CHAPTER 6
FINDINGS, CONCLUSION, SUGGESTIONS
AND IMPLICATIONS
In this chapter an attempt has been made to summarize the findings of the study through descriptive, comparative and (Structural Equation Modeling) SEM analysis, the results of which have been presented in detail in the previous chapter. These finding were coordinated based on the analysis to ensure comprehensive assessment of the underlying problem. Based on the preponderance of the empirical results this section also attempts to attribute cause and effect of the observed findings. Thereby, an attempt has been made to rationalize the arguments put forth in light of the judgments and conception from the previous studies. Subsequently, some conceptions were drawn pertaining to the association and intricacy of understudy variables. At the end of the chapter rational suggestions, implications, future research directions and limitations of the study have also been mentioned.

6.1: Discussion of the Findings

The results obtained in this study provide evidence on several questions about the prevailing aspects of agricultural financing in the state of J&K. It further highlights the impact of various demographical and psychographical characteristics of the target beneficiaries on the effectiveness of Agri Financing. The overall analysis of the data delineates some revealing facts in the domain of policy formulation in general and Agri Financing in particular. The study also includes the beneficiary perception towards the self employment in the psycho demographic financing intervention effectiveness model. Further evaluates the sustainability of present financing through consideration of demographics and evaluating the possible role of psychographics in support of literature. The results highlighted that the beneficiaries are with lower Risk Propensity across its domains having External Locus of Control and lower Entrepreneurial Potential. Moreover, these factors have been identified with high impact and high power of determination in explaining Agri Financing Effectiveness. The results obtained in this study also goes towards establishing and clarifying the relationships between individual psychographic propensity and various socioeconomic, institutional/policy and demographic variables in relation to agri business structure. Therefore, the main contribution of this study is the examination of specific factors that affect Agri Financing Effectiveness in the context of rural households and the exploration of the extent to which
they mediate perceptions. Empirical results largely support the hypotheses put forward. These variables appear to be the crucial factors in determining the Agri Financing Effectiveness in the study area. These findings have important policy significance, as they point out ways in which policy-makers may intervene in the community development more positively.

The study revealed that the beneficiaries intentions in availing the Agricultural Financing Schemes has been based on the outcome of the threat faced on account of lack of career opportunities in the state of J&K which is in line with the study conducted by Mercy Corpus (2003). Hence it is responsibly a push factor in availing Agri Financing Schemes. The higher Social Risk Propensity of beneficiaries shows that beneficiaries are ready to compromise with social issues related to credit financing in agricultural career. However lower Career Risk Propensity explains that the beneficiaries are least ready to compromise with career related issues as during the interview phase with understudy beneficiaries, it was observed that the beneficiaries are having perception that social risk can be reaped though a well settled career. This creates a situation of compromise and adjustments by the beneficiaries with their career, social and ethical aspects that they have to sacrifice in due course of availing Agri Financing Schemes. As beneficiaries are having lower propensity to make compromises on these dimensions where as policy procedure of Agri Financing is against it, thus resulting a lower effectiveness and higher probability of adverse consequences. Further the findings attempts to answer that in spite of the lower Risk Propensity why beneficiaries have availed the schemes through Locus of Control variable, explaining through the dimensions of Internal Locus of Control and External Locus of Control. Hence provides a clear understanding that beneficiaries are getting more influenced by others decision in availing Agri Financing Schemes without due consideration of actual individual potential. Furthermore, identifying agribusiness specific entrepreneurial qualities can help in proper training of beneficiaries for effectiveness of Agri Financing Schemes. However from the results of the study, it is evident that beneficiaries are having lower entrepreneurial competencies than what are required related to the agricultural business and that affects adversely on the effectiveness of agricultural financing schemes. The findings of the study in line with demographic characteristics of the beneficiaries such as ‘Age’, ‘Education Qualification’, ‘Income’,
‘Parental Occupation’, ‘Type of Business’, ‘Experience’ and ‘Residential Settings’ of the beneficiaries have been presented in the succeeding sections.

a) **Age:** The empirical results about selected personal characteristics in the study reveals that Social Risk Propensity decreases with the increase in age due to higher social obligations which is in line with the findings of Ranci (2009). Further analysis showed the lower Social Risk Propensity in lower the age group which is due to their lack of independence in decision making. Hence reinforces general finding about Locus of Control that higher age leads to increasing External Locus of Control and lower age to decreasing Internal Locus of Control. This findings brings forth the fact that increasing age leads to increasing responsibility and multiple scenario consideration during decision making which is comparatively lower in lower age groups. The results from the analysis evince that, increase in age leads to increase in Managerial Competence. However, lower Social Competence is also depicted by lower age group beneficiaries, which can be attributed to their lower control in their social networks. Further, mean score of Mental Competence in line with the earlier study results Mental Competence increases with the increasing age.

