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Constraints and strategic suggestions for agricultural entrepreneurs in Maharajganj district of Uttar Pradesh

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Abstract

Agricultural entrepreneurship holds significant potential to revolutionize rural livelihoods in India by encouraging innovation, self-employment, and value addition. Despite its potential, entrepreneurs face several constraints that limit their productivity and sustainability. This study focuses on identifying key constraints encountered by agricultural entrepreneurs in Maharajganj district of Uttar Pradesh and offers actionable suggestions. Using primary data from 150 respondents and applying Garrett's Ranking Technique, the study categorizes constraints into financial, technological, marketing, and personal domains. The results underscore the urgent need for institutional reforms, improved access to credit and technology, and targeted capacity-building measures. The paper concludes with practical recommendations to promote a resilient entrepreneurial ecosystem.

Keywords: Constraints, agricultural entrepreneurship, Garrett's ranking, financial barriers, technology access, market challenges, entrepreneurial support

Introduction

Agricultural entrepreneurship has emerged as a dynamic force in transforming India's rural economy. By integrating agribusiness models with local resources and innovation, agricultural entrepreneurs contribute to employment, income generation, and food security. However, systemic and operational challenges often inhibit their performance and scalability. Identifying these barriers is crucial to designing responsive interventions. This study aims to explore the multi-dimensional constraints experienced by agricultural entrepreneurs in Maharajganj district and propose feasible solutions to promote enterprise success and sustainability.

2. Review of Literature

Several scholars have documented the limitations faced by agricultural entrepreneurs in India

Singh and Sharma (2020) [1] highlighted that inadequate access to institutional finance remains a major hindrance in rural entrepreneurship.

Bairwa *et al.* (2014) ^[2] observed that most agri-entrepreneurs struggle with technological obsolescence and lack of technical training.

Patil *et al.* (2019) ^[3] emphasized the importance of market intelligence and price stability for successful enterprise management. Studies by Dey and Sarkar (2021) ^[4] also recognized that personal factors such as low risk-bearing ability and lack of leadership skills significantly affect entrepreneurial success. These findings collectively point to the need for multi-level reforms involving policy, training, and structural support.

3. Methodology

The study was conducted in Maharajganj district of Uttar Pradesh. A descriptive survey research design was adopted. A total of 150 agricultural entrepreneurs were randomly selected from five blocks using a structured interview schedule. Garrett's Ranking Technique was used to analyze and rank constraints under four broad categories: financial,

technological, marketing, and personal. The data was interpreted to identify key bottlenecks and formulate recommendations.

4. Results and Discussion

Agricultural entrepreneurship, while holding immense potential for rural development and income generation, is often hindered by a range of challenges. Entrepreneurs engaged in agriculture encounter various constraints that limit their efficiency, growth, and sustainability. These constraints may be related to access to capital, availability of inputs, market linkages, infrastructure, technical knowledge, labor, government support, and policy implementation. Such hurdles often demotivate existing entrepreneurs and discourage potential ones from entering the field.

Identifying and analyzing these constraints is essential to develop a clear understanding of the ground realities faced by agricultural entrepreneurs. It helps in pinpointing the specific areas where intervention is needed—whether in terms of policy reform, institutional support, credit facilities, or capacity building. Moreover, recognizing these limitations aids in tailoring extension services and training programs that can better address the entrepreneurs' actual needs. In this section, an attempt has been made to systematically present the key constraints reported by the agricultural entrepreneurs in the study area. Understanding these challenges not only provides insight into the operational difficulties they face but also guides stakeholders in formulating more effective strategies for promoting a robust and resilient agricultural entrepreneurial ecosystem

Financial constraints

Table 1: Distribution of Financial constraints faced by Agri entrepreneurs.

