



Enhancing Agriculture Efficiency: The Rise of Agriculture Machinery Custom Hiring Centre

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Millions of people rely on agriculture as their primary source of food and income, and it is crucial to the economies of many nations. Farmers are under pressure to boost their output as the demand for agricultural products rises in response to the expanding global population. Large land holdings use a lot of mechanical power, which is still out of the budgets of small and marginal holdings, which make up about 80% of all land holdings in India. This is because small or marginal farmers are unable to buy agricultural machinery on their own or through personal loans due to their economic situation. Therefore, in order to bring farm machinery within the reach of small holdings, collective ownership or a custom hiring centre needs to be promoted in a big way. In this situation, the creation of Agricultural Machinery Custom Hiring Centres (AMCHCs) will be demonstrated, providing updated farming techniques and machinery on a low budget.

What is Custom Hiring Centre?

The Agricultural Machinery Customization Centre is an establishment that offers a wide range of agricultural machinery and equipment for rent to farmers. Though certain implements and equipment are crop-specific, traction units like tractors, power tillers, etc., self-propelled machinery like combine harvesters, threshing machinery like paddy threshers, wheat threshers, maize threshers, and plant protection equipment like sprayers and dusters, etc are used in common. Therefore, these gallops act as intermediaries, connecting farmers with advanced and specialised machinery without the obligation of ownership. By providing affordable rental, AMCHCs provide modern agricultural machinery to small and marginal farmers who may not have the financial means to purchase machinery. An ideal model envisaged in this project would comprise farm machinery that is commonly used for tillage operations for all crops, multi-crop equipment, and a minimum of crop-specific machinery.

Objectives

To make available various farm machinery and equipment to small and marginal farmers.



Figure 1: Different Types of Implements in CHC

Source: ([https://www.semanticscholar.org/paper/Custom-Hiring-Centre-\(CHC\)-for-Farm-Operations%3A-for-Khan-Pandey/332ab18553679d5be97626006f812b3244223aa9](https://www.semanticscholar.org/paper/Custom-Hiring-Centre-(CHC)-for-Farm-Operations%3A-for-Khan-Pandey/332ab18553679d5be97626006f812b3244223aa9))

- ✓ To offset the adverse economies of scale due to the high cost of individual ownership and improve mechanisation in places with low farm power availability.
- ✓ To provide hiring services for various agricultural machinery and implements used for different operations.
- ✓ To expand mechanised activities during cropping seasons in large areas, especially in small and marginal holdings.
- ✓ To provide hiring services for various high-value crop-specific machines applied for different operations.

Potential for Custom Hiring Centres

- ✓ As small or marginal holdings constitute 80% of total land holdings, the potential for CHC, which will cater to the farm machinery requirements of such a vast area, is quite huge.
- ✓ In recognition of this potential, the Government of India has envisaged an increase in farm power availability from the present level (0.93 to 2 kw/ha) during the 12th plan period. The Sub Mission on Agricultural Machinery (SMAM) is one such initiative towards this objective.
- ✓ Subsidy schemes are also being formulated to encourage entrepreneurs and agricultural graduates to set up custom hiring centres.
- ✓ Therefore, keeping in view the emphasis on agricultural farm machinery and the need to bring farm machinery within the reach of small and marginal farmers, institutional credit needs to be made available for CHCs.

Opening a custom hiring centre for agricultural machinery involves several steps. Here is a general guide to help you get started:

- ✓ Conduct market research: Conduct market research to assess demand for agricultural machinery services, identify needs, preferences, and machinery types according to demand and competition among local farmers, and enable customised services.
- ✓ Develop a business plan: Develop a detailed business plan outlining your custom recruiting centre's goals, target market, services, pricing, marketing, and financial projections to attract funding and partners.
- ✓ Secure funding: Determine financial requirements for a custom hiring centre, explore funding options, and create a detailed financial plan with startup costs, working capital, and revenue streams.
- ✓ Obtain necessary permits and licences: Research local regulations, obtain permits, licences and certifications for custom rental centres, and ensure they meet regulatory and environmental requirements.
- ✓ Acquire machinery inventory: Explore a variety of farm equipment options, including general purpose and specialty equipment, and decide whether to buy, lease, or partner with manufacturers or dealers.
- ✓ Establish infrastructure: Create a customised rental centre infrastructure that includes a convenient location, machine storage, maintenance, office functions, easy accessibility, fuel storage, parking, and equipment maintenance.
- ✓ Hire and train staff: Recruit skilled workers to custom recruitment centres, including mechanical, administrative, and marketing centres, and provide training in machine operation, maintenance, safety, and customer service.
- ✓ Develop marketing and promotion strategies: Promote the custom recruiting centre with marketing strategies, attracting customers through online platforms, social media, local advertising, and collaboration, emphasising savings, modern equipment, and expert support.

- ✓ Provide excellent customer service: Provide exceptional customer service to build trust and long-term relationships with farmers. Provide quick machine rental, help with equipment selection, timely maintenance, and a quick response to questions that encourage positive references.

Please note that specific requirements and processes may vary depending on your location and local regulations. Consultation with relevant authorities, business advisors, or industry experts is recommended to ensure compliance and benefits.

Conclusions

Agricultural machinery custom hiring centres have revolutionised the industry by giving farmers access to costly and advanced farming implements and expert support. AMCHCs improve farming efficiency, boost productivity, and provide all essential and costly implements at a low cost. AMCHCs also provide all implements in peak season for a short time.

References

1. Derived from online 2020: [https://www.semanticscholar.org/paper/Custom-Hiring-Centre-\(CHC\)-for-Farm-Operations%3A-for-Khan-Pandey/332ab18553679d5be97626006f812b3244223aa9](https://www.semanticscholar.org/paper/Custom-Hiring-Centre-(CHC)-for-Farm-Operations%3A-for-Khan-Pandey/332ab18553679d5be97626006f812b3244223aa9)