From the mean score of Perceived Flexibility, Perceived Reliability and Perceived Accessibility it is clearly evident that middle age (26-35) group beneficiaries perceive comparatively higher effectiveness of Agri Financing Schemes across effectiveness domains. The rationale could be attributed to the fact of flexible skills orientation and qualifications reinforced with social pressure and domicile restrains. On the other hand in lower and higher age groups there is lack of skill orientation and rigidity in skill orientation respectively (Global Agenda Council on Employment, 2014). The findings of the study, also reveals higher Career Risk Propensity and Social Risk Propensity of females than males. The rationale of this finding is subjected to the fact that females role were limited to avail the benefits of Agri Financing Schemes and the business were carried by the close relatives or kins as observed during the discussions with the beneficiaries. Further, in line with literature females score comparatively lower means across all effectiveness dimensions justified under the fact that women-run businesses contribute less than 5% of all businesses and .5% to that of agri business in the formal
sector in Kashmir. Moreover, women as entrepreneurs are not even taken seriously, neither by society nor by the financial institutions that have to fund them (Mercy Corpus, 2003). Hence stresses a pressing need to identifying the businesses that are feasible for women of J&K in accordance to the socio cultural set up.

b) Educational Qualification: The empirical results based on the educational qualification emphasize that those beneficiaries with the professional degrees posses comparatively a higher entrepreneurial competencies than those with pure academic degrees. This calls for the training needs that must be focused towards developing the constructive risk attitude. Further the analysis reveals that Institutional Risk Propensity is lower in low qualified beneficiaries and against the expectation lower in professional qualification. The findings would be attributed to the fact that the professional degree holders are exposed to uppermost seed capital amount in accordance to the procedures and conditions laid by the concerned authorities, while on the other hand huge amount of money is spent on completion of these professional degrees making them prone to higher institutional risk. Furthermore, External Locus of Control was reinforced by lower qualification while professional qualification reinforces Internal Locus of Control. The rationale behind these findings stems from the fact that the realistic experience gained from higher age embedded with professional qualification leads to stable entrepreneurial traits. Infact, the beneficiaries across all the qualification types and levels exhibit moderate effectiveness regarding Agricultural financing effectiveness. The finding can be justified under the rationale of positive business attitude and higher capital subsidy for professional and higher qualification degree holders. Hence in overall the positive deviations from the point of centrality on the said dimensions could be attributed to the consideration of materialistic attachment rather than actual successful start up intention. Further comparatively higher mean scores in Perceived Accessibility exposes the policy intentions to attract maximum unemployed youth to engage them in a name sake employment which is further deteriorated by lower Perceived Reliability.

c) Income: The empirical results from the study revealed that lower Career Risk Propensity were identified in middle income group beneficiaries, owing to which the results draws an interesting conclusion that middle income people do have a limited career options and a deviation from which exposes them to unexpected career risk as
supported by Josef et al. (2016). Besides it, lower Financial Risk Propensity and Social Risk Propensity reveals and reinforces the above explanation regarding the middle income that the middle income group is more bound to social norms and beliefs. Furthermore, in conflict with the literature, about increase in Social Risk Propensity with increase in income divulge the fact that increased income shifts an individual to higher income group having lower social binding. However with reference to Financial Risk Propensity majority of middle income are on lower side of middle income range, hence more close to low income group than high income group. Therefore inferences could be made that the majority of middle income belongs to lower side of middle income range making them prone to middle income standard of living with an income of lower group. Hence no benefits of lower income but all costs of being with middle income. The rationale behind these results could be further justified in view of the fact that lower and middle income groups are having comparatively favorable perception regarding the Perceived Usefulness, Perceived Flexibility and the Perceived Accessibility of Agri Financing. However contrary to existing literature, the imperative understanding of targeting low income groups increases the probability of negative consequences like scheme failure as is evident from health hazards like suicides as identified by Hawgood (2010). In fact, Agri Financing Schemes under consideration, lack an essential financing aspect of income consideration or credit worthiness while financing an individual, resulting a higher possibility of default rate.

