



## Research Article

# ENTREPRENEURIAL CONSTRAINTS FACED BY AGRIPRENEURS IN MAJOR DISTRICTS OF SAURASHTRA REGION

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**Abstract:** The study was intended to identify the constraints experienced by the agripreneurs in starting and running agro-enterprises in major districts of Saurashtra region of Gujarat state. The procedure employed in the selection of the respondents comprising the three categories of agripreneurs namely the on-farm agripreneurs, off-farm agripreneurs and the commercial farmers. A total of 150 respondents were selected by employing the random sampling method from Saurashtra region. Garratt's ranking technique was used to rank the constraints. The result revealed that the majority of agripreneurs faced poor access to formal credit facilities with a mean score 61.1867 (rank I) followed by inadequate guidance and financial assistance and Stiff competition with other entrepreneurs with a mean score 55.9610 (rank II) and 54.6933 (rank III) irrespective of types of agripreneurs i.e., commercial farmers, off farm agripreneurs and on farm agripreneurs.

**Keywords:** Agripreneurs, Categories of agripreneurs, Constraint analysis, Garratt's ranking

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## Introduction

The concept of agripreneurs comes into the existence in post-liberalization reform in India. India was ranked third in agri-entrepreneurship in the year 2019. The cumulative annual growth rate of entrepreneurship was 12.2 per cent from 2014 to 2018. Agriculture is the primary sources of livelihood for the Indian directly and indirectly. More than 56.6 per cent of the Indian population works in agriculture and allied sectors, contributes 17.7 per cent of the GDP of India in 2019. Sustainable agriculture refers to a system-oriented approach to farming that emphasizes the interrelationships of social, economic, and environmental processes. [3]. It is the beneficial combination of agriculture and entrepreneurship and converts your farm into an agribusiness. [4]. Agripreneur defined as "Entrepreneur whose main business is agriculture or agriculture-related", Agriculture + Entrepreneur = Agripreneur. [1]. Gujarat ranks top in ease of doing business among Indian states. The core strength of the Gujarat state is entrepreneurs and entrepreneurship development related activities. The major agro-based industries in the Saurashtra region are cotton ginning, pressing and spinning, edible oil refining based on oilseeds, sugarcane, fruit and vegetable industries etc. [1]. There are 11 per cent of India's adult population is engaged in "Total early-stage Entrepreneurial Activity (TEA)."

## Material and Methods

To select the sample size of agripreneurs, the simple random sampling method was adopted. A total of 150 agripreneurs from major districts of Saurashtra were selected under three different categories i.e., on-farm agripreneurs, off-farm agripreneurs and commercial farmers. 50 agripreneurs were selected from each category of agripreneurs. The details about the distribution of samples according to the category given in [Table-1]. The study was based on primary data. The data were collected with the help of a structured questionnaire by conducting a field survey.

Garrett's ranking technique was used to analyze the problems perceived by agripreneurs in the agro enterprise in major districts of Saurashtra region.

To identify the constraints of agripreneurs, a questionnaire was designed covering the important aspects of the agro based enterprises. Garrett's ranking method was used which help to convert theocratical data into the numerical form. The major advantage of this technique as compared to simple frequency distribution is that here constraints are arranged based on their importance from the point of view of respondents.

Garrett's formula for converting ranks into a percent is given by [2],

$$\text{Percent Position} = (100 (R_{ij} - 0.5)) / N_j$$

Where,

$R_{ij}$  = Rank given for  $i^{\text{th}}$  item by  $j^{\text{th}}$  individual

$N_j$  = Number of items ranked by  $j^{\text{th}}$  individual

The relative position of each rank obtained from the above formula is converted into scores by referring to the table given by Garrett (transmutation of orders of merit into units of amount or scores) for each factor scores of all individuals have been added and then divided by the total number of respondents for the specific factor (constraint) attributes.

Table-1 Category and district wise selection of agripreneurs

Districts	Category			Total
	Off-Farm agripreneurs	On-Farm agripreneurs	Commercial farmers	
Junagadh	10	10	10	30
Gir Somnath	10	10	10	30
Bhavnagar	10	10	10	30
Rajkot	10	10	10	30
Jamnagar	10	10	10	30
Total	50	50	50	150

## Result and Discussion

The constraints faced by the agripreneurs in the present scenario were based on the different situations, geographical location, and availability of resources. Constraints play a vital role in the developing agri-enterprise.

