



Agri-entrepreneur's Awareness on Government Schemes

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ABSTRACT

Agriculture plays a significant part in the Indian economy and therefore entrepreneurship in agriculture holds great potential for the development of the country. The study was done in Kottayam district in Kerala state. A purposive sampling technique was used. Entrepreneurs with more than three years' experience were selected. These entrepreneurs were grouped into four sectors, *i.e.*, value addition, fisheries, animal husbandry and other enterprises. For each group 100 respondents were identified. The data were collected through telephonic interview using a pre-structured interview schedule. Data analysis was done by SPSS 20.0. Descriptive statistics were used to describe and summarize the properties of the mass of data. To test the hypothesis that two attributes are associated or not, the Chi-square test for independence was applied. Out of the total 400 agri-entrepreneurs, majority of them (68%) were found to be self-reliant agri-entrepreneurs and the remaining (32%) belonged to government-reliant entrepreneurs. Nearly 94.1% of self-reliant agri-entrepreneurs and 71.9% of government-assisted agri-entrepreneurs were unaware of the schemes of assistance launched by Government of India. Agri-entrepreneurs' awareness about various schemes of assistance launched by the Government of India differs. There exists a difference in the opinion among the agri-entrepreneurs regarding the reasons for not availing the schemes launched by the government.

Key Words: Agri entrepreneurs, Awareness, Government Schemes, Red Tapism,

INTRODUCTION

Agriculture is an important sector in the global economy, generating Rs. 272.3 trillion in 2019 from agriculture, forestry, and fishing, providing employment for 874 million people in 2020 and totaling 27 percent of the global workforce. Entrepreneurship can be considered as the backbone of economic development and the level of economic growth of a region is greatly influenced by the level of entrepreneurial activities in that specific region. Government schemes, policies and laws have a significant influence on entrepreneurs. Peck *et al* (2018) found that regulation influences the behaviour of entrepreneurs. Bosma *et al* (2018) and Chowdhury *et al* (2019) found evidence for a positive association between entrepreneurship and government regulations and promotion programmes. Audretsch *et al* (2022) described the

effect of government policies on opportunity entrepreneurs and necessity entrepreneurs. Opportunity entrepreneurs reduce spend and investments when government policy is non-conducive but are likely to invest in a business when government policy is conducive. Necessity entrepreneurs are forced out of the labour force and take up entrepreneurship under adverse economic conditions. However, Ipinaiye *et al* (2017) noted that the studies were ambiguous on benefits of government support and entrepreneurial growth.

The agri-entrepreneurs of the district were classified into self-reliant agri-entrepreneurs and government-reliant agri-entrepreneurs. Self-reliant agri-entrepreneurs are entrepreneurs whose prime motive is the enterprise. A self-reliant entrepreneur starts and continues enterprise by their own volition. For such agri-entrepreneurs,

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Table 1. Distribution of respondents Self-reliant and Government reliant agri-entrepreneurs.

Type of Agri-entrepreneur	Frequency	Percent
Self-reliant	272	68
Government reliant	128	32
Total	400	100.0

Table 2. Agri-entrepreneurs' awareness about various schemes of assistance launched by the government of India

Parameter	Type of agri -entrepreneur				Total	
	Self-reliant		Government reliant			
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Aware	16	5.9	36	28.1	52	13.0
Unaware	256	94.1	92	71.9	348	87.0
Total	272	100.0	128	100.0	400	100.0

government assistance grants, subsidies and other schemes play a minor role. A self-reliant entrepreneur may accept assistance when and if they are available but such assistance is not significant to their decisions. Government-reliant entrepreneurs on the other hand are those whose prime motives are government subsidies, grants and schemes. For such entrepreneurs, government assistance, grants, subsidies and other schemes play a major role. The availability or the lack of grants, subsidies and schemes play a significant part in their decisions.

Considering these factors, the study was conducted with an objective to assess the agri-entrepreneurs' awareness with regard to various schemes of assistance launched by the Government of India and to analyse the various reasons for such unawareness towards the schemes launched by the Government of India.

MATERIALS AND METHODS

The study was done in Kottayam district in Kerala state as this district had high potential for agri-entrepreneurs. Purposive sampling technique was used and entrepreneurs with more than three years' experience were selected. These entrepreneurs were grouped into four sectors, *i.e.*, value addition, fisheries, animal husbandry and other enterprises including mushroom, floriculture and apiculture. For each group 100 respondents were identified. The study was done in two phases.

A survey was conducted in Phase I to collect the data from the selected sample. In Phase II the data was analyzed and interpreted with the help of appropriate procedures and statistical techniques.

