	100	100%

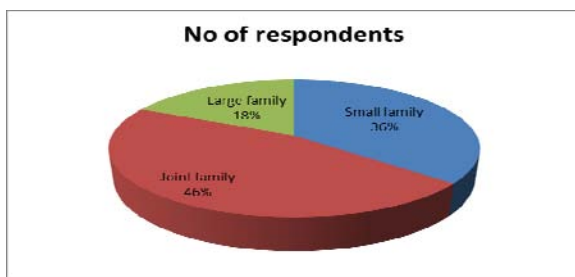


Figure 5: Family Size

The above figure shows that majority of the agripreneurs are coming from joint family i.e. with 46%, 18% of the agripreneurs are from large family and 36% of the agripreneurs are from small family.

Table 6: Total Gross Sales from Agricultural Field

Gross sales Rs.	No of respondents	Percentage
Less than 10000	38	38%
10000 to 99999	36	36%
More than 1 lak	26	26%
Total	100	100%

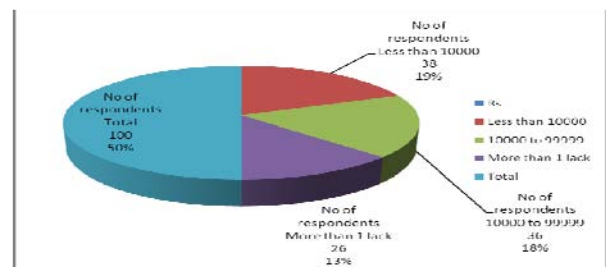


Figure 6: Total Gross Sales from Agricultural Field

The above figure shows that 26% of the agripreneurs gross sales from their agricultural field is more than Rs.1lack, 38% of the agripreneurs are getting less than Rs.10, 000 from their land holding, 36% of the respondents are getting Rs.10, 000 to Rs. 99,999.

Table 7: Production of Agricultural Products for Commercial Sale

Agriculture products for commercial sales	No of respondents	Percentage
Yes	76	76%
No	24	24%
Total	100	100%

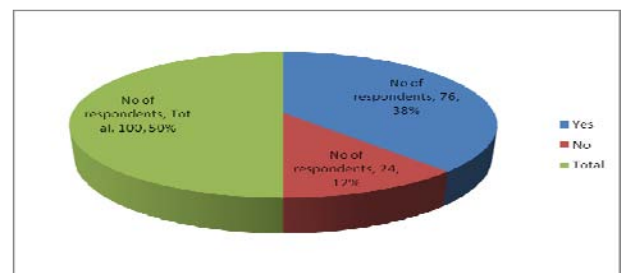


Figure 7: Production of Agricultural Products for Commercial Sale

The above figure shows that 76% of the agripreneurs said that they are producing agricultural products for commercial use remaining 24% said that they are not producing for commercial use.

Table 8: Sale of Product in the Market

Source	Number of respondents	Percentage
Directly	76	76
Through middle men	14	14
Agent	10	10



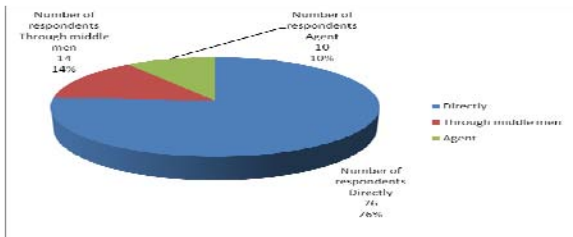


Figure 8: Sale of Product in the Market

The above figure shows that 76% of the agripreneurs selling their products in the market directly, 14% of the agripreneurs are depending on intermediaries, remaining 10% of the agripreneurs depending on agents. Agripreneurs of the Dharmapuri stating this as achievement because they are able to sell their product directly i.e.76%.