**d) Parental Occupation:** The results of the study indicate that the lower age groups are dependent on parental decision regarding various operations in Agricultural Business asserting that parental attitude towards agri business is a considerable factor for favorable Career Risk Propensity in Agri Financing. Further parental occupation in the category ‘other’ as identified earlier shows significant lower Career Risk Propensity & Financial Risk Propensity in comparison to the other occupation groups. Conjoining beneficiaries parental occupation with Internal Locus of Control and External Locus of Control the study provides empirical clues that the positive attitude and experience related to business betone higher Internal Locus of Control which is opportune for business success and is in harmony with the findings of Rauch & Frese (2000). The essence of divergence reflected in the perceptions with regard to Perceived Usefulness
among various parental occupations finds its justification that beneficiaries with low income parental profession, the decision making gets influenced by visible monetary benefits without comprehending the hidden cost. The opinions regarding multidimensional Agri Financing on the basis of parental occupation across Perceived Flexibility and Perceived Accessibility reveal the evident role of family support and family attitude towards agri allied business.

e) **Type of Business:** From the analysis of the present study it was revealed that Social Risk Propensity dimension of Risk Propensity is highest for sheep farming business, reinforcing the fact that the high social risk in sheep farming is responsible for high Career Risk with compounding effect of social stigma associated with sheep farming. Further Dairy farming have emerged as most favorable and sheep farming as least favorable business based on Risk Propensity dimensions, explained under the fact of higher cash flow in dairy farming. Moreover, ‘poultry’ and ‘other’ (floriculture, apiculture etc.) business type, is having higher competence need or in other words there is complexity across overall business operations. These finding were conformed and reinforced with presence of higher business failure in poultry and least number of beneficiaries in floriculture etc. Hence carves for the distinctive characteristics and features on the grounds of business types particularly with different needs of credit terms and conditions.

f) **Experience:** The experience is one of the significant factor by virtue of which, the beneficiaries can have realistic expectations from Agri Financing and business option selected by them, which in line with the finding of Mercy Corpus (2003). As there is clear positive role of experience for favorable psychographics and effectiveness of Agri Financing, which has been supported by previous study. Hence experience is an important factor to be considered during financing both in selecting the type of business and the money required for the business.

In view of this, the results draws an interesting conclusion that experience fills the gap between the expectations and skills of an individual to that of realistic expectations and skills needed in Agri Allied business and is in harmony with the findings of Roger (1999). The fact can be justified with the rationale of realistic expectations among experienced beneficiaries and the skill perfection in accordance to the business need.
However from the mean scores of Perceived Accessibility it can be inferred that no special attention is remunerated towards experienced youth as both groups have perceived same degree of accessibility. Therefore, the need of experience consideration as higher level of business potential was evident among experienced beneficiaries.

g) Rural/Urban background: Residential setting is coordinating with expectations that comparative higher Career Risk Propensity and Financial Risk Propensity in rural Agri Business is credited to close know how and economic orientation related to agri business and lower Social Risk Propensity is attributed to higher sensitivity of social setting. However, lower Career Risk Propensity in urban community setting for Agri Financing and agri business can be justified in the light of comparatively diverse employment options available to the urban youth. Further, lower difference in effectiveness dimensions across rural and urban settings is due to the fact of narrow demarcation of geographic location due to the increasing rate in urbanization, improved infrastructure such as road connectivity global communication which reduces life style and information barrier.

The results from the structure equation modeling indicate psychographic propensity have significant positive effect and is significant predictor of overall multi dimensional Agri Financing Effectiveness. Therefore from the findings it can be inferred that the selected psychological propensity factors are indispensable aspects of Agri Financing in general and to beneficiaries particularly working in a depressed economic and political conditions. Furthermore, there is clear contradiction between the mean scores depicted in descriptive statics and the importance evident from β values, about these dimensions in Agri Financing of J&K state. The low mean scores and higher β values across Perceived Usefulness, Perceived Flexibility, Perceived Reliability and Perceived Accessibility demonstrate the clear divergence between the subjective expectation of beneficiaries and objective reality of Agri Financing Schemes. In conjunction with the results of Cope et al.(2013), the study clearly explicates that Risk Propensity endow with affirmative appraisal of individual perception regarding Perceived Flexibility, Perceived Accessibility, Perceived Reliability and Perceived Usefulness in Agri Financing. Further facets of Risk Propensity with higher positive β coefficients epitomize Financial Risk Propensity, Career Risk Propensity, Institutional Risk Propensity and Social Risk
Propensity as vital catalyst of Agri Financing in indentifying the sources of risk, measuring risk and evaluating risk management alternatives. Otherwise lead to mental disorders, depression, suicide, smoking, drinking of alcohol, drug dependence, neurotic disorders (OCD, GAD) psychotic disorders as identified by (Thomas et al., 2013). Moreover, the association of Locus of Control with Perceived Flexibility and Perceived Usefulness indicate the individuals’ perception of themselves and their ability to control their behavior in explaining the effectiveness of Agri businesses through Agri Financing. However higher level of External Locus of Control acknowledged by descriptive statistics, amplify probability of agonizing consequences mentioned above, as it indicates the overall lack of beneficiary ability to control his agri business and proper utilisation of Agri Financing.