Sl. No.	Financial constraints	Mean score	Rank
1.	Lack of government support	48.14	I
2.	Lack of sufficient working capital	47.24	II
3.	Reluctance of funding institutions and banks	41.78	III
4.	Lengthy time taking procedure	39.92	IV
5.	High interest rate	39.12	V
6.	Lack of collateral	20.48	VI

Table no. 1.0 revealed the data in highlights the major financial challenges confronting agricultural entrepreneurs, with "lack of government support" emerging as the most significant barrier (mean score: 48.14, Rank I). This finding underscore entrepreneurs' perception of inadequate policy interventions and institutional backing as critical limitations to business growth. Close behind is "lack of sufficient working capital" (mean: 47.24, Rank II), reflecting the chronic liquidity constraints that hinder day-to-day operations and scalability in agri-businesses. The ranking reveals a clear hierarchy of financial obstacles, where systemic issues dominate over individual capacity gaps. Institutional reluctance to fund Agri ventures (Rank III) and bureaucratic delays in financial procedures (Rank IV) collectively highlight structural inefficiencies in agricultural financing systems. While high interest rates (Rank V) and

lack of collateral (Rank VI) remain concerns, their relatively lower rankings suggest these are secondary compared to broader systemic failures in support and capital access. The results paint a picture of agricultural entrepreneurs struggling primarily against institutional and systemic financial barriers rather than individual shortcomings. Addressing these challenges requires coordinated efforts between policymakers, financial institutions, and agricultural development agencies to create an enabling ecosystem for agri-business growth. Future interventions should prioritize building robust government support systems while simultaneously reforming agricultural financing mechanisms to be more responsive and accessible.

Technological Constraints

Table 2: Technological constraints faced by Agri entrepreneurs

Sl. No.	Technological constraints	Mean score	Rank
1.	High cost of technologies	47.44	I
2.	Inadequate consultancy and counselling services	45.10	II
3.	Lack of technical know-how	44.80	III
4.	Lack of skills in handling and maintaining latest technologies	35.68	IV
5.	Inadequate knowledge on emerging techniques in Agri start-ups	34.00	V
6.	Obsolete technologies and equipment	29.98	VI

Table no. 2.0 The data presented in reveals a hierarchy of technological barriers hindering agricultural entrepreneurs, with cost emerging as the foremost challenge. The high mean score for "high cost of technologies" (47.44) suggests that financial accessibility remains a critical bottleneck in technology adoption, potentially limiting entrepreneurs' ability to invest in modern equipment and innovative solutions. This is closely followed by deficiencies in support systems, as evidenced by the significant scores for "inadequate consultancy services" (45.10) and "lack of

technical know-how" (44.80), indicating a substantial gap in technical guidance and knowledge transfer mechanisms.

The subsequent constraints highlight skill-related challenges, where "lack of skills in handling technologies" (35.68) and "inadequate knowledge of emerging techniques" (34.00) reflect a need for enhanced training programs and capacity-building initiatives. Interestingly, "obsolete technologies" ranks lowest (29.98), suggesting that while outdated equipment remains a concern, it is perceived as less critical compared to financial and knowledge barriers. These findings underscore the multifaceted nature of

technological adoption challenges in agriculture, where financial limitations intersect with gaps in expertise and support systems. Addressing these constraints requires a comprehensive approach that combines affordable financing for technology acquisition with robust extension services and skill development programs. The results emphasize the importance of creating an enabling ecosystem that not only provides access to modern technologies but also ensures entrepreneurs possess the necessary skills and knowledge to

utilize them effectively. Policymakers and development agencies should consider these insights when designing interventions aimed at enhancing technological uptake in agricultural enterprises, ensuring solutions are both economically viable and practically implementable at the grassroots level.

Marketing Constraints

Table 3: Marketing constraints faced by Agri entrepreneurs (n=150)

Sl.no.	Marketing constraints	Mean score	Rank
1.	Low price for the products	49.44	I
2.	Lack of market intelligence	48.70	II
3.	Lack of market information	47.24	III
4.	Lack of knowledge on marketing strategies	36.80	IV
5.	Long distance of market	30.76	V
6	Small advertising budget	24.06	VI

Table no. 3.0 The data in reveals a critical hierarchy of marketing challenges confronting agricultural entrepreneurs, with product pricing emerging as the most severe constraint. The exceptionally high mean score for "low price for products" (49.44) underscores a fundamental market dysfunction where producers struggle to obtain fair value for their agricultural outputs. This pricing challenge is compounded by significant information gaps, as evidenced by the high rankings of "lack of market intelligence" (48.70) and "lack of market information" (47.24), indicating entrepreneurs are operating without crucial data on demand trends, price fluctuations, and consumer preferences.