Table 9: Type of Agricultural Products

Agriculture Products	No of Respondents	Percentage
Commodity crops	24	24%
Specialty crops	42	42%
Fish	16	16%
Any other	18	18%
Total	100	100%

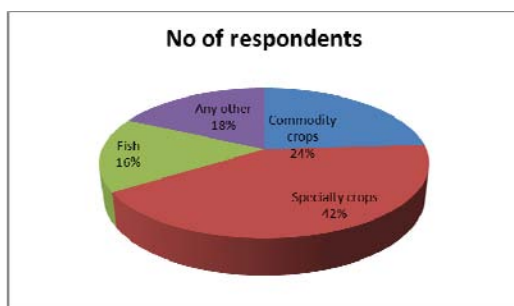


Figure 9: Type of Agricultural Products

The above figure shows that 42% of the agripreneurs depending on speciality crops, 24% of the agripreneurs depending on commodity crops, 16% of the agripreneurs depending on aquaculture i.e., farming fish, remaining 18% of the agripreneurs depending on other type of food products.

Table 10: Type of Water Sources

Water sources	No of respondents	Percentage
River	20	20%
Well	32	32%
Cannels	28	28%
Any other sources	20	20%
Total	100	100%

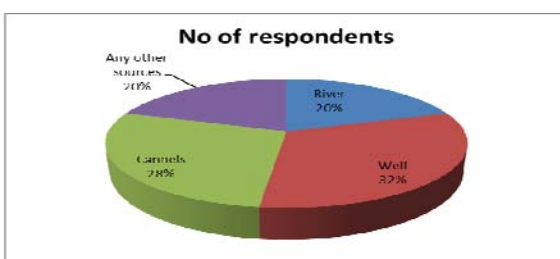


Figure 10: Type of Water Sources

The above figure shows that agripreneurs of Dharmapuri village depend on wells as their primary source of water i.e. 32% , 28% of the agripreneurs depend on cannels, 20% of the agripreneurs depend on rivers as their water sources, followed by 20% on other sources.

Table 11: Number of Crops in a Year

Get crops in the year	No of respondents	percentage
1	16	16%
2	68	68%
3	16	16%
Total	100	100%

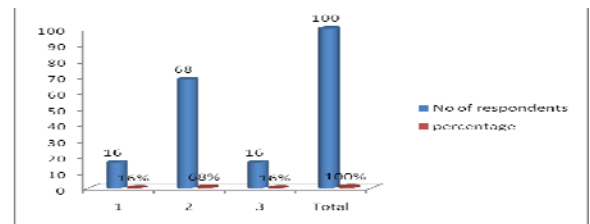


Figure 11: Number of Crops in a Year

The above figure shows that majority of the agripreneurs are depending on two crops per annum, 20% of the agripreneurs are depending on one crop pattern, followed by 12% of the agripreneurs are depending on three crop patterns per annum.

Table 12: Financial Assistance

Source of financial assistance	No of respondents	percentage
Bank	30	30%
Micro finance	26	26%
Self-finance	26	26%
From friends and relatives	18	18%
Total	100	100%

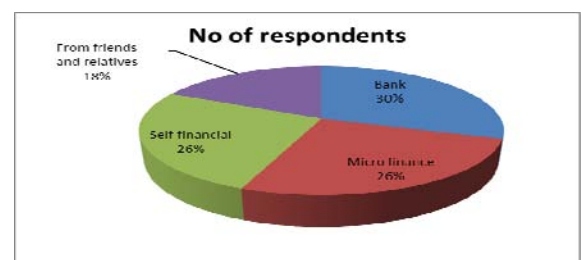


Figure 12: Financial Assistance

The above figure shows that 30% of the agripreneurs depending on Banks as their source of finance, 26% on micro finance companies, 26% of the agripreneurs choosing their own funds i.e., self-finance as their source for finance, followed by 18% of the agripreneurs have chosen friends and relatives as their another source of finance.

Table 13: Type of subsidiary from Government

Types of subsidiary	No of respondents	Percentage
Bank loans	42	42%
Low cost seeds	30	30%
Machinery subsidiary	18	18%
Any other please specify	10	10%
Total	100	100%

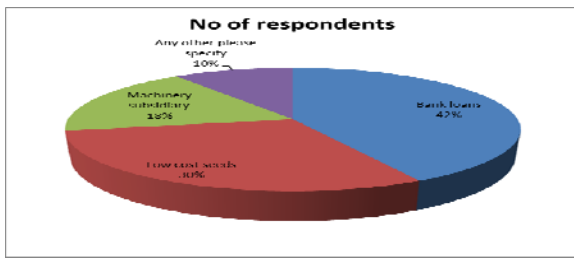


Figure 13: Type of Subsidiary from Government

The above figure shows that 42% of the agripreneurs are getting bank loans as their type of subsidy, 30% of the agripreneurs are getting low cost seeds as their another type of subsidy, 18% of the agripreneurs are getting machinery subsidy, 10% of the respondents getting other type of subsidies from the government.