Constraints were assessed by scoring and ranked by Garrett ranking and the results are presented in [Table-2]. A perusal of Table 2 clearly revealed that poor access to formal credit facilities was the major constraint with a mean score of 61.1867. The second major constraint was 'inadequate guidance and financial assistance' with mean score of 55.9610, followed by stiff competition with other entrepreneurs (54.6933), Inadequate managerial experience (53.1800), multiple role conflicts (50.4467), inadequate working capital (49.9100), non-viability of skill labor (46.2600), inadequate knowledge about emerging techniques in enterprise (44.1133), poor marketing facilities (41.7667) and inadequate risk-taking ability (39.9267). opinion of sampled agripreneurs regarding the constraints faced while poor access to formal credit facilities revealed that finance facilities are below average in that area and finance facilities are the prime consideration of agripreneurs because it leads to increase in cost and highly affects the profitability of the agripreneurs were found to be important. Apart from these constraints, inadequate guidance and financial assistance, stiff competition with other entrepreneurs and inadequate managerial experience were found to be other important constraints faced by agripreneurs.

Table-2 Garret's ranking of constraints faced by agripreneurs in developing agri-enterprise, (n=150)

SN	Constraints	mean score	Garrett's Ranking
1	Poor access to formal credit facilities	61.1867	I
2	Inadequate guidance and financial assistance	55.9610	II
3	Stiff competition with other entrepreneurs	54.6933	III
4	Inadequate managerial experience	53.1800	IV
5	Multiple role conflicts	50.4467	V
6	Inadequate working capital	49.9100	VI
7	Non viability of skill labor	46.2600	VII
8	Inadequate knowledge about emerging techniques in enterprise	44.1133	VIII
9	Poor marketing facilities	41.7667	IX
10	Inadequate risk-taking ability	39.9267	X

Source: Primary data from field survey

Poor access to formal credit facilities that was assigned rank I, the probable reason might be that formal financial facilities are not up to the mark in those areas which help to reduce the elements of uncertainty regarding demand of the product, raw material, technology, etc. followed by inadequate guidance and financial assistance (rank II) i.e., stiff competition with other entrepreneurs (rank III) i.e., Inadequate managerial experience (rank IV) i.e., multiple role conflicts (rank V) i.e., inadequate working capital (rank VI) i.e., non-viability of skill labor (rank VII) i.e., inadequate knowledge about emerging techniques in enterprise (rank VIII) i.e., poor marketing facilities (rank IX) and inadequate risk-taking ability (rank X).

## Conclusion

It can be concluded from the result that poor access to formal credit facilities was the major constraint with a mean score of 61.1867. The second major constraint was 'inadequate guidance and financial assistance' with mean score of 55.9610, opinion of sampled agripreneurs regarding the constraints faced while poor access to formal credit facilities revealed that finance facilities are below average in that area and finance facilities are the prime consideration of agripreneurs because it leads to increase in cost and highly affects the profitability of the agripreneurs were found to be important. Apart from these constraints, inadequate guidance and financial assistance, stiff competition with other entrepreneurs and inadequate managerial experience were found to be other important constraints faced by agripreneurs.

## Suggestions

To resolve the entrepreneurial constraints faced by agripreneurs, agripreneurs should get knowledge or make them self-aware about the formal credit facilities available in the market. The impact of institutional support on promotion of agripreneurship requires to be examined thoroughly. To resolve the constraints of the Inadequate managerial experience, agripreneurs should attend more training programs and keep updated themselves to acquire more managerial and technical

knowledge about the enterprise. To resolve the constraints related to finance government should provide professional expertise on latest technologies and promote awareness on government schemes and new technologies

**Application of research:** The study of problems regarding the entrepreneurial constraints will be useful to entrepreneurs for its better development and expansion of enterprise.

**Research Category:** Agri-Business Management

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**Study area / Sample Collection:** Saurashtra region, Gujarat state, primary data collection by primary field survey

**Category of agripreneurs name:** On- farm, Off-farm and Commercial farmers

**Conflict of Interest:** None declared

**Ethical approval:** This article does not contain any studies with human participants or animals performed by any of the authors.  
Ethical Committee Approval Number: Nil

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