

# Custom Hiring of Agricultural Implements

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Custom Hiring is an entrepreneurial activity by which an entrepreneur sells services as per requirement of the cultivators. This activity plays a pivotal role in introducing costly agriculture technologies like agricultural implements to ordinary farmers with an objective to boost crop production & improve quality of agricultural operations. This is a highly profitable venture as demand for this is growing rapidly due to short supply of manual labour.

## Entrepreneurial Opportunity

- A model custom hiring unit can be set up with implements like tractor (42HP) with attachments (2 set), Power Tiller (4 nos), Tiller (2 nos), Cagewheel (2 set), trolley (2 nos), Conoweeder (10 nos), Power Thresher (4 nos), Combine (1 unit) and 3HP Water Pumps with accessories (4 nos) with a total project cost of Rs. 43, 67, 280.
- Gross income from hiring of the implements mentioned above will be Rs. 31, 60, 200 per year with a net profit of Rs. 13, 25, 525 after repaying loan installments.
- Mechanization brings higher benefit to cost ratio to the farmers.
- Govt. subsidies up to 50% are available in selected agricultural implements.
- Break Even point of the hiring unit is achieved in between 2nd and 3rd year of operation.

## Salient Features

- The concept of agricultural mechanization is dynamic and situation specific.
- Custom hiring of agricultural implement provide round the year employment due to off-farm opportunity.
- It reduces the total time, input & labour in production.
- The custom hiring can reduce about 20% of the labour cost.
- Better management and maintenance of agricultural implements is possible.
- Due to increase it production, productivity and timeliness of operations they demand for custom hiring.



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