The information was collected through telephonic interview using a pre-structured interview schedule. Data analysis was done by SPSS 20.0. Descriptive statistics were used to describe and summarize the properties of the mass of data. To test the hypothesis that two attributes are associated or not, the Chi-square test for independence was applied.

RESULTS AND DISCUSSION

Classification of Agri-entrepreneurs into Self-reliant and Government reliant agri-entrepreneurs

The category-wise distribution of agri-entrepreneurs with regard to Self-reliant and Government reliant agri-entrepreneurs is presented in table 1.

Agri-entrepreneurs' awareness of various schemes of assistance launched by the government of India

The results revealed that 5.9% of self-reliant agri-entrepreneurs and 28.1% of government-assisted agri-entrepreneurs were aware about the various schemes of assistance launched by the Government of India for entrepreneurship development. 94.1 per cent of

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Table 3. Chi-Square Tests.

	Value	df	p value
Pearson Chi-Square	38.074	1	<0.001
Significant			

Table 4. Reasons for the unawareness of agri-entrepreneurs.

Sr. No	Reason	Type of Agri entrepreneur				Total	
		Self-reliant		Government reliant			
		Count	Percentage	Count	Percentage	Count	Percentage
1	Lack of information	40	15.6	20	21.7	60	17.2
2	Lack of interest	28	10.9	4	4.3	32	9.2
3	Lack of Time	84	32.8	28	30.4	112	32.2
4	Involves cost	12	4.7	4	4.3	16	4.6
5	Red Tapism	68	26.6	36	39.1	104	29.9
6	Non-co-operative officials	24	9.4	0	0.0	24	6.9
7	Total	256	100	92	100	348	100

self-reliant agri-entrepreneurs and 71.9 per cent of government-assisted agri-entrepreneurs were unaware of the schemes of assistance launched by Government of India. This indicates that there exists a difference among the agri-entrepreneurs regarding the awareness of the various schemes of assistance launched by the government.

Analysis of the agri-entrepreneurs' awareness

For the analysis of agri-entrepreneurs' awareness about various schemes of assistance launched by the Government of India, the following hypotheses were formulated.

H_0 : The agri-entrepreneurs' awareness of various schemes of assistance launched by the

Government of India is the same.

H_1 : The agri-entrepreneurs' awareness of various schemes of assistance launched by the Government of India differs.

To test the above hypothesis, we used the chi-square test of independence and the result is given in Table 3.

The outcome of the test indicated that the result was significant as the p value is less than 0.05. Therefore, H_0 was rejected and H_1 accepted. So, it was concluded that agri-entrepreneurs' awareness about various schemes of assistance launched by the Government of India differed significantly.

