

Performance of Agri-Clinics and Agri-Business Centres Scheme in Andhra Pradesh

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Abstract

The Government of India launched the Agri-Clinics and Agri-business Centres (AC&ABCs) scheme in 2002 to establish agri-ventures by Agrigraduates to strengthen technology transfer, public advisory system, and job creation in rural areas. Candidates trained under the scheme are eligible for a subsidy of 36 percent in the case of the general category and 44 percent for women, SC/ST, Northeastern, and Mountain candidates. The program provides credit-linked, composite, and deferred grants with a three-year vesting period. The present study is a modest attempt to evaluate the performance of the Agri-Clinics and Agri-Business Centres scheme in Andhra Pradesh from its inception to the present day by looking at state-by-state, training institute-by-training institute, year by year, and project-by-project results. The study is based on the contemporary analysis of secondary data gathered from journals, magazines, articles, periodicals, websites, and the like. The results of the study showed that the success rate of the AC&ABC scheme was high in the states of Maharashtra, followed by Uttar Pradesh and Tamil Nadu. The top three activities where most of the Agri-Ventures were formed in Andhra Pradesh were Agri-Clinics, Dairy/Poultry/Piggary/Goatary, and Agri-Clinics and Agri-Business Centres. Based on the data, an average of 23 percent of the trained candidates under the AC&ABC scheme had established their Agri-Businesses in Andhra Pradesh. Bojja Venkata Reddy Agricultural Foundation, Nandyal, and Jagruti Foundation for Rural Development, Visakhapatnam, held more than half of the shares and performed well in training the candidates, with a larger number of agriventures being established by candidates who had undergone training through these two nodal training institutes.

Keywords: Agri-Clinics and Agri-Business Centres Scheme, Agrigraduates, Agriventures, nodal training institutes, Andhra Pradesh.

Introduction

The Government of India, through the Ministry of Agriculture and Farmers Welfare, in collaboration with NABARD, launched the Agri-Clinics and Agri-Business Centres (AC & ABCs) Scheme to enhance agricultural practices and reach every farmer in the country. The scheme's goal is to encourage the enormous pool of Agricultural graduates to expand their knowledge by establishing their own Agriclinic or Agri-Business Centre. Furthermore, the government offers start-up training to graduates of agriculture or related fields. After completing the training program, graduates may apply for start-up loans in addition to training. Agri-Clinics assist farmers in overcoming difficulties related to plant protection, soil health, cropping practices, crop insurance, and other similar issues. It also offers services such as an animal clinic and the ability to regulate crop market prices to boost farmers' revenue. Agri-Business centres, on the other hand, are Agri-Businesses designed to give services to farmers in the areas of farm equipment, assistance in purchasing farming inputs, providing a market platform for crop sales, and so on. Furthermore, the Agri-Business Center's goal is to increase farmer income as well as to promote entrepreneurship.

Objectives of the AC & ABC Scheme

- To provide inexpensive extension and other services based on the Agri-Business model of agripreneurs, on a fee-for-service basis or at no cost to the target local needy farmers.
- To contribute to the growth of agriculture and entrepreneurship.
- To provide jobless graduates in agriculture and related fields with lucrative self-employment alternatives.

Backdrop

The Indian government wished to extend its participation in agriculture and allied fields in order to promote agricultural growth. As a result, the government formed a committee led by Prof. M.S. Swaminathan to identify agricultural deficiencies and propose recommendations to address them. As a result, the committee proposed that Agri-Clinics and Agri-Business Centres be established to provide consultation services to farmers. The Government of India agreed to develop an Agri-Clinics and Agri-Business Centres plan based on the committee's suggestions. Following that, India's finance minister recommended, in the budget programme, to start the Agri-Clinics and Centres scheme on February 28, 2001. Table 1 gives a glimpse of an idea about Agri-Clinics and Agri-Business Centres scheme in India.

Table 1 General Information about Agri-Clinics and Agri-Business Centres Scheme

S.No.	Particulars	Remarks
1	The committee recommended making the scheme on Agri-Clinics and Agri-Business Centres	M.S Swaminathan Committee
2	Date of declaration of Union finance minister	February 28 th ,2001
3	Date of introducing the scheme	April 9 th ,2002
4	Eligibility criteria	Graduate in agriculture and allied courses
5	Agencies for the implementation of the scheme	MANAGE, NABARD, Agriculture Department, Nodal Training Institutes (NTIS) and commercial Banks
6	Total number of NTIs in India	118
7	Total number of trained Agri graduates under the scheme	77353
8	Total number of agriventures established under the scheme	32565
9	Maximum number of agriventures established under the scheme in India	Maharashtra (9694)
10	Minimum number of agriventures established under the scheme in India	Mizoram (0)
11	Subsidy and margin money under the scheme	Subsidy - 36% for General candidates and 44% for SC/ST/Women candidates from northeastern hill states Margin – Accordance to RBI guideline. Credit linked, composite, and back-ended subsidy with a lock-in three years.