Table 14: Utilization of Chemical Fertilizers

Chemical fertilizers use in agriculture field	No of respondents	Percentage
Yes	92	92%
No	8	8%
Total	100	100%

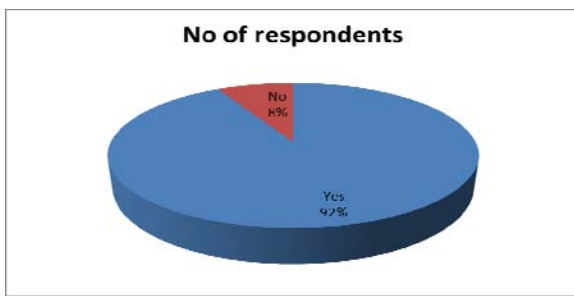


Figure 14: Utilization of Chemical Fertilizers

The above figure shows that 92% of the agripreneurs using chemical fertilizers in their agricultural fields, 8% of the agripreneurs not using any type of chemical fertilizers in their agricultural fields.

Table 15: Type of Fertilizers in Agriculture Fields

Types of fertilizers	No of respondents	Percentage
Natural	18	18%
Chemicals	16	16%
Bio-degradable	46	46%
Vermin-compost	20	20%
Total	100	100%

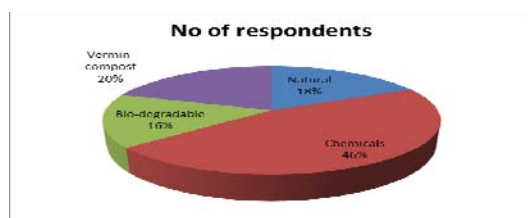


Figure 15: Type of Fertilizers in Agriculture Fields

The above figure shows that 46% of the agripreneurs are using biodegradable fertilizers to their agricultural fields, 20% of the agripreneurs are using vermin compost as their fertilizer, 18% of the agripreneurs using natural fertilizers and only 16% of the respondents using chemical as fertilizers to their agricultural fields.

Table 16: Agri-preneur Association

Particular	No of respondents	Percentage
Yes	86	86%
No	14	14%
Total	100	100%

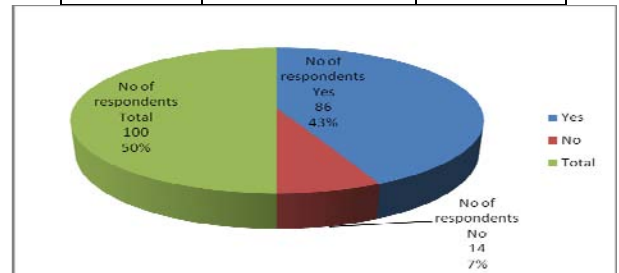


Figure 16: Agri-preneur Association

The above figure shows that 86% of the agripreneurs said that, they have agripreneurs associations to solve their problems regarding subsidies, loans and other type of seed and machinery subsidy assistance, 14% of the respondents said that they don't have any such associations to solve their problems.

Table 17: Financial Assistance from Association

Getting financial assistance	No of respondents	Percentage
Yes	86	86%
No	14	14%
Total	100	100%

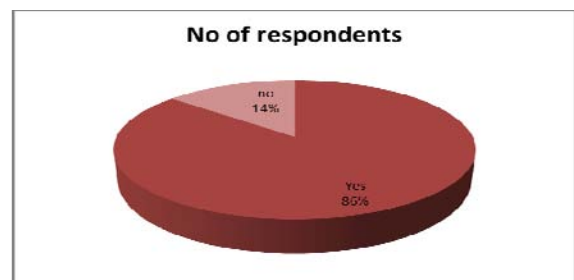


Figure 17: Financial Assistance from Association

The above figure shows that 86% of the agripreneurs, having associations are getting financial assistance. 14% of the agripreneurs not getting assistance from the associations it is assumed that, because agripreneurs not involving in associations may not get assistance.