Nevertheless, multidimensional Entrepreneurial Potential (Entrepreneurial Potential) (EP → PF, PR and PU) with significant positive regression weights are preeminent in determining the Agri Financing Effectiveness. Hence it indicates the fostering need for training intervention to sharpen the managerial, mental and social capability of beneficiaries, so as to increase the effectiveness of Agri Financing Schemes, however which is lower as evident from descriptive statics. Moreover the model attempts to address the basic question about identifying the most prominent predictor of Agri Financing Effectiveness. Therefore based on the strength of relationship of Risk Propensity followed by Entrepreneurial Potential and Locus of Control emerge as the foremost indicator of Agri Financing Effectiveness. Further from Risk propensity domains career risk appear as the best risk domain in explaining Agri Financing Effectiveness. Thus in Agri Financing Schemes career orientation (social, economical and futuristic) should be of prime consideration in aligning Agri Financing in accordance to these career needs which may not be in line with that of business needs so as to minimize career risk and increase Agri Financing Effectiveness. Mediation results are imperative in understanding that the favorable Risk Propensity (Risk averse) across Risk Propensity domains should be followed by suitable decision making to yield expected results in Agri Financing.
Further from the moderation the comparison analysis it is evident that $\beta$ values of male beneficiaries is higher in all Risk Propensity relations. The reason for this is, that men are more motivated by achievement needs and exhibit individualistic and task-oriented traits (Venkatesh and Morris, 2000). Conversely, women tend to be expressive, interdependent and empathetic. Thus, emphasizes needs to given to the business avenues with higher feministic orientation like modernizing our historical trades. While beneficiaries with lower qualification can contribute their maximum towards Agri Financing Effectiveness by developing favorable Risk Propensity across Risk Propensity domains which can be reinforced through relevant change in agri allied business. Further moderation analysis emphasize, that in spite of favorable Entrepreneurial Potential and Risk Propensity among beneficiaries with professional qualification lack of proper decision control was effecting Agri Financing Effectiveness adversely. Hence there is need to alter the Locus of Control as identified by Fedrick et al. (2009). From the direction and magnitude of indirect path coefficients it could conclude that External Locus of Control decreases the role of Risk Propensity and Entrepreneurial Potential in Agri Financing. However the findings are in contradiction with Van Kooten et al. (1986).

The study results also highlights that in the state of J&K there is necessity driven entrepreneurship and not opportunity driven entrepreneurship. As necessity-driven entrepreneurs are pursued by economic compulsion when there is no other alternative for making a living. Necessity-driven entrepreneurs are forced entrepreneurship and are associated with economic environments where issues like poverty and a lack of employment opportunities are endemic. They enter into the realm of business as they have no option to earn their livelihood from any other source. As a result, whenever the economy does well, the size of self-employed category invariably shrinks, as these self-employed ‘pseudo’ entrepreneurs’ move to jobs that provide financial security and reasonable earning, where as self-employed, they will have to toil hard to reach that level.
6.2: Conclusions of The Study

The present study has been an attempt to evaluate the effectiveness of Agricultural Financing in the light of objectives set for the study based on the individual psychographic and demographic characteristics. It covers the various aspects of social science ranging between prediction, prevention and evaluation of adverse consequences and the possible outcomes in Agri Financing intervention schemes. The findings of the study revealed the role of qualitative dimensions in evaluating the effectiveness of Agri Financing Interventions in general and Agri Employment Financing Intervention in particular. The study also attempts to identify the factors upon which beneficiaries of Agri Finance colligate their psychological propensity towards specific outcome. In this direction analysis had revealed the evident role of Risk Propensity, Locus of Control and Entrepreneurial Potential in explaining the effectiveness of Agri Financing. Moreover, the findings of the study had established that the Agri Financing beneficiaries are having lower effectiveness perception with low Risk Propensity, high External Locus of Control and low Entrepreneurial Potential. It provides a sound bases for the observed unorthodox intricacy of understudy constructs.