Source: Compiled by Authors

Objective of The Study

The major objectives of the study are:

- To assess the present status of Agri-Clinics and Agri-Business Centres Scheme in Andhra Pradesh
- To appraise the performance of the Agri-Clinics and Agri-Business Centres Scheme in Andhra Pradesh

Material and Methods

The main aim of the study is to assess the various aspects, problems, and progress of the Agri-Clinics and Agri-Business Centres scheme based on the performance in India and especially in Andhra Pradesh. To achieve the objectives, the present study is based on secondary data collected from books, magazines, newspapers, reports, publications, research articles, and official websites as of December 2021. In addition, the study aims to be meaningful and valuable insights of the researchers from the published and unpublished dissertation.

Results and Discussion

Table.1 Performance of AC&ABCs scheme in India from April 2002 to December 2021

S. No	Name of the State	Candidates Trained		Agri - Ventures established	
		Number	Per cent	Number	Per cent
1	Maharashtra	19825	25.63	9694	29.76
2	Uttar Pradesh	17221	22.26	8010	24.59
3	Tamil Nadu	8236	10.65	3934	12.08
4	Madhya Pradesh	4441	5.74	1985	6.09
5	Bihar	4241	5.48	1468	4.50
6	Karnataka	4228	5.47	1697	5.21
7	Rajasthan	4091	5.29	1594	4.89
8	Gujarat	2135	2.76	851	2.61
9	Telangana	1951	2.53	450	1.38
10	Jammu and Kashmir	1523	1.97	191	0.58
11	Andhra Pradesh	1479	1.91	405	1.24
12	West Bengal	1214	1.57	298	0.91
13	Chattisgarh	934	1.20	379	1.16
14	Assam	787	1.01	251	0.77
15	Jharkhand	771	0.99	198	0.60
16	Haryana	730	0.94	238	0.73
17	Punjab	668	0.86	218	0.66
18	Odisha	643	0.83	116	0.35
19	Uttarakhand	529	0.68	171	0.52
20	Manipur	505	0.65	128	0.39
21	Himachal Pradesh	429	0.55	110	0.33
22	Kerala	254	0.33	51	0.15
23	Nagaland	185	0.24	21	0.06
24	Puducherry	142	0.18	84	0.25
25	Arunachal Pradesh	48	0.06	3	0.00
26	Delhi	41	0.05	6	0.01
27	Meghalaya	36	0.04	3	0.00
28	Mizoram	35	0.04	0	0.00
29	Goa	13	0.01	7	0.02
30	Sikkim	9	0.01	1	0.00
31	Tripura	5	0.00	1	0.00
32	Chandigarh	4	0.00	2	0.00
	Total	77353	100.00	32565	100.00

Source: MANAGE – AC&ABCs Database

Note: The number of trained candidates and agriventures established in Andhra Pradesh shown in the above table also includes the candidates and agriventures established of other states i.e., the candidates who belong to other states are trained in Andhra Pradesh.

The performance of the AC&ABC scheme in India from April 2002 to December 2021 is represented in Table 1. Maharashtra, followed by Uttar Pradesh and Tamil Nadu performed well in terms of the number of trained candidates (25.63%, 22.26%, and 10.65% respectively) and also the establishment of agricultural businesses by the trained candidates (29.76%, 24.59%, and 12.08% respectively). The table shows that a total of 1479 candidates were trained under the AC&ABC program and 405 candidates had established their agriventures under the scheme in Andhra Pradesh from 2002 to 2021. Andhra Pradesh's performance ranked 11th in terms of the number of candidates who received training and also in terms of establishing agri-ventures under the AC&ABC program. With the exception of Nagaland (21), the performance of the AC&ABC program in terms of starting Agri-Businesses by the trained candidates was poor in the case of the Northeast states (Meghalaya - 3, Arunachal Pradesh - 3, Mizoram - 0, Sikkim - 1 and Tripura) bad 1). Across India, a total of 77,353 candidates have been trained under the program and 32,565 agri-ventures have been established by the trained candidates, representing a 42 percent success rate.