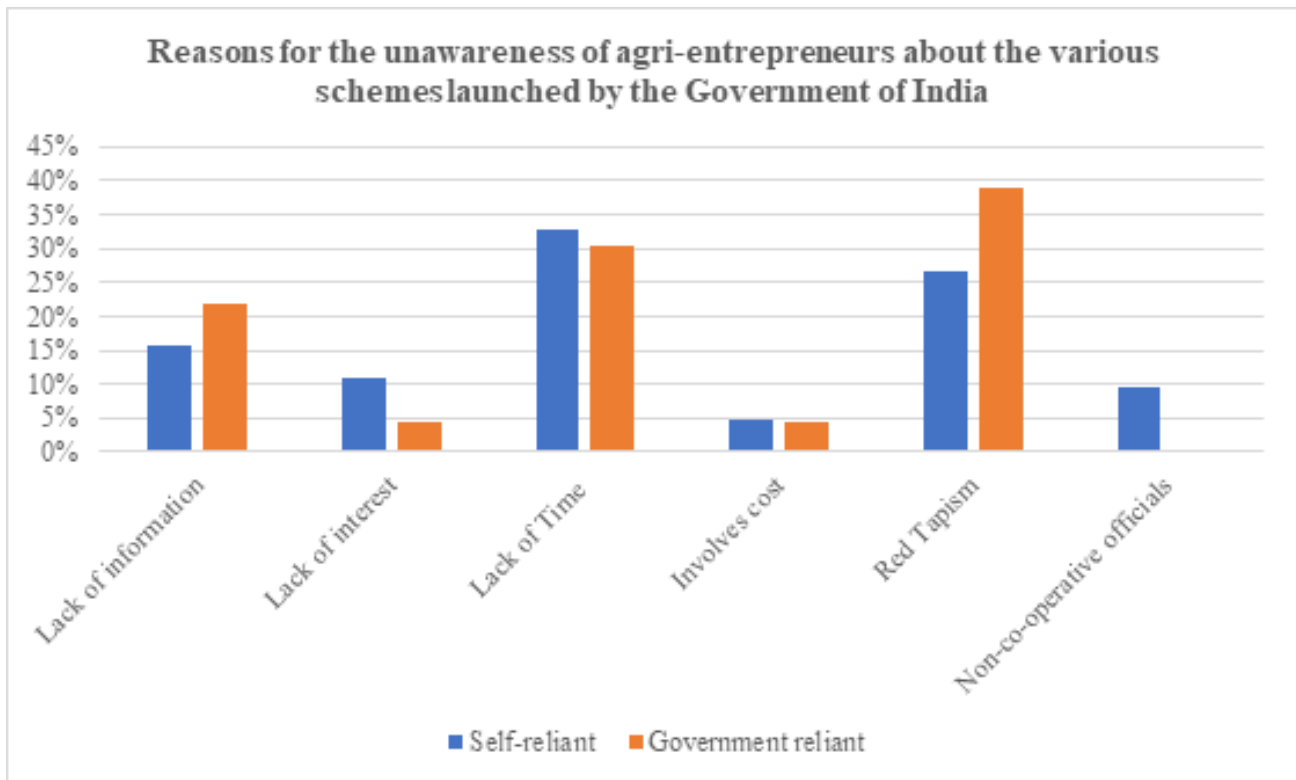


Figure 3. Reasons for the unawareness of agri-entrepreneurs about the various schemes launched by the Government of India

Reasons for the unawareness by agri-entrepreneurs of the various schemes

Intrinsic and extrinsic factors were gathered to discover the reasons for unawareness of the government schemes. The intrinsic factors being lack of information or unawareness, lack of interest and lack of time and the extrinsic factors cost, red tape, and non-cooperative officials (Table 4).

The results revealed that 15.6% of self-reliant agri-entrepreneurs and 21.7% of government assisted agri-entrepreneurs cited a lack of information about the assistance given. Phillips *et al* (2014) and Mahajar and Yunus (2012) found that low levels of awareness regarding government schemes was prevalent not only in developing nations but also in developed countries. Mgbenka *et al* (2016) and Shehrawat *et al* (2020) discussed the low awareness about various schemes by the government of India like Prampragat Krishi Vikas Yojana (PKVY) and Small Farmers Agri-business Consortium (SFAC)

and E-NAM. Nguyen *et al* (2021) proposed that uncertainty and unawareness may be beneficial acting as an exogenous shock enabling only the fittest enterprises to survive. From the above results it was noticed that 10.9 % of self-reliant agri-entrepreneurs and 4.3% of government-assisted agri-entrepreneurs did not require any assistance. A lack of interest and lack of time with regard to the policies and schemes introduced by the government was based on various factors like lack of trust, the need for autonomy, the prevalence of the informal or shadow enterprises and the effects of networking.

Trust is a prime requirement for the efficient operation of institutions, schemes and policies (Habibov *et al*, 2017). This trust is known as system trust and it gets diminished due to heavily regulated procedures and rules but policies aimed at fostering entrepreneurship positively increase trust (Welter *et al*, 2012). It was evident that 32.8% of self-reliant agri-entrepreneurs and 30.4% of government assisted agri-entrepreneurs responded that it was time

consuming. It was noticed that 4.7% of self-reliant agri-entrepreneurs and 4.3% of government assisted agri-entrepreneurs responded that availing schemes required much cost. Furryther, 26.6% of self-reliant agri-entrepreneurs and 39.1% of government assisted agri-entrepreneurs were dissuaded due to red-tapism. Nisar (2018) views red tape to be associated with burdensome and time-consuming procedures that obstruct the delivery of services. Keiser and Miller (2020) emphasized that the provision of information and the manner in which the information is provided is important to avoid rules being considered as red tape. Finally, 9.4% of self-reliant agri-entrepreneurs were unwilling to avail assistance due to the uncooperative nature of officials. Distrust was also considered as a major factor for the disruption to the new agricultural policy (Chatterjee, 2021). Such effects were seen with regard to Pradhan Mantri Fasal Beema Yojana (PMFBY) where distrust in the scheme was evident due to a suspicion of corruption, time consuming processes and dissatisfactory service from financial institutions (Shehrawat *et al*, 2020). This indicated that there exists a difference in the opinion among the agri-entrepreneurs regarding the reasons for not availing the schemes launched by the Government.

CONCLUSION

It was concluded that majority of the agri entrepreneurs were unaware of the schemes launched by the Government of India. The various reasons put forth by the agri-entrepreneurs were based on presumptions and experiences of agri-entrepreneurs historically. There are a large number of schemes which are designed for the benefit of these agri-entrepreneurs, they remain ineffectual due to the prevailing mindset of the agri-entrepreneurs. Therefore, it is necessary for the government to concentrate on programmes that are designed to attract agri-entrepreneurs and also on methods that enable the smooth delivery of schemes towards the intended beneficiaries.

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