# REVIEW OF RESEARCH



ISSN: 2249-894X IMPACT FACTOR: 5.7631(UIF)

# AGRIBUSINESS DEVELOPMENT IN KONKAN REGION -A CHALLENGE

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#### **ABSTRACT**

Konkan region of Maharashtra state is blessed by nature's biodiversity. But the hilly area and dense forests are also been an obstacle in the path of development of Konkan. The same problem is faced by the agriculture sector. The traditional system of farming, small and fragmented land under cultivation, lack of water management, lack of modern technology, knowledge and training, etc. are some of the threats for development of agro based businesses in konkan. The research studies the major challenges faced by the farmers of agribusiness projects. The research also focuses on the benefits of agribusiness and the initiatives taken by the government to promote agribusiness. This research is done with the help of secondary data.

**KEYWORDS:** Agribusiness, development, challenges, benefits, government policies.

# **INTRODUCTION**

In agriculture sector of India the state of Maharashtra plays a vital role. Maharashtra is the third largest state in area and second largest state in population of India. Sahyadri, the rural ranges running parallel to the coast at an average elevation of 1200 mtrs (4000 ft.) divides Maharashtra in two parts geographically, first, Konkan coastal plain, 50-80 km in width and around 720 km in to the west and second, Deccan plateau (Western Ghat) to the east.

In the state of Maharashtra, agriculture and allied activities sector play significant role in the economic development of the state. In 2016-17, the share of agriculture and allied activities sector was 12.2% of the total Gross State Value Added (GSVA), while it was 15.3% during 2001-02 which shows that the share of agriculture and allied activities has declined from 2001-02 to 2016-17, even though major portion of population is still dependent on this sector in Maharashtra.

Despite of the natural blessing the agricultural sector has remained under – developed from the point of view of commercial farming in Maharashtra state. Some farmers have developed agri-business by overcoming the problems such as lack of capital, lack of modern technology, lack of knowledge, etc. The Agribusiness will help to bring revolution in agricultural development in rural area like Maharashtra state. Agribusiness has proved a boon to the farmers who got engaged in commercial farming. Hence all the farmers can develop their farm and convert the traditional farming into agribusiness such as horticulture, floricultural, organic farming, agro-tourism, poultry, animal husbandry etc.

Konkan, also known as the Konkan Coast or Kokan, is a rugged section of the western coastline of India. It is a 720 kilometres (450 miles) long coastline. It consists of the coastal districts of the western

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Indian states of Maharashtra, Goa, and Karnataka. The ancient *Saptakonkana* is a slightly larger region. The region is known as Karavali in Karnataka.

Konkan extends throughout the western coasts of Maharashtra, Goa and Karnataka. It is bounded by the Western Ghats mountain range (also known as Sahyadri) in the east, the Arabian Sea in the west, the Mayura River in the north and the Gangavalli River in the south.

# The Konkan Division is composed of Seven Districts namely:

- 1) Mumbai City District
- 2) Mumbai Suburban District
- 3) Thane District
- 4) Palghar District
- 5) Raigad District
- 6) Ratnagiri District
- 7) Sindhudurg District

## **Objectives:**

- ❖ To study the challenges faced by agro based industries.
- To study the benefits of agro business.
- ❖ To study the initiatives taken by the government to encourage agribusiness.

## **Research Methodology:**

The study of the paper is of descriptive nature. Secondary data is used for the study presented in this paper. Information related to agribusiness, policy of government is collected from the secondary source of data.

# **Study Area:**

The study is confined to Konkan area. The agribusiness in konkan are studied during the research.

# **Agripreneurship**

Agribusiness is the business of agriculture production. The term of agribusiness was first introduced by Goldberg and Davis in1957. Agribusiness includes agrichemicals, breeding, crop production, distribution, farm machinery, processing and seed supply.

Agribusiness is the outcome of agro-based Industry. An agro-processing industry provides facilities to process materials of agricultural origin and animal origin. According to the definition given by The Planning Commission, Agro industry,

- a. Encourages greater input into agriculture.
- b. Leads to better processing and conversion of agriculture commodities.
- c. Ensures high returns on processing of goods.
- d. Increases overall agricultural production.