The present study is having its noble contribution in the effectiveness assessment of Agri Financing Interventions based on the process oriented approach in view of the fact that Effectiveness is dependent on the user’s perception about the services as identified in literature. Hence effectiveness includes delivering intended services to beneficiaries with minimum deviation between expected and perceived service quality. Further, the use of service quality in effectiveness evaluation as precedent factors justifies the originality of the research as otherwise effectiveness evaluation is an ex post facto process evaluated through output indicators of intervention. Hence the model put the perceptions about flexibility, reliability, accessibility and usefulness in evaluating financing policy/scheme effectiveness as precedent factors. In this direction the findings from the study identified low Perceived Usefulness and Perceived Flexibility further moderate Perceived Accessibility and Perceived Reliability leads to the premise of low level employability perception of beneficiaries about Agri Financing Interventions and least match between individual requirements to that provided through Agri Financing. Besides, the finding
unfold the fact of availing Agri Financing with lower Perceived Usefulness by push rather than pull which further deteriorate Perceived Flexibility and Perceived Reliability highlighting a public policy mismatch with possible negative consequences.

The findings pertaining to domain specific Risk propensity highlighted the risk-averse attitude of Agri Entrepreneurs, which further gets reinforced through risky nature of Agri Business. However higher subsidized monetary benefit makes a myopic view about the risk issue, which is reasonably an evident factor for business start up failures. Further the study highlights that in spite of lower Financial Risk Propensity and Career Risk Propensity the beneficiaries are still availing Agri Start up financing which is justified by the push factor of worst economic and employment conditions of J&K state. Moreover, Social Risk Propensity makes the scenario worse with a negative mental model of social threat in pursuing business in agriculture and that to with credit financing. Hence a career through loan start up in agriculture lacks social acceptance in J&K and creates situation where the beneficiaries have to make compromises and adjustments with their career, social and financial aspects resulting a higher probability of startup failures and which directly reinforces the probability of adverse consequences due to high credit flow under these circumstances. The findings from the study revealed a lower level of Entrepreneurial competencies across all the three dimensions of Entrepreneurial Potential, highlighting the training needs of agri entrepreneurs and lower training effectiveness. The findings of the study also suggest that entrepreneurial potential is having a significant and strong positive impact on the agri financing effectiveness. While, descriptive statistics revealed lower level of entrepreneurial potential among Agri Entrepreneurs and the effectiveness of Agri financing is training oriented which itself is a dependent entity resulting lower probability of startup success in Agri Entrepreneurship through Entrepreneurial Financing. Hence it could be inferred that the lower Entrepreneurial Potential among youth is the main reason for unemployment in the state.

The results from the study also reveal that the realistic experiences of the beneficiaries of higher age group with professional qualification as to be suited stable entrepreneurial traits. The fact is further attributed to the calculative process grounded on the fact of flexible skills orientation and qualifications reinforced with social pressure and domicile
restrains. The effectiveness is also attributed to the business and farming attitude and the pragmatic approach towards Agri business in contrary to job oriented attitude. As an established business and farming setup adds to constructive agri business attitude which gets reinforced with the financing. Further the intervention of community settings across rural and urban, areas revealed that rural beneficiaries are credited with close know how about agricultural business and economic orientation related to agri business. Moreover, lower Social Risk Propensity is attributed to higher sensitivity of social setting. Further there is a need for special attention individually across different businesses so as to understand the complexity of the issues in each business. It also stresses for a need of identifying businesses feasible for women of J&K in accordance to the socio cultural feasibility. The conclusion drawn from the above discussion in the light of the findings of the study puts forward a clear contradiction between demographic and psychographic factors that demographic in alone cannot be used in selecting beneficiaries. Hence it calls for the need of policy formulation according to psychographic propensity of target population as well.

The findings from the study also revealed a strong support to the concept of collapse of middle income of beneficiaries. As middle income people having fixed mental models of Government jobs are exposed to a limited career options and a deviation from which makes them vulnerable to unexpected career risk. Further financing low income groups increases the probability of negative consequences like scheme failure and evident health hazards like suicides. As the majority of middle income belongs to lower side of middle income range which makes them prone to middle income standard of living with low income. In this direction the findings of the study reveals that the middle income group beneficiaries are having lowest social risk propensity and external locus of control which makes them prone to pay the credit, to safeguard and maintain the social status in spite of lack of capacity to pay. Therefore, it has resulted in the sale of owned asset to pay the dues by which an individual was deemed as of from middle income and the lack of it shifts him from middle to lower income, hence resulting a collapse of middle income category. Further the social atmosphere of the rich class in the state is such that they do not dare to take risk followed by middle and low Income group who prefer to work in trade, services etc. instead of capital formation. The joint impact of all these activities
together contributes to the lack of capital formation and development. Further, issuing unsecured loans will result in unaffordable debt trap leaving resources un-utilized which further gets worsened due to the closed business activities and the increased debt due to interest accumulation. Hence it increases the probability of scheme failure and possible adverse consequences in agri financing.