Bairwa et al., (2014) discovered that the southern states of India, namely Tamil Nadu, Maharashtra, and Karnataka, had very good status in terms of women training and agripreneurship in comparison to the country's north-eastern states, and recommended that the government pay special attention to the implementation of the Agri-Clinics and Agri-Business Centres Scheme in the country's north-eastern states. Farmers in distant areas were not completely aware of the AC&ABC scheme, and there was a lack of a strong extension network for training farmers on dairy/poultry/fishery ventures, as well as a lack of own finances to establish a business, which was the most pressing issues encountered by farmers in Assam (Savapandit and Gogoi, 2017).

Table.2 Progress of AC&ABCs scheme in Andhra Pradesh

Year	Candidates Trained		Agri-Ventures established	
	Number	Per cent	Number	Per cent
2002-03	74	5.12	16	4.80
2003-04	26	1.80	12	3.60
2004-05	36	2.49	04	1.20
2005-06	59	4.08	15	4.50
2006-07	34	2.35	26	7.80
2007-08	21	1.45	18	5.40
2008-09	18	1.25	08	2.40
2009-10	24	1.66	08	2.40
2010-11	74	5.12	29	8.70
2011-12	104	7.20	29	8.70
2012-13	83	5.75	36	10.81
2013-14	123	8.52	51	15.32
2014-15	148	10.25	32	9.60
2015-16	22	1.52	33	9.90
2016-17	03	0.20	04	1.20
2017-18	81	5.60	0	0.00
2018-19	237	16.41	0	0.00
2019-20	206	14.27	0	0.00
2020-21	71	4.92	12	3.60
Total	1444	100.00	333	100.00

Source: MANAGE – AC&ABCs Database

The progress of the AC&ABC scheme in Andhra Pradesh in terms of the number of candidates trained and a number of agri-ventures established from 2002-03 to 2020-21 is depicted in Table 2. Under the AC&ABC scheme, A total of 1444 candidates were trained, and 333 agri-businesses were founded by the trained candidates. In the year 2018-19, the most candidates (237) were trained, and the most agriventures (51) were started under the AC&ABC scheme in the year 2013-14. According to the data, on average, 23% of the candidates established their ventures in Andhra Pradesh.

It is necessary to identify the motivating factors that will encourage the creation of a greater number of agricultural businesses by the trained candidates. Parihar and Boyal (2018) showed that the success rate of the AC&ABC scheme in India was unsatisfactory i.e., only 42 per cent success rate was observed. The main obstacles for the trained agripreneurs to successfully run Agri-Businesses under the AC&ABC program were competition from the existing traders, problems obtaining bank loans, high-interest rates, and insufficient support from the nodal training institutes (Kumari et al., 2016).

Table.3 Activity-wise agri-ventures established by the trained candidates under the AC&ABC scheme in Andhra Pradesh from April 2002 to December 2021

S.No.	Project Description	No. of Ventures Established	Per cent
1	Agri- Clinics	142	35.06
2	Dairy/Poultry/Piggary/Goatary	84	20.74
3	Agri-Clinics and Agri-Business Centre	70	17.28
4	Crop Production	23	5.68
5	Seed Processing and Marketing	13	3.20
6	Nursery	13	3.20
7	Farm Machinery Unit	8	1.98
8	Vermicomposting/Organic manure	7	1.73
9	Contract Farming	5	1.23
10	Fisheries Development	4	0.99
11	Value Addition	4	0.99
12	Bio-fertilizer production and Marketing	3	0.74
13	Horticulture Clinic	3	0.74
14	Soil Testing Laboratory	3	0.74
15	Vegetable Production and Marketing	3	0.74
16	Mushroom Cultivation	3	0.74
17	Floriculture	2	0.49
18	Landscaping + Nursery	2	0.49
19	Tissue Culture Unit	2	0.49
20	Veterinary Clinics	2	0.49
21	Animal Feed Unit	1	0.25
22	Cultivation of Medicinal Plants	1	0.25
23	Direct Marketing	1	0.25
24	Organic Production/Food Chain	1	0.25
25	Pesticides Production and Marketing	1	0.25
26	Fishery Clinic	1	0.25
27	Agriculture Journalism	1	0.25
28	Sericulture	1	0.25
29	Apiary	1	0.25
30	Rural Godown	0	0.00
31	Production & Marketing of Biocontrol Agents	0	0.00
32	Agro-Eco Tourism	0	0.00
	Total	405	100.00

Source: MANAGE – AC&ABC Database

Activity-wise agri-ventures established by the trained candidates under the AC&ABC scheme in Andhra Pradesh from April 2002 to December 2021 are represented in Table 3. A total of 32 different activities to set up various agri-ventures have been carried out by the trained graduates across India. In the case of Andhra Pradesh, 32 activities were carried out by the trained graduates to build up their Agri-Businesses. The top three activities where entrepreneurial activity was successful were Agri-Clinics (35.06%), Dairy/Poultry/Piggary/Goatary (20.74%), and Agri-Clinics and Agri-Business Centres (17.8%).