Government frames policies to encourage development of the agribusiness. Many states of India are taking efforts for strengthening the agro based industries. The state of Maharashtra has also taken an active participation in the development of agribusiness. As per Economic Survey 2016-17, Maharashtra state has recorded 173 fish landing centres, 30 fish seed production centres. Agro processing co-operatives in the state of Maharashtra has played a significant role in the development of rural economy. The economic survey 2016-17 recorded the percentage of members in agro processing co-operatives as shown under:

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Agro-processing units	Member	in	agro
	processing	co-operative	
	(%)		
Sugar factories	52		
Fisheries	7		
Dairy unions	3		
Dairy Societies	23		
Power loom	2		
Handloom	1		
Spinning mills	10		
Cotton Ginning and pressing	2		

The above mentioned agro processing co-operatives has assisted in the development of rural economy. As per Economic Survey, 2016-17 the number of agro based industries in Maharashtra is given as follows: (Relates to the year 2014-15)

Sr.	Activity (at two digit level) NIC 2008	No. of	
No.		industries	
1	Cotton Ginning and cleaning, etc. (01)	664	
2	Food products and Beverages (10,11)	3013	
3	Tobacco products (12)	109	
4	Textiles (13)	1913	
5	Leather and related products (15)	119	
6	Paper and paper products (17)	892	
7	Rubber and plastic products (22)	1792	

Information given in the above table reveals the importance of agribusiness in development of rural economy in the state of Maharashtra. Agribusiness will help to develop the hilly area of konkan region. Maximum land available for cultivation is in hilly area of konkan region. Mainly following crop production is taken in Konkan.

- 1) Paddy, Cereals Nagli & Wari
- 2) Pulses Toor, Udid, Waal, Pavta, Moong, Chavali,
- 3) Oil Seeds
- 4) Horticulture Mango, Cashew, Coconut, Kokum, Jackfruit, Banana
- 5) Vegetables Lady finger, Leafy vegetables, Brinjal, Crural, etc.
- 6) Floriculture Gerbera, Lily, Marigold

Despite of the natural blessing the agricultural sector has remained under – developed from the point of view of commercial farming in konkan region. Some farmers have developed agri-business by overcoming the problems such as lack of capital, lack of modern technology, lack of knowledge, etc. The Agribusiness will help to bring revolution in agricultural development in rural area. Agribusiness has proved a boon to the farmers who got engaged in commercial farming. Hence all the farmers can develop their farm and convert the traditional farming into agribusiness such as horticulture, floricultural, organic farming, agro-tourism, poultry, animal husbandry etc.

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This Research focuses on study of some agribusiness projects in konkan region. These projects generates employment, helps to increase income level of farmers, increases productivity, etc. This research also studies the faced by agribusiness & the government schemes for small agri based industries.

Some farmers have established agribusiness in konkan by overcoming the problems. Types of agro based industries dominating in konkan region are as follows:-

- 01] Agro tourism
- 02] Fruit processing units (Mango, Cashewnut, coconut, kokam, Aavala)
- 03] Fish farming
- 04] Rice mills
- 05] Bee-keeping

Agribusiness can prove an effective tool for development of agricultural sector in Maharashtra state and ultimately in India. Agribusiness will help in generating employment and farmer's productivity in Maharashtra state because, Maharashtra state is blessed with natural gift in the form of Konkan. The environment of kokan region has helped to flourish small agropreneurs who are engaged in business of horticulture, floriculture, fishery, poultry, animal husbandry, organic farming and agrotourism. The increasing trend in the current agribusiness projects substantiates the development of agricultural in kokan region.

#### **BENEFITS OF AGRIBUSINESS:-**

Agribusiness helps in development of rural economy and has following benefits:

- ✓ Generates employment opportunities.
- ✓ Helps in reduction of migration.
- ✓ Helps in increasing income of farmers.
- ✓ Aid in increasing the productivity of land and farmer.
- ✓ Improvement in marketing skills of farmers.

As each coin has two sides, similarly agribusiness carries some limitations along with the benefits. The challenges faced by the agribusiness in hilly area of konkan region are as follows:

- Requires huge capital for initial investment
- Water management
- Requires skills and training
- Requirement of modern technology
- Marketing knowledge
- ❖ Agriculture risk management
- Basic infrastructure facility

# Initiatives taken by the government:

To face the above challenges government has taken various initiatives.

- Agro industry scheme 2010
- Comprehensive district agricultural plan 2012-13 to 2016-17
- Maharashtra tourism policy 2016
- ❖ National food processing mission 2017

Government policy of agriculture helps to development in rural economy. Policy mainly provides capital, water management, storing facility, marketing skill training, regulated markets, agro zones

# **CONCLUSION, SUGGESTIONS AND RECOMMENDATIONS:**

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- 1. Youth should be encouraged to secure the training for development of agribusiness.
- 2. It is seen that the project is set up but there is lack of consistency which leads to closure of the units. Hence, there is a requirement of proper training and motivation.
- 3. Academic syllabus at college level should include the project visit, preparation of project report, etc.
- 4. As like Special Economic Zone there is a need of establishing Agriculture Economic Zone to create agro based businesses.

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