There is also very limited scope for large scale industrial development in the state. The small scale trade is running in huge accumulated loss and land holding agriculture is unable to meet the expectations of the state economy due to hilly terrains and small land size. Therefore under these prevailing conditions the growth and development is possible by investing in the actual potential of the state which are Tourism, Horticulture and Handicrafts. As Tourism is considered to be an economic bonanza as being a labour intensive industry, the scope of employment is varying vast. Further it requires very low level of investment and employments provided under this industry and are comparatively higher than many other industries. Horticulture industry in Kashmir is considered the bulwark of rural economy in the state. As more than 50% of temperate fruits in India are grown in the state. Lastly Handicrafts importance lies in the fact that it has enormous employment potential, it does not consume scarce resources, does not cause pollution and is environment friendly. The social cost benefit ratio, therefore of all investment in this sector goes up manifold. Hence the solution for the state lies in value creation and value addition rather than politically planned policies and schemes.

Further from lower Psychographic Propensity of beneficiaries and lower Effectiveness of Agri Financing (as identified in the study), leads to higher probability of adverse consequences like scheme failure and suicidal activities as evident from literature. Hence keeping overall scenario under consideration, it can be predicted that financing Agricultural start ups through the existing procedure would probably lead to the issues of credit wavier schemes, political interest through election manifesto for rehabilitation of Agri financing beneficiaries and lastly the students selecting courses having a higher capital subsidy which can deteriorate the overall education scenario.
6.3: Suggestions and Policy Framework

In view of the discussion and conclusion drawn thereof, the study provides an exclusive understanding about the Agri Financing scenario of the state. The study identifies lack of proper policy formulation and bottom up upliftment approach. Hence study identified the least scope for Agri business start up with financing intervention under prevailing socio-economic environment. Thus the main suggestion put forward in this regard is to invest in the actual potential of the state having a competitive advantage which includes Handicrafts, Horticulture and Tourism as 80% of population either have experience or are related through parental occupation. This is further reinforced through empirical findings and literature support that work experience and having a parent who is self-employed are more important than education or financial assets in predicting business start up success. Further regarding financing intervention for business start ups in general and Agri Financing in particular following suggestions have been put forth.

S1: Policy to Develop Entrepreneurial Culture

1. Attempt shall be made to impart due status to Agri entrepreneurship in society through, involving religious institutions from a social perspective, social media and local news papers through the publicity of success stories and introduce ‘Young Achievers’ Awards’ in agri business.

2. Entrepreneurial education can be imparted through following suggestions
   - Agripreneur development scholarship needs to be introduced so as to motivate the local population.
   - Junior achievement programmes like initiatives should be started and made mandatory for schools with potential.
   - Subjects like English, Urdu, Math’s etc should have business orientation for developing decision making skills, problem solving skills etc.
   - General knowledge should include facts related to corporate world as well.
   - In schools monthly programmes should be conducted regarding entrepreneurship.
   - At the secondary level Entrepreneurship and Business Studies shall be one of the optional subjects.
   - Business related course would be available at every college with sufficient intake.
S2: Policy to Prepare Agri Entrepreneurs through training

In the light of the study the results proposed that a training module need to be devised and implemented to have realistic expectations from Agri business and Agri financing intervention. The model will import most appropriate skills and information regarding agri business management under financing intervention. This shall include:

1. Agriculture department should make mobile teams to conduct programmes across higher secondary schools, colleges and university departments. These programmes would create awareness, provide expert guidance and help agri business to conduct their businesses with the help of interventions and in particular financing intervention.

2. Training through Shared Responsibility (Realistic Expectations from Agri Business). This shall act as second step in the overall training process after the intended beneficiaries approach for agri business and complete the initial procedures. It includes 30 day participatory involvement in intended agri and agri allied business at concerned Govt. departments like sheep husbandry, floriculture, apiculture etc. The main focus of this module shall be to impart best practices, process, procedures, methods, complexities maintenance and technological aspects about that particular business.

3. Farmer to Farmer Training (Realistic Expectations from Agri Financing Intervention). This module shall act as third step in the overall training process after the successful completion and understanding of business activities. The intended beneficiaries shall be subjected to 15 days training at the concerned existing successful business startup unit through financing intervention. The main focus shall include the use of Agri finance in most efficient and effective way with possible risk management techniques, Market orientation and distribution aspects and helps in develop social competencies.

4. Managerial Education
   - After gaining a considerable exposure about agri business and agri financing intervention, the beneficiaries shall be subjected to gain Agri Business Management Knowledge and information through subject experts and experts from the field. The training should cover Entrepreneurship Development and Agri-Business Plan, Cash Management, Marketing Management in Agri Business, Rural Marketing, Procurement, Commodity Markets, introduction to
Chapter 6:  

Findings, Conclusion, Suggestions and Implications

Commodity Exchanges, Futures Exchange and Risk Management, Warehouse Receipts and Collateral Management etc.