Venkattakumar et al., (2016) used rank-based quotient analysis to identify 14 critical success factors among successful agripreneurs since over 1400 agricultural graduates were trained under the AC&ABC scheme, but only 27% of the trained graduates established Agri-Business ventures. According to Shekara and Durga (2007), cropping patterns shifted in Maharashtra and Uttar Pradesh as a result of the intervention of Agripreneurs who received training under the AC&ABC scheme, and sample farmers' yields increased as a result of adopting a better package of practices based on the advice of agripreneurs.

In today's world, technology plays a crucial role in enabling farmers to pursue entrepreneurial endeavors and agro-based sectors (Sharma and Patil, 2018). The agricultural graduates trained under the AC&ABC scheme will play an important role in introducing new technology into the agriculture sector as well as delivering agricultural extension services to the farming community in villages. By looking at the success of agri-ventures in rural areas, unemployed youth in rural areas may be enticed to start their own businesses in the agricultural sector, which will help to provide gainful employment in rural areas.

Table.4 Institute-wise number of trained candidates and agri-ventures established in Andhra Pradesh from April 2002 to December 2021

S.No.	Name of the Institute	Candidates Trained		Agri – Ventures established	
		Number	Per cent	Number	Per cent
1	Bojja Venkata Reddy Agricultural Foundation, Nandyal	256	23.70	98	30.63
2	Centre for Entrepreneurship Development, Vijayawada	208	19.25	0	0.00
3	GM Institution for Rural Development Health and Education Society, Nandyal	175	16.20	49	15.31
4	Jagruti Foundation for Rural Development, Visakhapatnam	169	15.64	73	22.81
5	Confederation of Aquaculture Fisheries and Welfare Organisations, Vizag	78	7.23	64	20.00
6	M.A.M Memorial Service Society, Guntur	69	6.39	36	11.25
7	RASS-Krishi Vigyan Kendra, Tirupati	64	5.92	0	0.00
8	Andhra Pradesh State Sericulture Research & Development Institute	40	3.70	0	0.00
9	Bhagavatula Charitable trust, Visakhapatnam	21	1.95	0	0.00
		1080	100.00	320	100.00

Source: MANAGE – AC&ABC Database

The institute-wise number of trained candidates and the agriventures established in Andhra Pradesh from April 2002 to December 2021 is represented in Table 4. A total of 118 nodal training institutes are offering training programmes to the Agri graduates under the AC&ABC scheme. Similarly, a total of nine institutes are providing training to the Agri graduates for establishing agri-ventures under the AC&ABC scheme in Andhra Pradesh.

From table 4, it is clear that the Bojja Venkata Reddy Agricultural Foundation, Nandyal, and the Jagruti Foundation for Rural Development, Visakhapatnam held more than half of the share and performed well in training the candidates, with a greater number of agriventures established by candidates who had undergone training by these two training institutes. RASS-Krishi Vigyan Kendra, Tirupati, Andhra Pradesh State

Sericulture Research & Development Institute, Bhagavatula Charitable trust, Visakhapatnam performed poorly in terms of the number of candidates trained and agriventures established.

Taufiq et al., (2016) emphasized that the major problems faced by trained agripreneurs under the Agri Clinics and Agri-Business Centres scheme were the high-interest rates, the lack of a subsidy component, and the lack of a collateral security component in the scheme.

Conclusion

To sum up, the Agri-Clinics and Agri-Business Centres scheme is a good initiative by the Government of India which will help to provide agricultural advisory services in rural India and also create entrepreneurial opportunities for the rural youth. The success rate of the AC&ABC scheme was high in the states of Maharashtra, followed by Uttar Pradesh and Tamil Nadu, both in terms of training candidates and in terms of establishing farms by the trained candidates. The state of Andhra Pradesh ranked eleventh in terms of both the production of trained candidates under the AC&ABC scheme and the establishment of agricultural businesses by trained candidates. The top three activities where entrepreneurial activity was successful were Agri-Clinics (35.06%), Dairy/Poultry/Piggary/Goatary (20.74%), and Agri-Clinics and Agri-Business Center (17.8%). Bojja Venkata Reddy Agricultural Foundation, Nandyal and Jagruti Foundation for Rural Development, Visakhapatnam held more than 50 percent of the shares and did well in training the candidates, and more farms were established by the candidates who undergone the training from these two training institutes. More emphasis should be placed on assisting trained candidates under the AC&ABC scheme in starting their own businesses, which would aid in the transformation of unemployed youth into entrepreneurs as well as the provision of agricultural extension services in rural regions.

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