Table 18: Marketing Assistance from Association

Particular	No of respondents	Percentage
Yes	86	86%
No	14	14%
Total	100	100%

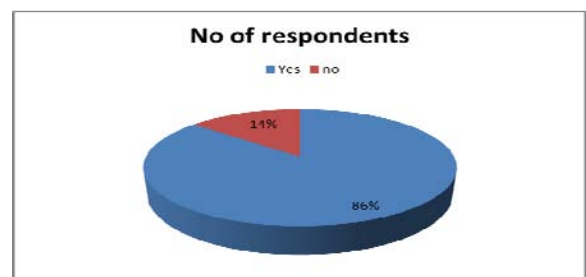


Figure 18: Marketing Assistance from Association

The above figure shows that 86% of the agripreneurs are getting marketing assistance from their agripreneurs association, 14% of the agripreneurs said that they are not getting marketing assistance from their agripreneurs association.

## 5. Conclusions

Agripreneurs of Dharmapuri village are between the age group of 31-40, having literacy, using their smallholdings in productive way, and trying to avoid intermediaries in their activities of agriculture. Agripreneurs of Dharmapuri village using biodegradable and natural fertilizers to their commercial crops, reducing usage of chemicals to avoid soil erosion. They are depending, but not fully depending on government for financial, seed capital, marketing assistance. They have created their own agripreneurs associations to solve their problems.

## 6. Suggestions

Soil test should do for every three or four years. The produced crops should sell directly to the market without assisting the agents and intermediaries'. Avoiding of mediators will leads to the farmers will get reasonable rates for their crops in the market. Government should conduct the motivational programmes for the farmers in the rural areas. Farmers should cultivate multiple crops instead of only one crop.

## 7. Limitations

The responses to the questionnaire by the farmers may be their personal views and do not always reflect the exact opinions or views. The sample size has been restricted to 100, scope of the study confined only to Dharmapuri village, Andhra Pradesh, India.

## References

1. Indira Gandhi Institute of Development Research Silver Jubilee Celebrations Conference on, "The State, the Market and the Agripreneurs", April 3-5, 2013.
2. Goyal, S.Z. and F.K. Obeng. Public-Private Sector partnerships for improved agriculture services delivery: How do we make them work? Journal of Social Development in Africa, 19(2): 49-67, 2004.
3. Gandhi Vasant, Kumar Gauri and Mansh Robin, "agro-industry for rural and small farmer development: issues and lessons for india", indian food and agribusiness management review, volume2, pp. 331-344, 2001.
4. Srivastava, U.K. "agro-processing industries: potential, constraints and tasks ahead." Indian journal of Agricultural Economics, 44(3), pp.242-256, 1989.

### Internet Sources:

www.igidr.ac.in  
 www.agriclinics.net  
 www.worldwildlife.org  
 www.snsimpactinvesting.com  
 www.jstor.org  
 www.orgprints.org  
 www.springerreference.com

www.ecoagriculture.com  
 www.technopreneur.net  
 www.ficci.com  
 www.energizingentrepreneurs.org

## Author Profiles



**T. Naga Lakshmi**, Faculty of Commerce (PG), presently working with Indian Institute of Management & Commerce (IIMC), and has completed M.Com from Osmania University in the year 2002, M.A (Economics) from Kakatiya University in the year 2005, MBA from Pondicherry University in the year 2009, presently pursuing Ph.D from Dr. B.R.A.O.U, Hyderabad and completed 10 years of teaching experience. Project Supervisor for M.Com and B.Com (Hons) – Supervised 85 Students.



**A. Sudhakar**, Professor of Commerce & Registrar, Dr. BRAOU, Worked as Head of the Dept. of Commerce 5 ½ years, Dean 3 Years, Student Support Service 4 ½ Months, 9 ½ Years in IIMC, and Secured 3<sup>rd</sup> Rank in M.Com from OU in the year 1983, Stood 1<sup>st</sup> in Part-I Examination of M.Phil Programme of OU 1987, Approved Supervisor for M.Phil and Ph.D Programmes with OU, JNTU, CESS and Dr. BRAOU. Under his guidance 11 M.Phil Degrees Awarded and 16 Ph.D Degrees Awarded. Life Member and Joint Secretary, Indian Accounting Association, Hyderabad Chapter. Life Member, Indian Commerce Association.