- Training intervention should include modifying producers’ Locus of Control using techniques such as skills instruction, feedback, modeling behavior rehearsal, social reinforcement and experiential education in various combinations.

- After the completion of final step the intended beneficiaries should be allowed to prepare their business plan and should be financed according to their business idea potential and feasibility.

**S3: Policy support for Business Growth**

- Policy makers should direct intervention programs so that farmers and existing agripreneurs can participate in program planning. The participation of the farmers and existing agripreneurs in planning, administering, and evaluating programs will enhance realistic approach so that policymakers shall have better informed about the needs of the agri business for effective economic development programs.

- Scheme implementation should be tested across the areas that are highly feasible and the areas that are least feasible, so as to identify the necessary modifications required in the varied conditions. Hence including the most favorable and the least favorable ones based on which the generalization could be made.

- The farm enterprise needs to be broadened through forward and backwards integration of the value chain by engaging food processing and direct marketing which will spread and diversify risk.

- Flexi loans with installment insurance needs to be introduced as rigidity has emerged as the most prominent factor in reducing effectiveness of Agri Financing Effectiveness.

- Professional degree holders should be motivated in areas having appropriate skill requirement, as beneficiaries with professional education have been identified with most appropriate skills for agri entrepreneurship.

- Performance credit should be introduced starting with the actual capacity of individual available at most convenient locations. This will protect the misuse
of money and focus on the production purposes with least external influence on decision locus. Otherwise readily availability of huge money makes beneficiaries prone to external influence in spending money on unproductive and personal expenses.

- From analysis it was observed that least number of startups belong to unorthodox businesses like floriculture, mushroom cultivation, apiculture etc as these businesses have emerged as most stable and profitable. Hence effort shall be made to encourage start ups in these agri allied businesses.
- Work experience and having a parent who is self-employed are more important in having minimum deviation between subjective expectations and objective reality of agricultural business and credit financing. Hence experience should be considered during start up financing.
- From lowest perceived usefulness it is revealed that financing intervention structure should not be generalized. As each business type need financing intervention structure with different set of conditions and according to the most appropriate needs of that particular business.
- Special efforts need to be made in the area of value addition businesses as it can consume local production with ease.
- Government should make efforts towards attracting venture capital and angel investors which can impart modernized technology, management and methods of production other than financial source. Further it can diversify the inherited risk of agriculture business.
- Proper feasibility analysis should be performed regarding the business avenues across rural and urban settings.
- Platform for cooperation among all the stake holders of agri business should be provided through infrastructure, regulation and information communication technology (ICT).
6.4: Policy Framework for Agri Financing Intervention

Figure 6.1 provides a policy framework through a holistic view of the above discussed suggestions. Suggestion 1 (S1) shall cover the issues related to policy interventions for socio cultural and behavioural issues so as to increase the individual propensity for Agri entrepreneurship. Suggestion 2 (S2) attempts to impart relevant knowledge and skills of Agri Business through appropriate policy interventions. Lastly Suggestion 3 (S3) shall provide policy interventions to support business growth.

**Figure 6.1: Policy Frame Work for Agri Financing Intervention**
6.5: Implications of the Study

The present study on Agri financing effectiveness is interdisciplinary in nature covering psycho demographic aspects of beneficiaries in Agri employment, with reference to Seed capital financing intervention. It is having significant contribution across disciplines, including credit perspectives of financing schemes, agricultural employment, risk and entrepreneurial aspects of agriculturists. Further, the study has its relevance in evaluation of the agri-financing schemes through qualitative dimensions like perceived usefulness, accessibility, flexibility and reliability of the said schemes. Therefore, in view of the findings and conclusions drawn from the research under consideration the implications are as follows.

(I) Public Policy Implications

The study brings out public policy implication with regard to the financing intervention in general and Agri financing in particular. These implications cover overall agri business framework which include evaluation and identification of target population propensity to start business in agriculture, knowledge; skills needed and policies to support business growth. Moreover, the study has two fold contributions in policy formulation as it provides a tool for evaluating risk factors related to agricultural credit financing in particular and credit financing in general and secondly it provides a methodology for evaluating the effectiveness. Hence evaluates individual from psychological perspective and scheme/policy from effectiveness perspective. At the end an attempt has been made to provide a sustainable financing policy framework with maximum benefits and minimum losses through a tradeoff between individual and policy aspects.