The analysis shows these top three constraints form a formidable barrier cluster, where inadequate compensation combines with information asymmetry to create substantial disadvantages for producers. The secondary tier of challenges reveals knowledge and logistical limitations, including insufficient understanding of marketing strategies (36.80) and geographical market accessibility issues (30.76). Notably, "small advertising budget" ranks as the least severe constraint (24.06), suggesting that while promotional resources are limited, they represent less of an immediate

concern compared to core market structure and information deficiencies. These findings highlight a marketing ecosystem where agricultural entrepreneurs face systemic disadvantages rooted in unfair pricing practices and information poverty. The constraints suggest that conventional approaches focusing solely on improving entrepreneurs' marketing skills or advertising capabilities would be inadequate to address the more fundamental issues of market transparency and value chain equity. The results call for comprehensive interventions that simultaneously address price discovery mechanisms, market information systems, and strategic marketing capacity building. Potential solutions might include establishing digital market platforms for price transparency, developing cooperative marketing structures to strengthen bargaining power, and creating public-private partnerships to disseminate real-time market intelligence. The data emphasizes that without addressing structural marketing constraints, agricultural entrepreneurs will continue to operate at a significant disadvantage within the marketplace.

Personal constraints

Table 4: Personal constraints faced by Agri entrepreneurs (n=150)

Sl. No.	Personal constraints	Mean score	Rank
1.	Non-cooperation of family members	54.56	I
2.	Lack of self-motivation	50.96	II
3.	Lack of technical education	49.18	III
4.	Inadequate decision-making skills	42.84	IV
5.	Lack of social contacts	38.48	V
6.	Lack of confidence	35.74	VI
7.	Lack of managerial skills	35.24	VII

Table no. 4.0 the data in reveals a striking hierarchy of personal challenges affecting agricultural entrepreneurs, with family dynamics emerging as the most significant constraint. The exceptionally high mean score for "non-cooperation of family members" (54.56) highlights how interpersonal relationships within households can profoundly impact entrepreneurial success, potentially reflecting cultural norms or intergenerational conflicts regarding agricultural ventures. This is closely followed by intrinsic motivation barriers, where "lack of self-motivation" (50.96) and "lack of technical education" (49.18) form a

critical triad of personal limitations that collectively undermine entrepreneurial capacity.

The analysis demonstrates these top three constraints create a formidable psychological and educational barrier cluster, where external family pressures combine with internal motivation gaps and skill deficiencies. The subsequent tier reveals competency-related challenges, including "inadequate decision-making skills" (42.84) and "lack of social contacts" (38.48), indicating entrepreneurs struggle with both cognitive aspects of business management and networking capabilities. The lower-ranked but still substantial constraints of confidence (35.74) and managerial

skills (35.24) suggest these represent persistent though relatively less severe limitations to entrepreneurial performance. These findings paint a portrait of agricultural entrepreneurs grappling with complex personal challenges that span emotional, educational, and competency domains. The constraints suggest that even with adequate financial and market support, many entrepreneurs may still struggle due to these deeply personal barriers. The results emphasize the need for holistic support programs that address:

- Family engagement strategies to build household support systems
- Motivation-building interventions and mentorship programs
- Technical education tailored to agricultural entrepreneurship
- Decision-making and social skills development

The data underscores that personal constraints often represent the most intimate yet potentially most addressable barriers through targeted counselling, education, and community-building initiatives. Addressing these human factors may prove equally important as solving structural business challenges in fostering successful agricultural enterprises.

5. Strategic Suggestions

- Launch government-supported schemes that offer lowinterest loans and subsidies tailored to agri-startups.
- Set up rural agri-business incubators to offer training, mentorship, and business planning support.
- Promote adoption of affordable and localized technology through extension services.
- Facilitate cooperative marketing channels and emarketing platforms to enhance price realization.
- Conduct regular entrepreneurial capacity-building programs with modules on finance, technology, and leadership.
- Improve awareness and access to government schemes through grassroots information campaigns.

6. Conclusion

The findings underscore that agricultural entrepreneurs in Maharajganj face interconnected challenges spanning finance, technology, markets, and personal preparedness. Addressing these issues requires a systemic approach involving public-private partnerships, enhanced institutional support, and dedicated rural entrepreneurship policies. Strengthening these dimensions will not only empower existing entrepreneurs but also inspire future participation in rural enterprise development.

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