



# AGRIPRENEURSHIP:

A Future For Farming?


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# WHAT IS AGRI-PRENEURSHIP?

- Agripreneurship is defined as “the application of entrepreneurial principles to identify, develop and manage viable agricultural enterprises optimally & sustainably for profit & improved livelihoods”.
- Companies in the agriculture sector have had to adjust to the rapid change in consumer habits and tastes, improved environmental regulations, trend towards organic & healthier food, product quality, supply chain management, etc.



# AREAS OF ENTREPRENEURSHIP IN AGRICULTURE

- **Agro Produce Processing Units** : Such units are engaged only in processing of agricultural produces & not in production of any new product. Eg : rice mills, dal mills etc.
  - **Agro Produce Manufacturing Units** : Such units take the agriculture produce as their inputs and manufacture new products. Eg : Sugar factories etc.
  - **Agro Inputs Manufacturing Units** : Such units manufacture products to automate agricultural activities or to increase the number of manufacturing plants. Eg : food processing units, fertilizer production units, etc.
  - **Agro Service Centers** : The machinery used in agriculture are examined and repaired in these service centers.
  - **Miscellaneous Areas** : These includes seed processing units, vermin compost units, goat rearing, organic vegetable etc.
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# WHY AGRIPRENEURSHIP ?

- Agri industries being labor intensive, have high potential in employment generation.
- Agri industries have high potential for income generation in rural areas.
- These industries inspire dispersal of economic activities in the rural areas and thus promote balanced regional development.
- Agri entrepreneurship build up village equality.



# IMPORTANCE OF AGRIPRENEURSHIP

- Reduction of Poverty and Unemployment
- Labour intensive
- Agri industrialization leads to development of rural areas
- Balanced Country Development
- Utilizing Locally Available Resources
- Capital Creation
- Improvement in Per Capita Income



# **PROBLEMS / CHALLENGES IN AGRIPRENEURSHIP**

## **Lack of Skilled and Managerial Manpower:**

Lack of skilled and managerial manpower in rural areas is mainly due to the absence of suitable educational institutions in rural areas.

## **Lack of Infrastructural Facilities:**

Rural areas suffer from the lack of or weak infrastructural facilities in terms of road, rail, telecommunication, electricity, market information network, etc. This in turn, adversely affects the effective use of agri-resources.





## **Problem of Marketing :**

The major marketing problems faced by agri-entrepreneurship are lack of marketing channels and networks, promotional facilities, support system, poor quality of products, and competition with medium and large-scale enterprises.

## **Lack of Awareness about Career in Agripreneurship:**

Most of the people are still not aware of entrepreneurial opportunities, advantages, and its significance for the entrepreneur and the society as a whole.

## **Inefficient or Lack of Equipments and Technologies:**

Inefficient or lack of required equipments and technology has been one of the major challenges faced by agri-preneurs especially in rural areas.

Technologies are lacking in most of the agribusiness industries especially in rural areas. While this affects the quality of products, it also makes the products more costly.

### **High Infrastructural and Distribution Costs:**

As most of the agri-enterprises are located far from urban areas, these suffer from transport problems for both inputs and outputs. Either there is non-availability of required inputs and outputs at the right time at the right place.

### **Lack of Adequate Finance :**

Ventures in agricultural industry face a shortage of adequate funds for procuring raw materials, machinery and meeting daily expenses.





# Nascent Areas of Agripreneurship Development in India





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## Nascent Areas of Agripreneurship Development in India (Contd..)



### *(i) Input Management*

- Livestock feed, fodder
- Machineries and equipments
- Fertilizers, pesticides



### *(ii) Agro Infrastructure*

- Transport and communication services
- Power, irrigation, diesel
- Cool chain infrastructure, cold storages devices



### *(iii) Agro based Production*

- High-yield varieties of seeds
- Floriculture, Horticulture, Pisciculture, Fisheries
- Animal husbandry, Livestock, Dairy farming

## Nascent Areas of Agripreneurship Development in India (Contd..)

### *(iv) Agri Processing*

- Fruit processing - jams, squash, canned fruits
- Sugarcane processed- sugar grains, candies, jaggery
- Dairy products- curd, butter, milk powder, ghee



### *(v) Trade and Others*

- Contract farming, Cooperative farming
- Retailing of agricultural products
- Value chain management and marketing logistics



### *(vi) Agri Marketing and Agri Services*

- Agricultural finance and Insurance
- Transportation
- Storage and warehousing
- Sorting, grading, standardisation,
- Packaging, labeling, advertising





## Sectorial-wise Classification of Food Processing Industry

Sectors	Products
Commodity	Sugar, Food Grains, Spices, Edible Oils
Dairy	Whole Milk Powder, Skimmed milk powder, Condensed milk, Ice cream, Butter and Ghee, Cheese
Fruits & Vegetables	Beverages, Juices, Concentrates, Pulps, Slices, Frozen & Dehydrated products, Potato Wafers/Chips, etc
Grains & Cereals	Flour, Bakeries, Starch Glucose, Cornflakes, Malted Foods, Vermicelli, Beer and Malt extracts, Grain based Alcohol
Fisheries	Frozen & Canned products mainly in fresh form
Meat & Poultry	Frozen and packed - mainly in fresh form, Egg Powder
Convenience Food	Snack food, Namkeens, Biscuits, Ready to Eat food, Alcoholic and Non-alcoholic beverages

## Sector-wise Categorisation of Primary Processed and Value Added Products

Sector	Primary Processed Products	Value Added Products
<b>Agriculture</b>	<b>Milled Grains, Spices</b>	<b>Beverages, Ready to Eat or Cook/ Drink Products/ Bakery Product, Processed Dry Fruit</b>
	<b>Fruits and Vegetable</b>	
	<b>Tea and Coffee</b>	
	<b>Sugar</b>	<b>Confectionery</b>
	<b>Edible Oil (Depending on Processing Level)</b>	
<b>Livestock, Dairy and Poultry</b>	<b>Milk</b>	<b>Milk Powder, Ghee, Butter, Cheese, Ice Cream</b>
	<b>Eggs, Meat</b>	<b>Egg Powder, Packaged Meat and Preparations</b>
<b>Fisheries</b>	<b>Processed Aquatic Food (Depending on Processing Level)</b>	



# Primary Products





*Thank  
you!*

