

Social Benefits of Agri-Clinics & Agri-Business Centre (AC&ABC) Scheme

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Growth and development in entrepreneurship is important for enhancing the employment opportunities to the unemployed. The Ministry of Agriculture and Farmers' Welfare, Govt. of India had launched the scheme of "Agri-Clinics and Agri-Business Centers" (AC&ABC) on 9th April, 2002. This Centrally Sponsored Scheme has been implemented throughout the country by providing two months training to the qualified unemployed agricultural graduates and providing bank loans with a back ended composite subsidy. As on 17.5.2021 the total number of candidates trained for the country as a whole are 74,520 and number of agri ventures established are 31,352 which means 42 per cent of the trained candidates could establish agri ventures. Maharashtra ranks number one in terms of trained candidates and number of ventures established with 18,937 and 9,195 respectively. Uttar Pradesh is in second position with 16,494 trained candidates and 7,894 ventures established. These agripreneurs are providing expert services and advice to farmers on cropping practices, technology dissemination, crop protection from pest and diseases, market trends and prices of various crops in the markets and also clinical services for animal health etc. and providing agricultural inputs such as farm equipment on hire, seeds, fertilizers and other services.

MANAGE has conducted an impact study of this scheme with a view to analyze the Social benefits generated by the scheme. This study has its own uniqueness as many existing impact studies have analyzed the impact of the Scheme on income levels of entrepreneurs and farmers but did not study the resultant social benefits generated. This Study is conducted with the help of a well-designed pre tested questionnaire and based on multi stage random sampling primary data is collected from 160 agripreneurs and 480 farmers representing different regions of India viz., Varanasi in Uttara Pradesh, Patna in Bihar, Bangalore in Karnataka, Pune in Maharashtra and Kamrup in Assam.

Various statistical techniques are used to measure the tangible and intangible benefits accrued to the agripreneurs and to the farmers. Descriptive Statistics, mathematical formulae, Liker 5 Point Scale, connecting tangible indicators with the intangible indicators using the dummy independent models, composite index to measure the quality of life index of agripreneurs and an

econometric model is formulated and estimated to capture the impact of extension services of agripreneurs on farmers income levels.

The study has come out with the following findings: The agripreneurs who were trained under AC&ABC scheme have immensely benefited as evident from their tangible benefits and intangible benefits.

These Agripreneurs have enjoyed tangible benefits in terms net profit margin, rate of return on investment, increase in net income, increase in household consumption expenditure, increase in the durable assets in their possession, improving quality of education to their children, improving health status and employment generation. On an average the net profit margin has increased by 67 per cent. The return on investment is more than 100 per cent for all ventures and for some ventures it is more than 200 per cent. Since most of the ventures established were in Agriclincs and Agribusiness Centers which are mostly services oriented the ROI is naturally high. Though some agripreneurs have established before undertaking training the level of investment increased significantly after they got trained in AC & ABC Scheme from 4 lakhs to 22 lakhs which means more than 5 times increase in investment. In order to prosper in business and enjoy economies of scale and economies of scope a large majority of the agripreneurs diversified their services from time to time by offering varied services to farmers. These entrepreneurs whose net income on average was just fifteen thousand rupees in the initial years of business has gone up to Rs 75000 within three years of establishment of the ventures. The household expenditure has also gone up from Rs 19000 to Rs 52000. The unemployed agricultural graduate who became agripreneurs thanks to AC & ABC Scheme is able to provide employment opportunities to other rural unemployed youth. This is one of the most important and direct social benefit which we can notice due to promotion of Agripreneurship in the Scheme. On an average each agripreneur is able to provide employment to four (4) persons. The living standards of the agripreneurs improved as they are able to enjoy certain comforts after starting their ventures. About 30 per cent of the sample agripreneurs could move from kuccha house to pucca house due to increased income levels. A large number of them could manage only bicycle but able to move from bicycle to two wheeler. An equally important number could buy cars also comfortably.

There are large number of intangible benefits enjoyed by agripreneurs due to the AC & ABC Scheme in addition to the tangible benefits. The scale given by sample agripreneurs on happiness, self-confidence, stability in business, risk taking, increase in skill and knowledge,

societal respect, credibility with the banks and farmers was found out to be around 4.5 which means these agripreneurs strongly agree that the opportunities provided in AC & ABC Scheme resulted in enhancement of all the intangible indicators mentioned above.

These agripreneurs not only gained but also brought significant benefits to the farming community. The farm investments have increased by 70 per cent increase due to the increase in confidence levels of farmers in carrying out farm operations under the guidance of these agripreneurs. The cost of cultivation of crops cultivated by sample farmers reduced by 13% to 26% across the sample farmers in the study area. About 40% farmers got increase in yield rate in the range of 10-25 per cent and 60 per cent in the range of 26-50 per cent. As a result of increase in yield rate the income earned by the farmers increased more than 40%. After a substantial income gain, the credibility with the banks increased at a significant rate. Out of 480 sample farmers 232 farmers gained credibility with the banks because of increased propensity to repay the bank loan. The risk taking ability of the sample farmers increased due to their increased confidence levels.

Our sample study demonstrated that the AC & ABC Scheme has generated a significant tangible and intangible benefits to the agripreneurs, farmers and society at large. Because the scheme has immense benefits in terms of providing employment opportunities to the unemployed and bridging the existing gap in agricultural extension. The Government has to initiate the following steps to strengthen and take the scheme to further heights:

- 1) Commissioner Agriculture/ Director of Agriculture/State Nodal Officer ATMA can be given the responsibility of monitoring the loan status of AC & ABC Projects
- 2) The fund of Rs 25 lakhs may be given to MANAGE in place of NABARD to spend on awareness programme of AC & ABC Scheme
- 3) The benefits of MUDRA loans are extended to AC & ABC implemented as per the Sub Mission on Agricultural Extension
- 4) The agripreneurs should be given the option of availing the present system of Along subsidy component of 36% with the Interest subsidy Scheme of 4% a large number of agripreneurs may be able to avail the loan facilities from the banks.
- 5) The Government has to strengthen the loan and subsidy support by strictly enforcing "One Bank branch-One Agri-Clinic" policy where each bank branch is mandated to provide support to at least one agripreneur every year.