(II) Social Implications

The study is having social implications in evaluation, prediction and prevention of probable negative consequences of Agri financing within the prevailing socio economic conditions of the state. In doing so, the study identified higher probability of negative consequences to that of economic and psychological aspects that have been instrumental in pushing conventional and entrepreneurial agriculturists to adverse outcomes (like suicides in farming) and deterioration of socio-economic conditions of unemployed youth as identified and explained in the study. The research has significant economic implications in preventing the economic loss possible through scheme failure as study revealed a wide gap between the subjective expectations and objective
reality in Agricultural Financing. Hence reinforcing the probability of scheme failure in view of lower propensity to start business in Agriculture. Further the study can act as hedge against huge economic loss through debt waiver packages with embedded political interests.

(III) Conceptual and Academic Implications
The study has identified critical factors that can enhance or impede the effectiveness of Agri financing. Further the operationalization of variables has put a new orientation to the understudy variables and the model put forth is noble in combination hence added a considerable information in the relevant field of study and to literature. Moreover the study has attempted to present a new approach (DOSPERT) Domain Specific Risk taking and effectiveness evaluation through service quality factors that has been instrumental in adding originality to the present study with academic implication. The methodology of the present study is having implications in devising the research approach in general and particularly for agricultural psycho demographic studies. Further the study is having its contribution in instrument purification through reliability and validity using second order confirmatory analysis. Finally the instrument prepared can be generalized and used to carry research in different geographical areas and can assist other type of studies.

(IV) Managerial Implication
From a managerial perspective, there are several important implications which can be derived from the findings of this research. This study has its contribution in providing opportunity for banking sector to modify their products in accordance to risk the in agriculture. The study highlighted the need to align the objectives of the agricultural financing intervention schemes in line with the expectations of target beneficiaries. The managers under consideration should mull over the holistic scenario of the agri financing interventions and not a particular stage. Further, the financing should consider the sustainability aspect in analysing the possible adverse consequences like suicides as is evident in agricultural credit.
6.6: Limitations and Future Scope of the Study

The study has been undertaken in the light of the set objectives, for which research model was defined and validated before the results were analyzed. The coverage in terms of time resources available at our disposal a number of precautions were taken to increase the reliability of the present study, yet it was observed that there are certain limitations which should be given due consideration as identified below:

- Limitations of time, funds and willingness of the respondents restricted the sample size. Although this fact limits the generalizability of results, the researcher believes that it represents a necessary and economical first step in identifying useful concepts and relationships that can later be tested in larger, more representative samples in the Indian rural context.
- Conventional credit has not been considered in the study as only Agri allied entrepreneurial (employment) credit has been considered.
- The study was confined to the Agri financing beneficiaries’ behaviour in organized institutional credit, however specific role of bank as a separate agency was not examined.
- The present study has identified Individual as unit of analysis with utmost attempt to incorporate possible household characteristics. However study carries the limitation of not selecting household as a unit of analysis.
- The secondary data and respondent proportion across demographic factors was not homogeneous across the time span and sample respectively.
- India being a multilingual, multi-religious and multi-regional country, the sample drawn may not be representative of the entire Indian population and therefore, generalization has to be done with caution. The findings cannot be generalized to the country as a whole owing to socio-economic and cultural diversity.

The present research study has made utmost effort to cover all the aspects of the Agri Financing problems, however there remained some areas that remained outside the scope under set circumstances. Hence efforts have been made to identify and explore future research scope as identified below:
Since the study is cross-sectional in design, a further examination of our argument using a longitudinal study is recommended in the future to investigate the model in different time periods, which may strengthen the findings and eventually achieve statistical generalization. The research model was developed and applied for Agri entrepreneurs, however it can be further validated for conventional agriculture purposes. Moreover, additional hypothesized relationships in support of literature should be identified to improve the model’s ability of prediction and proposed model shall be used in assessment of schemes other than agricultural financing intervention. Also it would be valuable that future research should use other theoretical bases or different methodologies that would help to derive more predictions.

6.7: Chapter Summary

In summary, this chapter has provided a discussion and comparison of the relevant literature to the findings of this research. This study has theoretically conceptualized and empirically investigated the role of Psychographic Propensity for effective and sustainable effectiveness of Agri financing intervention schemes. This chapter has provided the summary of findings and conclusions drawn from the statistical analysis of the study. Further appropriate suggestions were formulated fallowed by policy framework regarding the effective implementation of Agri financing interventions. The comprehensive discussion of the results of this research established the contribution of this thesis to the existing body of knowledge and set out the resulting managerial implications. In developing the integrative model, this investigation makes a significant advancement, which provides noteworthy insight into the process of Agri Financing Intervention schemes.